



LIBRARY
OF THE
UNIVERSITY
OF ILLINOIS

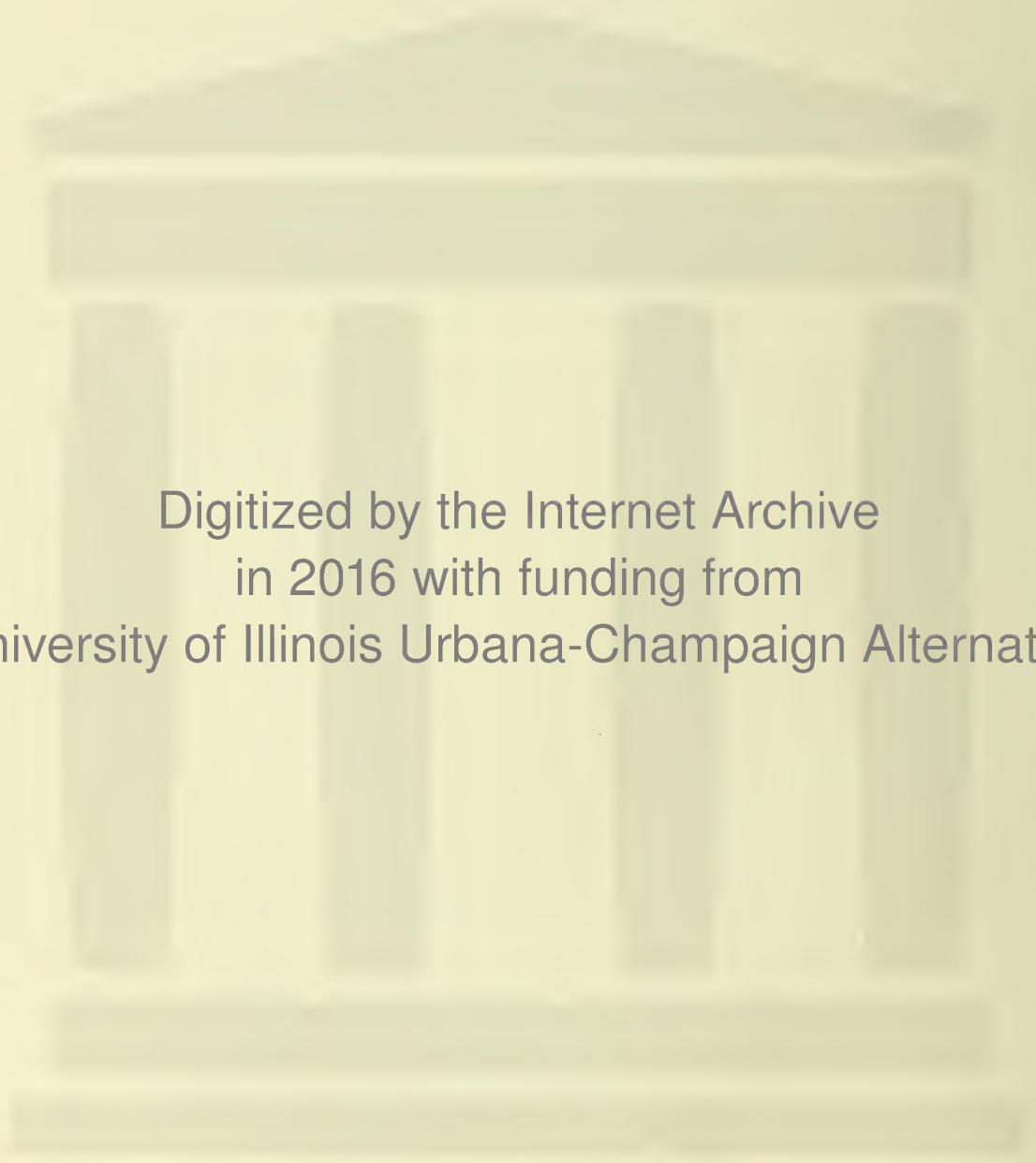
368.05

MAW

v. 85-86

RICHARD EVAN,
Blank Book Manufacturer,
PAPER RULER AND PRINTER
90 WILLIAM STREET,
NEW YORK.





Digitized by the Internet Archive
in 2016 with funding from
University of Illinois Urbana-Champaign Alternates

<https://archive.org/details/chronicle8586unse>

The Chronicle.

1866

Published by THE CHRONICLE COMPANY, Ltd., 90 William St., New York City.

1910

VOLUME LXXXV.

New York, January 6, 1910.

NUMBER 1

1860 49th YEAR 1909

HOME LIFE

Insurance Company of New York.

GEORGE E. IDE, President.

Assets	\$21,708,901.70
Liabilities	\$20,471,723.76
(Including Deferred Dividend Fund)	
Dividend Endowment Fund	\$1,970,463.00
(Deferred Dividends)	\$1,237,177.94
Net Surplus	\$68,368,244.00
Insurance in Force	

The Record for 1908 shows the following GAINS:

Insurance in Force	\$2,174,947.00
Assets	\$1,704,048.00
Deferred Dividend Reserve	\$175,443.00
Contingency Reserve (Surplus)	\$467,742.51

Germania Fire

INSURANCE CO.,

NEW YORK.

ORGANIZED 1859.

Cash Capital	\$1,000,000.00
Assets	\$5,874,016.00
Net Surplus	\$1,509,442.33
Surplus for Policyholders	\$2,509,442.33

HEAD OFFICE:

Cor. William and Cedar Streets.

MANY GOOD PLACES

are waiting for the

RIGHT MEN

Much desirable territory is unoccupied, ready for men who can demonstrate their capabilities. Policy plans recently revised, thoroughly in accord with new laws, with reasonable premium rates and liberal values and rights.

ARE YOU ONE OF THEM?

Union Mutual Life Ins. Co.

PORTLAND, MAINE.

FRED. E. RICHARDS, President.

Address: EDSON D. SCOFIELD, Supt.,
180 Broadway, New York City.
either: THORNTON CHASE, Supt.,
84 Adams St., Chicago, Ill.

HOME OFFICE OF THE

Metropolitan Life Insurance Company

(INCORPORATED BY THE STATE OF NEW YORK, STOCK COMPANY)

The Company OF the People, BY the People, FOR the People

PROOF OF PUBLIC CONFIDENCE.

This company has more premium paying business in force in the United States than any other company, and for each of the last 15 years has had more New Insurances accepted and issued in America than any other company.

The number of Policies in force is greater than that of any other Company in America, greater than all the Regular Life Insurance Companies put together (less one), and can only be appreciated by comparison. It is a greater number than the Combined Population of Greater New York, Chicago, Philadelphia, Boston, St. Louis, Cleveland, Cincinnati, San Francisco, Pittsburg, Baltimore, New Orleans and Buffalo.

Assets.

United States, City and R. Bonds and Stocks	\$99,630,935.56
Bonds and Mortgages	90,795,319.02
Real Estate	22,444,627.78
Cash	4,775,988.79
Demand Loans on Collateral, Loans to Policyholders	2,192,702.00
Prem. deferred and in course of collection (net)	8,966,362.78
Accrued Int., Rents, etc.	5,300,922.97
Total	2,820,502.29
Total	\$236,927,361.19

Liabilities.

Reinsurance Fund and Special Reserves	\$208,134,891.00
All other Liabilities	6,669,563.07
Capital and Surplus	22,122,907.12
Total	\$236,927,361.19



Largest Office Building in the World—
Madison Ave., Fourth Ave., 23d St.
and 24th St., New York City.

THE DAILY AVERAGE OF THE COMPANY'S BUSINESS DURING 1908:
441 per day in number of Claims Paid.
6,343 per day in number of Policies placed and paid for.
\$1,202,352.87 per day in New Insurance placed and paid for.
\$166,633.89 per day in Payments to Policyholders and addition to Reserve.
\$126,996.37 per day in Increase of Assets.

OFFICERS.

John R. Hegeman	President
Haley Fiske	Vice-President
George H. Gaston	2nd Vice-President
George B. Woodward	3rd Vice-President
Frank O. Ayres	4th Vice-President
James M. Craig	Actuary
Frederick H. Ecker	Treasurer
Walter Stabler	Comptroller
James S. Roberts	Secretary
John R. Hegeman, Jr.	Asst. Secretary
J. J. Thompson	Assistant Secretary
T. R. Richardson	Assistant Secretary
E. F. Taylor	Assistant Secretary
Frederick A. Betts	Assistant Secretary
George C. Penhallow	Assistant Secretary
Stewart L. Woodford	Counsel
Thomas A. Willard, M. D.	Med. Director
Augustus S. Knight, M. D.	Med. Director
W. S. Mannors, M. D.	Asst. Med. Director
E. M. Holden, M. D.	Asst. Med. Director
D. M. Gedge, M. D.	Asst. Med. Director
L. J. Cahen	Manager Ordinary Dept.
Lee K. Frankel, Ph. D.	Mgr. Indus. Dept.
Jacob Chadeaync	Mgr. Intermediate Dept.
Chas. G. Reiter	Asst. Actuary
James C. Brown	Asst. Actuary
James D. Craig	Asst. Actuary
Raymond V. Carpenter	Asst. Actuary

Paid to Policyholders since Organization, plus the Amount now invested for their Security, \$470,366,769.36.
Number of Policies, in Force, Dec. 31, 1908, 9,960,106. Total Outstanding Insur. Placed and Paid For, Dec. 31, 1908, \$1,861,890,803.

In its Ordinary Department policies are issued for from \$1,000 to \$1,000,000 on individual lives, premiums payable annually, semi-annually and quarterly. In its Industrial Department policies are issued on all the insurable members of the family for weekly premiums.

Full particulars regarding the plans of the Metropolitan may be obtained at its Home Office, 1 Madison Avenue, New York City, or of its Agents in all the principal cities of the United States and Canada.

UNITED SURETY COMPANY

BALTIMORE, MD.

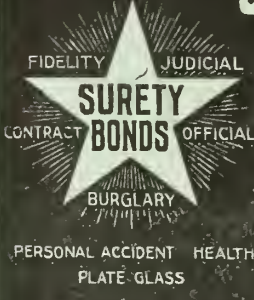
HENRY G. PENNIMAN PRES.

JOHN B. MURPHY,

Resident Vice-President.

84 WILLIAM STREET - - NEW YORK

Telephone, John 1770 - 1771.



Royal Exchange Assurance

OF LONDON.

Incorporated by Royal Charter A.D. 1720.

UNITED STATES OFFICE:

92 William Street * * * New York City

UBERTO C. CROSBY, General Manager.

RICHARD D. HARVEY. Assistant General Manager.

NOTEWORTHY ADVANCE.

The BERKSHIRE LIFE Insurance Company,

OF PITTSFIELD, MASSACHUSETTS,
takes an advanced step in the interest
of the policyholder by the adoption of
the following liberal features in its new
policy contract:

Low premium rates.

Large surrender values.

Dividends at the end of each policy
year.

Thirty-one days of grace in payment
of all premiums after the first year.

Paid-up insurance or cash surrender
value or extended insurance after two
years' premiums have been paid.

Loans for the full cash surrender
value.

Policy payable in one sum or in instal-
ments for terms of years.

Policy incontestable, and no restric-
tions upon residence, travel and occupa-
tion, after the first policy year, except as
to military or naval service in time of
war.

Right of the insured to change the
beneficiary.

Liberal re-instatement privileges.

Every effort has been made to make
this new policy the very perfection in a
life insurance contract.

For further information apply to
JOHN H. ROBINSON, General Agent
For New York and New Jersey,
Postal Building,
253 Broadway, NEW YORK.

The Northwestern Mutual Life Insurance Co. of Milwaukee

GEO. C. MARKHAM, President
A. S. HATHAWAY, Secretary



New Business Paid-For

1905		\$ 90,334,038
1906		93,563,452
1907		102,233,634
1908		109,773,709

Each year larger than any in the previous
history of the Company.

Commenced Business 1858

INSURANCE MEN will note the significant in-
crease in The Northwestern's new business dur-
ing the past four years.

IMPORTANT FACTS relating to this business
are shown by the following percentages:

	Expenses	Mortality	Interest
1905	12.15	67	4.73
1906	11.76	59	4.72
1907	11.81	58	4.76
1908	10.76	59	4.84

It is capable of easy demonstration that The North-
western is the best Company to insure in.

See The Northwestern's policy contract with its
Dividend Options, Paid-up and Endowment Options,
Options of Settlement and the Premium Loan feature.

Issues Partnership and Corporation Insurance.

For further information or an Agency, address

H. F. NORRIS,
Superintendent of Agencies.

368.05
MHW
v.85-86

The Chronicle

VOLUME LXXXV.

NEW YORK, THURSDAY, JANUARY 6, 1910.

NUMBER 1

ALFRED B. DAWSON, President.
R. B. Dawson, Treasurer. Chas. D. O'Brien, Secretary.
Emil Schwab, Manager New England Department,
178 Devonshire Street, Boston, Mass.

All communications should be addressed to and remittances should be made to The Chronicle Company, Limited.
Entered at the Post Office, New York, N. Y., as Second Class Mail Matter.

PUBLISHED EVERY THURSDAY BY
THE CHRONICLE COMPANY, Limited.
No. 90 WILLIAM ST., NEW YORK.
Phone "567 John." Cable Address, "Chronogram," New York.

Subscription Price:
Three Dollars a Year. Single Copies, Twenty-five Cents.
Postage Prepaid in the United States and Canada.

The Road of Folly.

Ever since the so-called hotel excise law of the State of New York went into effect it has been a standing temptation and invitation to that instinctively adventurous element of human nature which develops gamblers and ends with criminals. Quick to see a chance, the powers which prey on the criminal elements of the liquor trade have played their game of "both ends against the middle"—the saloon-keeper and the State being the "ends," and the bondsman the "middle." And the bondsman in the middle gets the battering from both sides. Particularly fierce has this fighting been in regard to excise business.

Beginning with the operation of the law, some ten years or more ago, there has been more or less painful growing pain development incident to childhood, such as whooping cough and croup and measles and mumps. And each of the surety companies that have "went in" to win out have retired wiser than before.

"The Chronicle" has consistently pointed out the absurdity of excise business being measured and weighed by underwriting methods. Harsh language has possibly and excusably been employed. Some private and personal antagonisms and animosities have been engendered.

Now comes the verification and the vindication of all and infinitely more by an hundredfold than anything "The Chronicle" has ever said in an article in the New York "American," published by William R. Hearst, of last Sunday.

Make-Up of the Committee of Fourteen.

"The Chronicle" quotes only such parts of the article as fit the subject of suretyship and which it can verify. As an introductory it is probably best

to follow Kipling and quote things "as they are." In this course comes a letter from the Committee of Fourteen, which is made up of representatives as follows, and is a force that must be reckoned with:

The Rev. Dr. John P. Peters, rector of St. Michael's Protestant Episcopal Church, chairman.

Francis Louis Slade, treasurer.
Henry L. Stimson, formerly United States District Attorney.

Mrs. William H. Baldwin, Jr.
Congressman William S. Bennett.
The Rev. Lee W. Beattie, superintendent of Dr. Parkhurst's Church House in Madison avenue.

The Rev. William Adams Brown, of the Union Theological Seminary.
Professor Francis M. Burdick, head of the law department of Columbia University.

Mrs. Frances A. Kellor, member of the State Immigration Commission.
Edward J. McGuire.

Rabbi H. Periera Mendez, of the Central Park West Jewish Temple.
George Haven Putnam, publisher.
Isaac N. Seligman, banker.
Mrs. V. G. Simkhovitch.

The Committee's Fight.

This committee has made a long, and at times, hopeless, fight. In addition to personal and press efforts it has gone after the consciences of the church-member stockholders of high degree. For instance, here is a self-explanatory letter sent to one of the bonding companies a couple of months ago by Dr. Peters:

New York, Oct. 26, 1909.
To the Directors of the Title Guaranty and Surety Company, Scranton, Penn.:

Gentlemen—On August 21, 1909, a letter was addressed to your president asking the co-operation of your company in this committee's effort to suppress the dives of this city. You were asked to join with the other surety companies in refusing to grant the bond necessary for a liquor license to disorderly resorts.

Enclosed are extracts from the re-

plies received from officers of other companies and a statement of the outcome, together with a letter addressed to the same companies.

From your company a non-committal answer was returned. Shortly thereafter it was rumored that your company would underwrite the dives. Thereupon the agent of the Bankers' Surety Company, formally notified our executive secretary that he would not keep his promise, but would enter into competition with your company for the business. Upon request, he promised not to act until the day following that if possible a change of policy by your company might be secured. Your New York agent, Mr. Williams, was seen and the officers of your company in Scranton were appealed to by long distance, without effect. Your company proceeded to underwrite the dives, the Bankers' Surety Company entered into competition with you to secure their custom, thus to a considerable extent neutralizing and nullifying the attempt made to improve conditions and suppressing and fostering the infamous vice this committee is endeavoring to suppress.

It is extremely difficult to believe that such action should have the support of the board of directors. And we have confidence that with an understanding of the facts you will so place yourselves on record that the mistake may never again be repeated by any company.

(It must be understood just here that this communication was supplementary to a full knowledge on the part of the addressee as to the intent and purport of the addressor.)

Replies to This Letter, Significant.

The extracts from the replies to this letter are appended, after which comes the deluge:

From Vice-President Stryker of the American Bonding Company:

"This company has persistently refused to execute bonds for certain well known places in your city, though offered on most advantageous terms.

(Continued on Page 14.)

1106528

A VICTORY FOR HUMANITY AND THE METROPOLITAN.

The Appellate Division, Third Department, has handed down a decision reversing the Superintendent of Insurance and upholding the right of the Metropolitan Life Insurance Company under its charter to purchase land for sanitarium purposes. This is a great victory, not merely for the Metropolitan itself and for all life insurance companies, in that it adjudicates their rights under the statutes, giving them much broader powers in regard to the purchase of real estate than had previously been allowed, but also a great victory for humanity, in that it opens the door for the activities of the companies to whatever extent it may be deemed wise and desirable for them to act, in the matter of contributing directly to the increase in the longevity of the people.

The following is a portion of the text of the decision bearing upon the powers of life insurance companies under the statutes of the State of New York, in the matter of investments and real estate for the purpose of their incorporation:

"The humane and praiseworthy purpose for which the company seeks to purchase and occupy the real estate does not call upon or permit us to do violence to the language of the statute. Our only duty is to gather from its four corners the fair spirit and meaning of the language employed.

"The real estate now sought to be purchased is to be built upon and actually occupied and used by the company itself for the purpose of caring for and treating those of its employees who are afflicted with tuberculosis.

"The application having been denied solely for want of power, we refer to the petition for the facts which indicate that this real estate is requisite for the company's convenient accommodation in the transaction of its business.

New Relations of Employer and Employees.

"The duties of the employer to the employee have been enlarged in recent years, and are not merely that of the purchaser of the employee's time and service for money. The enlightened spirit of the age, based upon the experience of the past, has thrown upon the employer other duties, which involve a proper regard for the comfort, health, safety and well-being of the employee. A corporation may not only pay to its employee the actual wage agreed upon, but may extend to him the same humane and rational treatment which individuals practice under like circumstances. It must do this in order to get competent and effective service. We see corporations pensioning old

and infirm employees, establishing benefits for the sick and disabled, permitting regular vacations with continuing pay, aiding in sickness, and doing many humane and praiseworthy acts which formerly might have been questioned as not fairly within the powers or duties of the corporation. These acts are not to be defended upon the ground of gratuity or charity, but they enter into the relation of the employer and employee, become as it were a part of the inducement for the employee to enter the employment and serve faithfully for the wage agreed upon, and become a part of the terms of employment."

"RELiance REMOVES HANDICAP."

The change of the Reliance Life to a Modified Preliminary Term method of valuation is not without interest to the fraternity. To the best of our knowledge the Reliance is the only company organized in recent years to put up the full first year's reserve on all policies written, the reserve being according to the highest standard, i. e., 3 per cent. The idea had its advantages but in reality was a handicap and the management has very wisely selected a method of valuation which is nearer in conformity with the present plan of transacting business. Theoretically all of the older companies, or a large majority of them, put up the reserve for the first year, but in reality they don't. In other words it has for years been simply a method of bookkeeping. Income from renewed business has enabled companies to continue a method long obsolete in actual practice. The step of the Reliance is not one of retrogression. The company is as strong as ever, and its business was never more successfully conducted. — "Insurance World," December 28, 1909.

This is not the only company which is now abandoning an unwise system of valuation that has proved a serious handicap to its progress and prospects of success. It is, however, perhaps the most significant and valuable of the experiences of this character, because the Reliance started out with a very large paid-in surplus and with better prospects for success, notwithstanding this handicap, than most other companies; and consequently it was possible for actuaries of standing to advise that success might nevertheless be achieved. The total cost in diminution of paid-in surplus and in interest on invested capital, has been fully a round million dollars, much of which would not have been incurred had there been that reasonable guide ever present before the management, as to the amount which could safely and profitably be paid for new business, which the modified preliminary term method or the select and ultimate method always presents.

The American Life Insurance Company of Tampa, Fla., which has done

an excellent business, both in its ordinary and in its industrial departments, and in both cases at very reasonable cost, also abandons on January 1, 1910, after giving it five years trial, a level premium method of valuation. The method which it has been imposing upon itself was even more severe than the usual net level premium method, being the Walter C. Wright scheme, under which a much larger reserve was charged in the earlier years than under the net level premium method. This it abandons by applying the select and ultimate methods to the existing business in the ordinary department and the New York or Massachusetts standard for the industrial business, and writing its policies hereafter, so as to call for modified preliminary term valuation.

ANNOUNCEMENT.

Raymond B. Warren, only son of the late Thomas A. Warren, for more than twenty years connected with the "Insurance World," of Pittsburg, has entered the employment of "The Chronicle" as field representative.

The proposed organization of the Western Casualty Company—capital \$500,000—at Denver, has been definitely abandoned.

NATIONAL LIFE

Insurance Company.

MONTPELIER, VERMONT.

Established in 1850.
Operating in 36 States.

JOSEPH A. DE BOER, President.

FRED A. HOWLAND, Vice-President
JAMES B. ESTEE, 2nd Vice-President
OSMAN D. CLARK, Secretary
H. M. CUTLER, Treasurer
A. B. BISBEE, Medical Director
C. E. MOULTON, Actuary

This Company held January 1, 1909, and gained during the past decade:

ASSETS . . .	\$44,026,069.73
GAIN, 173 PER CENT	
SURPLUS . . .	\$5,279,925.70
GAIN, 174 PER CENT	
INSURANCE . .	\$155,755,039.00
GAIN, 93 PER CENT	

**Absolute Security and
Economy of
Management**

VARIOUS RESULTS OF DECISION IN MUTUAL RESERVE RECEIVERSHIP.

In the last issue of "The Chronicle" a brief statement appeared concerning the opinion of Judge Ward, of the United States Circuit Court, upon claims for preference against the assets of the Mutual Reserve Life Insurance Company, in the hands of receivers.

The decision was briefly as follows, viz.: Against certain assets which were held to have been in trust for assessment policyholders, assessment death claimants are given a preference, and for whatever portion of their claims is not thus paid they are also held to have a first claim, together with legal reserve death claimants, against the remaining assets. This will probably see all death claimants paid in full, or very nearly so.

It is held that the legal reserve policyholders are, for the amount of their reserves, in the position of members of the company, and, therefore, not entitled to be considered as on an even basis with general creditors; so that, if this decision is adhered to, the living legal reserve policyholders will not receive anything on account of their claims.

As to Expense Treated as Two Companies.

The thing about it, which is of especial interest to all life insurance men, is that the money, paid in by legal reserve policyholders, is held by the court to have been properly subjected by the master in chancery to the deduction of all payments made on account of such policies in the form of death claims, surrender values, dividends, &c., and of all payments for expenses which could by any possibility be traced to the new business of the company after it was reincorporated and commenced a legal reserve business. This did not stop with charging against the legal reserve funds the commissions, medical examination fees and similar expenses, or even the cost of maintenance of branch offices, but extended, also, according to the final decision of Judge Ward himself, to refusing to divide the remaining expenses after such an apportionment had been carried as far as the master in chancery considered that it could be carried, in proportion to the amount of insurance in force in the two departments.

Two Departments Should Have Been Separate.

Judge Ward also held that the company should have kept these departments entirely separate from the beginning, as to their receipts and expenditures, and also as to the investment of their assets, and that fail-

ure to do this had rendered it impossible to trace the legal reserve premiums into the assets in such manner as to give any right to preference.

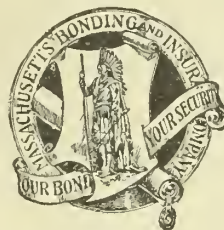
Under the decision that legal reserve policyholders are members of the corporation and not outside creditors, which many lawyers consider will certainly be held by all the courts, it will probably not be profitable to litigate further concerning the other matters. The decision, as it stands, will perhaps give all the death claimants a settlement in full, so that the legal reserve death claimants under these circumstances cannot afford to fight longer as to the main issue and the living legal reserve policyholders cannot afford to do so if they are certainly defeated on the other ground.

Reserves Should Be a Trust Fund.

It appears, therefore, that this decision is and must be a serious warning to all who are engaged in managing assessment or fraternal societies which have created new classes of members with adequate premiums and for whom there should be accumulated adequate reserves. Probably the only protection in such societies, when they have not reincorporated as stock companies would be to make the reserves or all the contributions of the new class a trust fund, either explicitly or by implication, as by maintaining a complete separation of the two classes and providing definitely that one should not be liable for the losses in the other. The decision also indicates plainly the perils which attend the purchase of policies, even when sold with adequate premiums and presumably with adequate reserves, when any portion of the society's business remains on a basis of inadequate premiums and inadequate reserves; for it appears that the surplus contributions of the former class may be devoted to the payment of liabilities in the latter class; or if so devoted, may be so applied in event the society is wound up in insolvency proceedings.

OUR BOND—YOUR SECURITY.

T. J. FALVEY, President. JOHN T. BURNETT, Sec'y & Treasurer.



Massachusetts Bonding and Insurance Co.

Organized under the Laws of the Commonwealth of Massachusetts.

Home Office, 77-81 State Street, Boston.
Capital\$500,000.00
Surplus\$250,000.00
SURETY BONDS and BURGLARY and THEFT INSURANCE.

All securities valued as of Dec. 31, 1907.

FOUNDED 1792

116th ANNUAL STATEMENT

INSURANCE COMPANY OF NORTH AMERICA. OF PHILADELPHIA, PA.

	January 1, 1908.
Real Estate	\$ 399,138.75
First Mortgages on Real Estate	467,983.48
New York, Boston, Montreal and other City and State Loans	784,346.99
Pennsylvania, Philadelphia and Erie, Lehigh Valley, and other Companies' Bonds and Stocks	7,268,881.40
Cash in Bank and Bankers' hands	1,045,774.76
Notes Receivable, and Unsettled Marine Premiums ..	341,838.34
Net Cash Fire Premiums in course of Transmission ..	946,818.70
Accrued Interest, and all other Property	35,335.

Total Assets\$11,290,121.11

LIABILITIES.	
Capital Stock	\$ 3,000,000.00
Reserve for Re-Insurance ..	6,351,346.39
Reserve for Losses	777,100.00
All other Liabilities	71,717.15
Surplus over all Liabilities ..	1,039,957.57

\$11,290,121.11

CHARLES PLATTPresident.
EUGENE L. ELLISON, Vice-President.
BENJAMIN RUSH...2nd Vice-President.
GREVILLE E. FRYER...Sec'y and Treas.
T. HOUARD WRIGHT.....Ass. Sec'y.
HENRY W. FARNUM.....Marine Sec'y.
JOHN O. PLATT.....Assistant Sec'y.

Agencies in all Prominent Cities & Towns.

The Best, Safest, Most Liberal and Most Equitable Forms of Policy Contracts are issued by the

JOHN HANCOCK MUTUAL LIFE INSURANCE CO. OF BOSTON, MASS.

ROLAND O. LAMB, President.

WALTON L. CROCKER, Secretary.

Issues the Most Perfect Forms of Life, Endowment, Instalment and Term Policies. Greatest Sellers in the Market.

LIBERAL CONTRACTS TO THE RIGHT MEN.

ROBERT K. EATON, Supt. of Agencies, Boston.

WILLIAM N. COMPTON, General Agent, Metropolitan District
St. Paul Building

220 Broadway, New York

"LIFE INSURANCE REFORM IN NEW YORK."

A Timely, Temperate and Impartial Review of the Operation of Companies Under the Armstrong Laws.

William H. Price, Ph. D., Deputy Commissioner of the Wisconsin Bureau of Labor and Industrial Statistics, and a professor in the University of Wisconsin, has contributed to the American Economic Association a review of "Life Insurance Reform in New York," which is printed as the December, 1909, quarterly publication of the association, and may be had upon payment of seventy-five cents on application to the American Economic Association, Cambridge, Mass.

Most of the Evils Corrected.

The conclusions of the author are indicated by the following general statement, with which the preface to the book opens:

It is fortunate that the combined effect of legislation and of internal reforms in New York life insurance companies has been to correct most of the evils which all candid observers agree existed a few years ago, so that the criticisms necessarily directed toward certain companies in the introduction to this monograph are no longer applicable.

The following closing words of the preface indicate also the determination of the author to protect his judgment from being influenced by partisan arguments.

To preserve this point of view, I have resisted every temptation to consult those actively interested in any capacity in insurance matters. For helpful criticisms of my work, however, I am under obligations to Professor F. W. Taussig, of Harvard University, to my colleague in the University of Wisconsin, Professor W. A. Scott, and to my wife.

Conditions in the New York Department.

The introduction to the book opens with a criticism of conditions relative to the New York Insurance Department.

Its insurance department, older than any except that of Massachusetts, had never gained the reputation of being a vigilant critic or a staunch champion of honesty and equity in company management. The office of Insurance Superintendent has been political, often in the worst sense of the word; the traditional attitude of the department toward companies has been a timid one; and an inadequate clerical staff has hitherto encouraged superintendents to content themselves with ascertaining the solvency of companies, rather than to probe into, and expose, errors of judgment or even intentional wrong-doing on the part of those in control of companies. The situation has been particularly unfortunate since the New York department is the official sponsor for a group of companies transacting nearly

one-half of the life underwriting of the country, and including the four largest life companies in the world.

The Work of the Armstrong Committee.

The following is the author's brief estimate of the work of investigation performed by the Armstrong Committee:

The report of the Armstrong Committee contains the evidence of the most thorough investigation of life insurance companies that has ever been undertaken. It showed that the New York City companies had all been guilty of extravagant outlays in the wild rush for new business, though some small companies had a plausible excuse in the strenuous competition that they had been obliged to meet; that the business which had been purchased with such high rates of commission was miserably non-persistent, the lapse rate being very high; that rebating and consequent discrimination, was rampant; that the cost of new business, owing to exorbitant commissions, was far in excess of the provision for expense contained in the initial premium, and that, accordingly, such large sums were being appropriated out of the surplus accumulated by the old policyholders as to leave no hope of their adequate reimbursement through the accession of new and healthy risks; that, in addition to the diminution of dividends resulting from costly and unremunerative expenditure for new business, dividends were still further reduced in all but one or two of the New York City offices in various ways—by unwarrantably high salaries for useful

and useless officers, by the sacrifice of good rates of return on investments for the sake of aiding trust companies and other financial institutions and projects in which the officers and directors of the life insurance companies were interested, and by extraordinarily heavy outlays for dubious legal and political purposes. The questionable financial transactions were concealed by vague and false entries, defective annual reports, perjury, and rare and improper examinations by the State Insurance Department.

Various Sections of the Laws Considered.

The author finds many things to criticize in the law relating to the election of directors in mutual companies, both from the standpoint of its practicability and its cost.

He thinks that Section 36, prohibiting officers and directors "receiving compensation for negotiating loans" is wise, but that it perhaps does not go far enough. The provision that salaries in excess of \$5,000 must come before the directors for authorization of the payment of same, is praised, as also is the provision concerning publicity of legislative and political expenses. The publicity provisions and the provisions for triennial examinations are all found to be desirable, as also the removal of the restrictions upon loans on real estate, which previously could be made only on property within the State of New York, or

Different plans have been inaugurated to influence people to take insurance on their lives. Some thought it possible to influence them by advertising, others planned to induce them to take insurance by the mail order route, but after a number of years experience with the Public, I am convinced that the only possible way to convince the man that he should protect himself and family with life insurance is by the persistency of life insurance agents.

Most men protect their property and business from fire and a large majority of our business men carry casualty insurance of various kinds, but very few or none insure their brains (the most valuable asset they possess). As an evidence of this the increase of insurance in force in the last twenty years in all companies has not kept pace with the increase in population of the United States.

All companies want agents, and it is useless to say to you that the Philadelphia Life would like you to represent them in your section. Write Perry to-day for contract.

BONDS OF SURETYSHIP.

The Guarantee Company of North America.

HEAD OFFICE, MONTREAL.

THE OLDEST AND LARGEST IN AMERICA.

President, EDWARD RAWLINGS.
Sec'y and Treas., RICH'D B. SCOTT.

Paid-up Capital and Re-sources\$1,817,612
Claims Paid to Employers.....\$2,165,964
No Claims In Suit.

BRANCH OFFICES:

NEW YORK: 111 Broadway,
D. J. TOMPKINS, Secretary.
BOSTON: 114 Milk Street,
W. A. HAMILTON, Agent & Att'y.
CHICAGO: Room 400, The Temple,
J. R. PRUYN, Resident Sec'y & Att'y.
PHILADELPHIA: 500 Arcade Bldg.,
W. H. JACKSON, Res. Sec'y.
PITTSBURGH: 1120 Farmers B'k Bldg.,
E. R. MUNRO, Resident Secretary.

within a small radius of New York City. The provisions concerning investments in local public securities is also praised, and no fault is found with the prohibition of participation and underwriting or with the prohibition of investment in stocks and collateral trust bonds.

Like many others, the author is somewhat at a loss to understand why the standard policy law should have been repealed and standard provisions employed instead, especially in view of the attitude of several New York companies, which was that the standard forms were deemed an advantage in the field.

Endorses Select and Ultimate Method.

One of the most interesting portions of the study is that which is devoted to "valuation." The effect of net level premium valuation is carefully and accurately stated, and the fact is fully brought to light that it requires a reserve very considerably higher than will be necessary for complete solvency, unless, of course, the company has based its surrender values upon the legal reserve.

The select and ultimate method is carefully described, and all the information which is at hand concerning the ratio of mortality during the period of selection to ultimate mortality is collected and compared with the result that the author concludes that the basis which is used in the present New York law is very conservative and that the following ratios will be nearer the fact:

50 per cent. of the ultimate the first year.

65 per cent. of the ultimate the second year.

70 per cent. of the ultimate the third year.

75 per cent. of the ultimate the fourth year.

80 per cent. of the ultimate the fifth year.

85 per cent. of the ultimate the sixth year.

90 per cent. of the ultimate the seventh year.

95 per cent. of the ultimate the eighth year.

The following are the closing sentences of this section:

Inasmuch as the select and ultimate method adopted in New York is only a **minimum** standard of solvency, it has not directly affected the important companies, which still voluntarily retain the conventional, stricter standard. Its indirect effect is more important since the minimum standard has been taken as a measure of expenses and of surplus, which will be dealt with below.

Although New York's standard has not been adopted elsewhere, its influence extends beyond the State, since many companies have been prevented from adhering to the low standards in the States of their domicile, fearing that a wide departure from the New York standard would bring them into

disrepute, as well as exclude them from the most populous State.

Limitation of Cost of New Business Approved.

A very full and careful consideration is given to the limitation of expenses. The general conclusions are as follows:

The limitation upon total expenses appears to have been an unnecessary addition to the other limitation, for the average total expenditure of the companies amounted to only 66 per cent. of the legal maximum. As it seems to work a hardship to a very few companies with unusually low loadings, it would be the best solution to confine the limitation to the cost of new business instead of extending it also to the cost of total business, and again,

The limitation upon the cost of new business was necessary, and has not imposed an unreasonable restraint upon underwriting activity. The limitation upon the cost of total business does not appear to be needed, and it works hardship in a few cases.

Doubts Wisdom of Limitation of New Business.

The author is much more doubtful concerning the limitation upon volume of new business as follows:

Three arguments have been offered on behalf of this limitation. It was urged that companies would select their business better, choosing the less

(Continued on Page 8.)

PHENIX

Insurance Company

—OF—

BROOKLYN, N. Y.

NEW YORK OFFICE:

68 WILLIAM STREET

\$3,300,000.00

Of First Farm Mortgages.

Lowest Net Cost of Insurance
of Any Company in America.

THAT'S WHY WE GROW.

Bankers Life Ins. Co.,
Lincoln, Neb.

THE MUTUAL LIFE

Insurance Company of New York

**OLDEST
IN
AMERICA**

**STRONGEST
IN THE
WORLD**

Largest Margin of Assets in Excess of Legal Liabilities.

No Company More Economically Managed to-day.

No other company has, by increasing its scale of annual dividends four years in succession—1906, 1907, 1908, 1909—reduced premium payments so rapidly.

For terms to producing agents address:

GEORGE T. DEXTER, 2nd Vice-President

34 Nassau Street,

New York, N. Y.

MARYLAND BARS "DATED BACK" SCHEME.

Commissioner Crouse, of Maryland, makes the following welcome New Year's contribution to sound life underwriting:

Messrs. Downes & Miller, Baltimore, Md.
Gentlemen:

I am in receipt of yours of December 30, 1909, stating that a practice is pursued by quite a few life insurance companies doing business in this State in what is known as "dating back" in order that insurance may be secured at the younger age and lower rate than the insured's insurable age at the time the insurance is applied for, and further inquiring what the attitude of this department would be in a case where the application and examination are made subsequent to the date of the change of rate, and the policy is dated back by the company. In replying to the above inquiry I have no hesitation in saying that I would consider such action if done by any company a flagrant violation of section 154 of our laws, known as "anti-discrimination act," which states explicitly that "no life insurance company incorporated under the laws of any other State or country and doing business in this State shall make or permit any distinction or discrimination in favor of individuals of the same class and equal expectation of life, in the amount or payment of premiums or rates charged for policies of life or endowment insurance, or in the dividends or other benefits payable thereon."

MUST EXAMINE BUT CANNOT.

Commissioner Beedle, of Wisconsin, in his annual report, expresses the opinion that several life companies desire to enter the State and must be examined—he says that "recent disclosures * * * urgently demand such examinations"—which he cannot do because there is no provision for paying for the same. Here is a paragraph from the report:

It is known that several life companies are considering coming back into Wisconsin and before any company can be re-admitted, the law requires that it be thoroughly examined by the Insurance Department. Recent disclosures in several eastern companies doing business in this State, urgently demand such examinations. However as the law stands and is interpreted by the Attorney General there is no way in which the expenses of such examination can be met no matter how vital it might be to the interests of policyholders of Wisconsin.

A COMING CELEBRATION.

On Saturday, the 22d inst., the Metropolitan Life Insurance Company gives a banquet in celebration of the completion of its palatial quarters in the block bounded by East Twenty-third street, Madison avenue, Fourth avenue and East Twenty-fourth street.

The architects of the building will

be guests of honor and in addition there are many prominent men who will be guests of the company upon this occasion, as well as a full representation of the company's superintendents and field men.

While such celebration will be altogether inadequate even for the event of the completion of the magnificent building, which was regarded an experiment with doubtful chances for success when it was inaugurated more than fifteen years ago, its inadequacy as a celebration of the much more magnificent structure the company itself, which is a permanent monument to the genius and toil of John R. Hegeman and his associates, is much more pitiable.

IMPROVEMENT IN DIVIDENDS TO POLICYHOLDERS.

Though information concerning the dividends of all the companies reporting to the New York department is not at hand, enough is known to indicate that there will be a general improvement in dividends to policyholders. It is known that this will be the case in the Mutual Life of New York and the Mutual Benefit Life of New Jersey. The increase in the former is said to average about twelve per cent.

The New York Life Insurance Company gives notice that hereafter its dividend will be available on policies whose anniversaries are between January 1 and March 31, upon the anniversary of the policy, instead of upon March 31, as per the arrangement put into effect on January 1, 1907, when the Armstrong laws took effect.

Judge George H. Bruce, of 320 Broadway, attorney for the trustees of the organizers of the proposed Columbia Guarantee Company, is authority that the desired \$1,000,000 capital and surplus has been oversubscribed by \$700,000, and that he company may begin operations earlier than formerly announced, as of April 1.

Life Ins. Co. of Virginia,

Home Office, Richmond, Virginia.

J. G. WALKER, President.

T. W. PEMBERTON, 1st Vice-President.
W. L. T. ROGERSON, Secretary.

The PIONEER Southern Industrial Life Insurance Company.

The OLDEST Southern Life Insurance Company.

The LARGEST Southern Life Insurance Company.

The Most Approved Forms of Life, Endowment and Industrial Policies Issued on Favorable Terms.

Assets, Dec. 31, 1903.....\$4,444,711.62
Insurance in Force, Dec. 31, 1908.....\$63,303,202.00
Payments to Policyholders since Organization.....\$8,926,182.91

THE PRUDENTIAL GIVES

real assistance to its field force. A great and continuous advertising propaganda in the leading publications of the country, general booklets and pamphlets, "locality"

literature and miscellaneous "helpers" assist the agent to write new business and consequently



Agents wanted to write industrial and ordinary life insurance. Good income — Promotion — Best opportunities — Now!

THE PRUDENTIAL

Insurance Company of America.

Incorporated as a Stock Company by the State of N. J.

JOHN F. DRYDEN, Home Office:
President. NEWARK, N. J.

Write for Agency.

WESTERN

Assurance Co.

HEAD OFFICE,

TORONTO, - - CANADA.

Incorporated 1851.

Hon. GEORGE A. COX.....President
W. R. BROCK and JOHN
HOSKIN, K. C. LL. D., Vice-Presidents
W. B. MEIKLE.....General Manager

United States Statement, Jan. 1, 1909.
Assets.....\$2,184,632.20
Surplus in United States.....726,218.62

NATIONAL LIFE INSURANCE COMPANY of the United States of America CHICAGO

ESTABLISHED 1868



RECORD
SIX YEARS

ALBERT M. JOHNSON, President

ROBERT E. SACKETT, Vice-President

ROBERT D. LAY, Secretary

Increase in Surplus Funds, - - - - \$ 495,980.03
Increase in Yearly Income, - - - - 1,167,64.28
Increase in Assets - - - - - 5,848,855.77
Increase in Insurance in Force - - - 23,968,070.00

EXCEPTIONAL OPPORTUNITIES FOR MEN OF ABILITY

ILLINOIS FIRE COMMISSION SORE.

There is reason to believe that the members of the Illinois Fire Insurance Commission have been somewhat stung by the criticism of the commission in having before it at the first Chicago hearing only insurance men or those invited by insurance men. For the hearing which will begin this week they have invited representatives of a number of Chicago business organizations. George H. Holt has been invited to express his views, but the invitation was extended to him as an individual citizen and policyholder, not as president of the Policyholders Union. The commission has stated its intention to dig below the surface this time and to go into the subjects of preferred rates in Cook County, commissions, brokers, business of Lloyds and other interesting questions.

Will Hew to the Line.

Some of these questions contain great possibilities. The commission has it in its power either to dig into them, regardless of who is hurt, or to make a scholarly investigation of academic questions of no vital interest and impress the public with its thoroughness, when in fact it is touching lightly on somebody's pet subject. A man well informed in Chicago insurance history says that rates on preferred business have never been reduced since the later seventies, although there have been reductions on almost, or quite, every other class. Rates on brick dwellings are just about twice as high in Chicago as in New York or Philadelphia and are higher than in other Middle Western cities. Men who have known Chicago for a long time state that this condition is due to the attitude of a few large companies which have a vast amount of this preferred business on their books. Following the Chicago fires of the early seventies, when only a few companies were operating in the city, these companies, which had gained enviable reputations by their payment of their conflagration losses, got a great hold on the residence business, which they have kept ever since. They are said to have frowned down upon any move towards a reduction.

Sugar-Coated Methods.

At the rates at which it is written this business is so profitable that companies can afford to pay agents and brokers high commissions for it. So strong is the demand of the companies for it that agents have to furnish a fair amount of it to sugar-coat their downtown business or they furnish it gladly in order to increase their contingent commissions. The agents

need it or want it so badly that they are ready to pay brokers high commissions for it, and, it is claimed, in some cases to pay commissions to real estate people and other downtown parties, who under the rules of the Chicago board are not entitled to be brokers because they are not engaged exclusively in the insurance business. This has increased the number of those handling insurance, cut into the business that otherwise would have gone to the agents and to the legitimate brokers and, in short, enabled an army to get some pickings out of fire insurance, for which the property owners pay the freight.

Will Go After London Lloyds.

The commission is going to learn something about London Lloyds. Perhaps it will also learn something about other unincorporated bodies which do insurance in Illinois at will because the laws do not permit the Insurance Department to interfere with them. Past efforts to get these unincorporated concerns under supervision have proved fruitless because large business interests in Chicago were afraid their privilege to deal with them would be interfered with in some way. It may be possible for this official body to procure such information as will influence the legislative mind in favor of regulation, supervision and taxation of these concerns such as the stock companies have to submit to.

Wanted: A Bounty on Wildcat Scalps.

It is conceded that the commission will find that the stock companies are not making a reasonable profit out of Chicago business. Some of them need to make considerable yet to be even on their underwriting for the past forty years. With unreasonable commissions taking the profit out on one side and unauthorized concerns competing for their large lines on the other, the stock companies probably are not making more than they should, but the people of Chicago and Cook county are being taxed to support a crowd of hangers-on and the city of Chicago is not getting in taxes what it would if the stock companies were relieved of competition from untaxed bodies.

THE GOVERNOR'S MESSAGE ON INSURANCE.

The message of Governor Hughes this year is noteworthy for its silence upon suggestions for the amendment of the Armstrong laws. The following are the chief references to insurance:

The work of the department shows the importance of frequent examinations and I recommend that adequate provision be made for this purpose. The statute providing for liquidation

of companies under the supervision of the department has operated to great advantage and has made it possible to avoid the wasteful and expensive methods formerly incident to liquidation proceedings. Such force should be supplied as may be necessary to carry its provisions into full effect.

I also advise that the business of Lloyds insurance in this State should be put upon a proper basis, and that such legislation be adopted as will make it impossible for business to be conducted except under conditions which insure adequate protection.

The supervision of co-operative fire insurance companies should also be made more effective by legislation adapted to secure safe and suitable methods.

JOHN C. PAIGE & CO.

INSURANCE

65 KILBY STREET

BOSTON

TWO HUNDREDTH YEAR

SUN

Insurance Office
OF LONDON.

FOUNDED 1710.

UNITED STATES BRANCH:

54 PINE STREET, NEW YORK.

WESTERN DEPARTMENT:

171 LA SALLE ST., CHICAGO.

PACIFIC DEPARTMENT:

Sansome & Sacramento Sts.,
SAN FRANCISCO, CAL.

AGENTS WANTED
AT UNREPRESENTED POINTS.

The Connecticut Mutual

That means the best life insurance to have and the best to sell. If you can sell life insurance, you can sell more of it for the CONNECTICUT MUTUAL.

Men of Character and Ability are
invited to apply.

Conn. Mutual Life Ins. Co.,

Hartford, Conn.

Please mention this paper.

"LIFE INSURANCE REFORM IN NEW YORK."

(Continued from Page 5.)

expensive and more persistent business, and business of better quality generally, if they were obliged to cut off some branches of their activity. But it is doubtful whether on this ground alone it would have been deemed prudent to thus interfere with the discretion of company officials.

It was argued that the limitation would cure extravagance. This raises the question whether the limitation upon the cost of new business was alone a sufficient remedy, or whether the fever for new business required to be checked by two medicines instead of one. It would appear that, on this score, limitation on new business was unnecessary, provided expenses were duly limited. The latter provision would alone guarantee that growth should be moderate, except under very extraordinary circumstances, justifying unusually rapid growth. If expenses are limited, there is sufficient warrant that there will be no undue extravagance in getting new business. The two limitations remove first the means, and then the temptation. To remove one would have sufficed, and an arbitrary restriction might have been spared, and a just point of attack, on theoretical grounds, avoided.

The third argument for limitation arose from the fear that the great aggregations of funds in a few institutions were dangerous, both to the policyholders and the public. It should be borne in mind, however, that this hostility to concentration of business power is neither new nor confined to life insurance. It is easily as old and as broad as the business corporation problem. It is not courageous to deal with vast and growing accumulations by arbitrarily checking them. In life insurance, just as among other business corporations, governments have done much to artificially stimulate such concentration. It is, of course, wise to remove all such influences. But it is short-sighted policy to seek to encourage rare fidelity to great trusts, and a spirit of fairness in the general business world, by forbidding men or companies from accepting all the business which legitimately comes to them, and which they prove their capacity to handle ably and faithfully.

He also expresses in another place the following opinion:

The limitation upon the amount of new business which companies may write has already proved embarrassing to one company, and may before long embarrass others. It seemed to be required by the state of public opinion in 1906, and for that reason, possibly, was acquiesced in by the companies most interested, but it should soon be repealed or modified.

Also Deems Surplus Limitation Unnecessary.

He is also not especially pleased with the "contingency reserve" section, although in common with most others, he is of the opinion that since the adoption of the amortization method of valuing securities, which method he thoroughly approves, the perils

of the limitation are not so important. The following, however, appears to cover his matured judgment in the matter:

It was unnecessary because other provisions of the reform law effectively dealt with excessive cost of new business, and with unprofitable employment of funds—the two evils which beset the surplus. Having removed all improper motives for accumulation of surplus, the matter might well have been left to the judgment and responsibility of directors. It may be answered that in fixing the scale of limitations due attention was paid to the prevailing practice of the companies, departures being made only for good and sufficient reason. The limitation was still open to the objection that it relieved directors from all further responsibility, transferring it to the Legislature.

Also the following:

The limitation upon the surplus of companies was unnecessary and dangerous. The danger, but not necessarily the inconvenience, has been practically removed by the recent authorization of the amortization plan of valuing bonds.

Change to Annual Dividends Approved.

The change from deferred dividends to annual dividends appears to him to be entirely justified with the possible exception that deferred dividends ought to be permitted in connection with the insurance of impaired lives. The following represents the author's view of the present situation in this regard:

Few now are interested to defend, fewer still care to take the responsibility of defending, deferred dividends on general grounds. The only attempt to urge a relaxation of their absolute prohibition has been confined to the question of sub-standard risks, where it is claimed that the system of deferred dividends is peculiarly desirable. The New York Life Insurance Company, which writes most of the sub-standard business, has been especially vigorous in urging a modification of the dividend law.

Publicity of Scales of Dividends Praised.

The requirement that scales of annual dividends should be made public is made the subject of special praise, as follows:

One publicity feature of the New York reforms is, however, apparently having a remarkably good effect. This is the requirement that annual dividend scales for the different kinds of policies, ages, and dates of issue shall be submitted to the Insurance Department. In several States, in consequence, the annual insurance reports now contain premiums and dividends for ages 25, 35, 45 and 55 on ordinary life, twenty payment life, and twenty year endowment policies at various dates of issue. These figures as published are sufficiently complete to furnish, on careful examination by a prospective policyholder or an agent, an accurate indication as to the relative cheapness at the present time of policies in the different companies. It is perhaps unlikely that many pros-

pective purchasers of insurance will take the pains to make a careful comparison as to the net costs, but rival agents may be trusted to do so, and are in fact doing it. In consequence high dividend paying policies are easy to sell without any increased commission. In fact, with lowered commissions in many instances, the companies with the lowest net costs have broken all their previous records in amount of new business written in 1907 and 1908.

Closes With Quotations From Edward A. Woods.

This study of the insurance laws of New York and their result upon life insurance conditions bears every evidence, both in the nature of the author's own contribution to the literature of the subject and also in the many citations which he gives of careful and painstaking work. The result of the study is apparently to make one an enthusiastic believer in the benefits which have been conferred upon the life insurance business in general and upon those who are engaged in it, very especially the agents, and the closing words of his entire consideration of the subject are the following by Edward A. Woods, general agent of the Equitable Life Assurance Society at Pittsburg:

There never was a time when life insurance men ought to, and could so easily, secure new business as now. The laws of New York State and most other States deserve a fair and honest trial.

The New York legislation is not perfect. It has already been revised and will be revised more, but in my judgment, and after an honest trial of conditions, it is the best legislation passed in the history of life insurance, not even excepting the legislation of Elizur Wright, which at that time was as severely criticised as the Armstrong laws are now.

AT LAST.

The Supreme Court of the State of Illinois has sustained the sentence of six months, which was imposed on Birch F. Thomas and Edward T. Rhodus, for failure to turn over to the receiver the books of the Mercantile Finance Company. Their refusal was based on the ground that they contained evidence that might tend to incriminate and degrade them.

It thus appears that the rats which have gone often to the trap are at last caught and actually must suffer imprisonment. The operations of the Rhodus brothers for nearly twenty years past are by many deemed to indicate that there ought to be a sanitarium established for the safekeeping of financial perverts and degenerates, both for their own good and for the protection of other men. There are not wanting others who would be candidates for treatment in such a sanitarium in company with the Rhodus brothers.

IN NEW ENGLAND

The Exchange.

The New England Insurance Exchange last Saturday adopted the minimum rates on unprotected dwellings other than farm and summer property in Massachusetts, as printed in last week's "Chronicle."

A tribute to the late Colonel W. A. R. Boothby was also adopted, from which the following is extracted:

Serving in his young manhood days as ticket agent and train dispatcher for the Portland & Kennebec Railroad Company, then joining his fortune with his father's in the local insurance business at Waterville, he was well equipped to reach out for the fruit that grew higher up on the tree of success. This came to him when he entered the special agency field for the National of Connecticut in 1887 and joined this body, when he quickly showed his aptness for underwriting, taking front rank with his associates in the higher branches of the business, especially as related to its protective features.

His abilities were recognized by the president of that company resulting in a close personal friendship that lasted throughout life. * * *

Col. Boothby was contemporary with the men who constructed this exchange and had to do with them in shaping its policy on important matters, notably the work of the factory improvement committee, which has been such a factor in establishing cordial relations the exchange and the insuring public and in shaping its policy on important and important class of underwriting.

Of commanding presence, with a smile for all, with ready and generous aid to his younger associates in the study of insurance problems, and withal of large heart that found its delight in private benefactions, he was popular everywhere.

The annual meeting of the exchange takes place Saturday next.

A Candidate's Views on Fire Protection.

James J. Storrow, candidate for the position of Mayor of Boston—an issue which is to be decided next Tuesday—made an address in South Boston Saturday evening, in the course of which he charged his principal opponent, John F. Fitzgerald, with neglect in completing a system of water mains for the fire protection of that section, stated that the neglect had been rectified under a succeeding administration, and unbosomed himself generally in regard to the municipal fire tax, as follows in part:

A great deal of money can probably be saved the citizens of Boston by a careful, systematic and intelligent study of the problem of fire protection.

The biggest department store in Paris, known as the Bon Marche,

which is considered to be the worst fire risk in that city, pays in insurance premiums less than one-fifth what must be paid for a building of the same kind in Boston.

The fire tax upon our citizens is onerous.

To this fire cost must be added the \$1,500,000 needed for the maintenance of the fire department and the loans and increase on the loans required from time to time for buying land and building new engine houses.

I am not an insurance expert, but during my entire life there has been every few years a serious conflagration loss in Boston, and only last year fire destroyed in Boston \$3,610,000 worth of property.

Remember also that the premiums must not only cover the sums which the insurance companies are obliged to pay for losses, but all their running expenses.

I suppose it is probably a moderate estimate to say that the total annual fire tax to the people of Boston is at least \$6,000,000.

Some demagogue may try to persuade you that this does not concern the laboring man, but only falls upon the rich.

Well, everyone ought to know by this time in this campaign that taxes fall upon the homes and tenement houses and stores where the laboring men live or trade, and to get back to them with a deadly and unerring certainty.

The same thing is true of these fire losses. The payments to the big insurance companies for fire risk raise the rent of the home and also increase the cost of the running of the big department stores and other stores of the city, and find their way into the price of provisions, the price of the cotton or woolen dress your wife buys, the shoes your children wear and the food you eat.

I believe that by following the example of Paris, and carrying out a systematic, carefully planned and fully adequate scheme for water supply and fire protection, we can greatly reduce the fire tax now bearing so heavily upon all our people.

One of the things I propose to do if elected Mayor is to take up this annual fire tax of \$6,000,000, and see if by a careful and systematic plan we cannot substantially reduce it.

This candidate seems in the main to have the right view (though garnished with campaign flourishes), namely, that fire rates are conditioned by the fire waste, as so forcibly set forth in a quotation from a letter of the Hartford Fire to its agents, and printed in this column last week.

Standard Fire of Hartford.

Subscribers to the stock of the Standard Fire Insurance Company met at the rooms of the Board of Trade in Hartford last Friday for purposes of organization. By-laws were adopted and the following board of directors were elected unanimously: D. Newton Barney, Edward B. Hatch, G. C. F. Williams, M. L. Hewes, Frank P. Furlong, Charles L. F. Robinson, E. W. Blumington, George A. Gay, Harris Whittemore and W. A. Sanborn. Subscriptions were present-

ed considerably in excess of the \$250,000 capital and \$250,000 surplus set by the organizers as a starter, and a strong sentiment developed in favor of keeping the subscription books open fifteen or twenty days longer, to enable a still wider participation and enlargement of the initial resources of the company.

Reinvestment in United States Bonds Directed.

A press dispatch from New Haven, dated the 9th ult., relates that, in a decision handed down in the case of Charles H. Dresser and others against the Hartford Life Insurance Company to determine the ownership and management of a \$1,000,000 safety fund, Judge Curtis, of the Superior Court, rules that the Security Company, of Hartford, with which the fund is deposited, must withdraw it from the miscellaneous investments in which it now lies and reinvest it in United States bonds. The Security Company is given eighteen months from May 1, 1910, to make the change. By a further ruling the compensation of the company is reduced to 8 per cent. of the gross income on the fund.

Assemble on Beacon Hill.

The Massachusetts Legislature for 1910 convened yesterday, and Governor Draper and the other State officers will be inducted into office today. His Excellency, whose costly "fire proof" mansion was recently gutted by fire, and was insufficiently insured, may find therein a theme for recommendations in his message. The changes in the laws recommended by Insurance Commissioner Hardison in his last annual report, designed to do away with discrimination against home companies, may be expected to receive much attention during the 1910 session.

New England Brevities.

Captain W. B. Sears has terminated his association with the Kollock, Rice & Co. agency, of Boston, and established himself in the Oliver Building, 141 Milk street.

The Atlanta Home has been licensed to do business in Massachusetts.

The New Hampshire Fire has been licensed to transact business in Virginia.

With the advent of 1910 the grand old Hartford Fire enters the one hundredth year of its existence, rounding out a century of success and trustworthiness in its chosen field of endeavor.

Following the resignation of R. C. Bridgman, William E. Hall has taken charge of the Boston business of the Union Mutual Life, with offices at 7 Water street.

AN EPOCH MARKING SESSION.

Washington, Jan. 4 (Special correspondence).—It is doubtful if America has ever seen so notable an epoch making occasion since the signing of the Declaration of Independence, as that which will mark, in both active and latent potentialities, the gathering of uplift forces in this city one week from Monday.

What the Meeting Is.

The central or primary unit of this coming meeting is the National Civic Federation. When it held its annual convention in New York three or four weeks ago it was hoped that President Taft would be able to attend this coming meeting, slated to be held here, but his engagements conflicted and so the Federation promptly and wisely changed its foci to Washington. It's a case of the mountain going to Mahomet.

While the Federation is the hub of the wheel there are others attached to and revolving about it, all bent on the one sole accomplishment of conservation and uplift of national life and character on demonstrably scientific lines. Among these organizations to hold concurrent executive meetings will be:

The National Grange, the American Federation of Labor, the Farmers' National Congress, the National Association of Life Insurance Presidents and the National Association of State Boards of Arbitration, John C. Richberg, of Chicago, chairman of the Committee on Uniform Corporation Laws of the National Association of Uniform State Law Commissioners, has issued a call for his committee to meet and submit its report to the conference.

The American Medical Association has prepared a draft of a model law, it is said, to provide for the immediate registration of all births and deaths, as birth certificates are a necessary part of the enforcement of the child labor law.

The conference will be opened on Monday, January 17, at 10 a. m., by Seth Low, president of the National Civic Federation, who will preside, and the first speaker will be President Taft. He will be followed by Alton B. Parker, chairman of the committee of arrangements, and Governor Willson, of Kentucky, chairman of the Conference of Governors.

The Governor's conference, which is to be held on January 18, 19 and 20, has, through its chairman, appointed Governors Hughes, Fort, Weeks, Harmon and Marshall a committee on programme for that conference and co-operation with the Federation Conference.

The Conference Upon Compensation for Industrial Accidents, called

by the same persons as the conference in Atlantic City last July.

The Life Insurance Presidents.

In addition to President Taft, Governor Hughes of New York will speak informally at the third annual meeting of the Association of Life Insurance Presidents, to be held at the New Willard Hotel, the 19th and 20th.

The formal program has been divided into three sections. The first section will deal with "**The Problems Arising from Dissimilarity of State Laws and Conflict of State Practices.**" Papers on this subject will be delivered by L. G. Fouse, president of the Fidelity Mutual Life Insurance Company of Philadelphia; Judge George H. Noyes, general counsel of the Northwestern Mutual Life Insurance Company of Milwaukee, Wis., and Hon. John A. Hartigan of St. Paul, Minn., president of the National Convention of Insurance Commissioners.

The second section of the program will be devoted to health conservation. Walter Wyman, M. D., surgeon-general of the Federal Public Health and Marine Hospital Service, will speak on the subject, "**Work of the Federal Government in the Matter of Health Conservation, and What May Be Done to Supplement It.**" M. J. Rosenau, M. D., who is professor of the new course in preventive medicine at Harvard Medical College, will speak on "**The Enlistment of a Health Militia.**" E. W. Dwight, M. D., medical director of the New England Mutual Life Insurance Company, will deliver an address on "**Latent Powers of Life Insurance Companies for the Detection and Prevention of Diseases.**"

The third section of the program will deal with the amalgamation of life insurance companies or the re-insurance of one company by another. An outline of the practical questions involved will be given by Hon. Isaac Miller Hamilton, president of the American Life Convention. The other papers on this general subject will include one dealing with the problems involved from the viewpoint of insurance departments, which will be presented by Alfred Hurrell, counsel to the New York Insurance Department.

Incidental to this official statement of the Presidents' Association comes the following special from Chicago, which indicates how widespread the selection of the six hundred delegates to the polyglot convention has been and the wisdom that dictated it.

A Point of Ethics.

Chicago, Tuesday.—(Special).—Announcement was made last week that Isaac Miller Hamilton, president of

the Federal Life of Chicago, would address the Association of Life Insurance Presidents in January on the amalgamation and reinsurance of life companies. It seems that there was a question in the minds of some of the members of the American Life Convention whether Mr. Hamilton should accept the invitation to deliver this address. Mr. Hamilton is president of the American Life Convention. Not all the members of that organization have felt sure of the friendly attitude towards it of the presidents' organization. Those who were suspicious on this point feared that if Mr. Hamilton addressed the meeting in New York and at the same meeting, or even at a subsequent one, action should be taken in some way condemning the younger Western and Southern companies, or running counter to their interests, it would cause embarrassment and possibly compromise in some way the American Life Convention.

Other members took a different view. They held that the Presidents' Association practically represents the Eastern companies, while the American Life Convention represents the Western and Southern institutions. These members felt that it would be better for both organizations to be on working terms with each other, and that the courtesy of the Eastern body in inviting the Western organization's president to address it should be accepted in the spirit in which it was given, with pleasure that it improved the prospects of co-operation.

The Insurance Hearings.

The underwriters in all branches will have an inning. The program committee of the National Civic Federation has sent "The Chronicle" an outline from which is extracted the following:

The time on the program we allotted to the insurance question will be used by official representatives from the National Conference on State Insurance Commissioners, the National Association of Life Insurance Presidents, the American Life Convention, the National Board of Fire Underwriters, and the casualty insurance companies. Over a quarter of a billion of dollars is the average annual fire loss in the United States for the last five years. The National Board of Fire Underwriters is moving for uniform State laws to check this waste of property.

A Few Others to Be Present.

The need for uniform public accounting will be presented by officials from the United States Census Bureau, the National Municipal League, the League of American Municipalities, the American Statistical Association, and the American Association of Public Accountants.

A SUBSTANTIAL START.

It is immediately conceded that the Commercial Casualty Company, of Newark, has started in a way that presages success. From inception to now the company was destined for it. No promoting scheme was involved. The men behind it knew how to deliver goods.

With William J. Gardner as the managing head the company begins its operations fully equipped with the asset of brains that makes assurance doubly sure. His ability as a liability underwriter developed under the Aetna's rigid system, makes certain that the liability end of the proposition will quickly forge to the front. His experience also has been such as to give him a wider view as to the value of competent aides in other departments, and for the surety and fidelity operations he will no doubt improve on some recent selections of other companies. The penny wise and pound foolish policy of saving at the spigot and wasting at the bung will have no recognition under Gardner's administration. He knows how to procure business and men of ability. He also knows how to spend money advantageously. His methods of advertising have been eminently successful. His personal treatment of brokers, agents and competitors has been of a character that inspired respect, an asset of first dimension.

Secretary Gray, the real originator of the proposition to organize a casualty company that would be creditable to the vast insurance interests centred in Newark discussing the "housewarming" of the Commercial's "door-opening" tells "The Chronicle" that they are proud of their accomplishment and says:

We have every reason to believe the company is destined to become one of the great insurance institutions of the country. It has been organized on an absolutely sound and substantial basis; its board of directors is a most representative body of men; it has secured, as its general manager, a young and progressive man, clean cut, honest, capable and aggressive, and it will begin to do business at a time when the whole nation is pulsating with the new prosperity that promises to last for many years to come.

A large volume of business is awaiting the operation of the company in New Jersey; the Greater New York and the Philadelphia agencies are practically organized, and the work in other fields is being pushed as rapidly as possible.

At the outset we shall devote ourselves particularly to personal accident and disability, and all the branches of liability. We shall take up surety and fidelity bonds, burglary, plate glass and boiler insurance in due course.

The policy of the company will be one of progressive conservatism. We shall be up to date, alive to the needs of the hour, ready to take advantage of our opportunities, and shall base

our best hopes for success upon a strict principle of actual service to the public. But we shall prefer to build slowly and safely, rather than to deceive ourselves and our stockholders with big immediate profit, effected by the acceptance of questionable business.

The directors feel that the future of the company is safe in the hands of Mr. Gardner, and that he is just the kind of man to manage this kind of company.

CHICAGO'S SPLENDID SURETY YEAR.

Reports of business done by a considerable number of the surety offices in Chicago show increases over 1908 ranging from a few per cent. up to almost 100 per cent. in a few cases. The National Surety leads with about \$300,000 in premiums done through the Chicago office. The American Surety, Fidelity & Deposit and United States Fidelity & Guaranty have each done over \$150,000. The figures of the Illinois Surety have not been given out, but it may run up to the companies just named. The Bankers Surety and the Title Guaranty & Surety have both passed the \$50,000 mark in business transacted through their Chicago offices. As a number of the offices have enjoyed very low loss ratios their companies have made a good profit in Illinois in 1909.

New Entries In the Field.

During the coming year it is quite likely two or three additional companies will enter Illinois. The Ocean will surely begin writing fidelity business in the State. It is known that the National Fidelity & Casualty intends spreading out somewhat in the near future and already has considered Chicago. The Commerce Trust Company of Kansas City is to decide this month what its future policy will be. Should it conclude to enter more territory, Illinois would naturally be considered, as it recently entered Indiana. There has been correspondence between Chicago parties and certain eastern companies which have not entered Illinois with a view to getting them to do so, but nothing definite has developed from this as yet.

SAFETY FUND INSURANCE

NIAGARA

Fire Insurance Company

NEW YORK

OFFICE:

46 CEDAR STREET, CITY.

CUR

Course of Insurance Education.

Department for Furnishing Prospects.

New "Model Policy"

Will Plough the Field and Assure the Harvest for Good Agents.

Phoenix Mutual Life

INSURANCE COMPANY,

Hartford, Conn.

Write Home Office.

The

Columbian National Life

INSURANCE COMPANY
OF BOSTON, MASS.

LIFE, ACCIDENT AND HEALTH
INSURANCE.

The Only Massachusetts
Non-Participating Company

The New Columbian Policies (Sept. '09)
are Unexcelled in Clearness and Liberality.

Good Contracts and Territory for
Good Producers.

ARTHUR E. CHILDS, President.

"The Leading Fire Insurance Company
of America."



WM. B. CLARK, President.
W. H. KING, Vice-President.
HENRY E. REES, Secretary.

Assistant Secretaries,
A. N. WILLIAMS, E. S. ALLEN.
E. J. SLOAN, GUY E. BEARDSLEY.

Pittsburgh Life & Trust Co.

W. C. BALDWIN, President

AGENCY CONTRACTS MADE DIRECT
WITH SOLICITORS

ASSETS	\$23,549,229.15
Reserve on Outstanding Policies	\$21,401,593.00
All Other Liabilities	\$417,649.50
Assets in Excess of all Legal Requirements	\$1,729,981.65
Insurance in Force	\$80,000,000.00

HOME OFFICE - PITTSBURGH, PA

A BOISTEROUS FRIEND.

Kansas is to be congratulated that her freak banking guaranty law has been declared invalid.—"Wall Street Journal."

The "Journal" should not overlook the fact that Kansas takes a Wall street utterance by exact contrariety. Perhaps the "Journal" knew best how to commend the guaranty law to the Kansans.

The guarantee of bank deposits has taken rather strong root in the agrarian States of the West and notwithstanding some pretty hard licks it is likely to continue to bob up serenely, even if slightly disfigured. There is just about enough of practical utility in what has long been regarded by the thinkers as a Utopian scheme of the dreamers to hold its advocates together, and under direction of intelligent study of economic conditions and necessities it is quite probable that some workable plan may be evolved. But all the plans advanced up to this time have been on the same basis as the old farmer's idea that all the Government had to do to make more money was to keep the presses going printing bank notes. There was no conceivable reason in his mind for ever stopping them.

Until a system can be invented that will not be a direct imitation to the ever present irresponsible army of adventurers to embark in banking enterprises there is no hope for continuity. The Oklahoma case is one in point. The first bank failure exhausted the "fund" created by the new law and the State's inability to pay off the depositors in the second failure caused the predicted hurricane that toppled over the house of cards. And what is the value of a law on the books when there is no cash to cover its operation? "Nobody can't do nothin' for nobody without nothin'."

The leading students of political economics are practically agreed that it is no more the function of the State to guarantee one class of creditors than another and depositors in banks are simply creditors. Followed to a logical conclusion the State could, with equal consistency, guarantee the grocer, the butcher, the druggist, the landlord, the individual or the corporation, in fact, everybody, each in their separate sphere, against loss from bad accounts, accidents, burglary, fire, alimony, betting on the wrong horse, etc., etc. Paternalism produces a lot of busy bad children if indulgent. The only way a boy learns to swim is by his own efforts. Destroy incentive, or, as J. D. Rockefeller expressed it recently, "the need to struggle constantly," and interest in life wanes and ambition gets dropsical.

The guarantee of bank deposits is essentially a private function. Of course, banks of deposit are a great convenience and incentive to trade and commerce—hence, are a necessity, but each man selects his bank as he does his house, or his doctor, or his horse, all conveniences and even necessities in a sense, but, speaking generally, not absolutely indispensable.

Each man presumably exercises his judgment in selection; if prudent, he insures against calamities and ever recurring disaster. But for the State to put its own credit to float for every man's benefit would be folly confounded.

Wipe out the patent laws and incentive to invention vanishes. The guarantee law wipes out the loss liability in theory only, but assuming, for the sake of argument, that it did so in fact, the result would be to eliminate the necessity of men doing their own thinking, and weighing and measuring of men and things, in consequence of which a condition of inertia, torpor and lassitude would set in.

The work of guaranteeing bank deposits is of a nature to require the very highest degree of underwriting skill, and this can be efficiently rendered only by that type of individual effort which has created the great business institutions of America.

NO CHANGE ANNOUNCED.

The Aetna announces that for the present there will be no successor appointed to its Greater New York manager, William J. Gardner, who has just resigned to assume management of the newly organized Commercial Casualty, of Newark.

The liability business of the New York office has been the largest department and was under Mr. Gardner's immediate personal direction, and until a high-grade liability underwriter is secured that department will be personally attended by a home office man. The other departments will for the present continue under their respective heads.

City business will continue to be managed directly by Walter A. Hughes, superintendent of the liability department; Charles H. Phelan, superintendent of the personal accident department, and Beverly W. Wrenn, Jr., superintendent of the claim department. This is a strong combination, and the business of the big branch will flow along without an apparent ripple on the policyholders' surface.

It is rumored that the company has its eye on a well known Chicago liability man, but there are so many of them in the Windy City that it is merely a conjecture at present.

COMMERCIAL - UNION ASSURANCE CO., (LIMITED) OF LONDON.

OFFICE;

Cor. Pine & William Sts.

NEW YORK.

When you are investigating companies with a view to connecting with the one which will help you most in a practical way, write to **SECURITY MUTUAL LIFE**, Binghamton, N. Y.

C. H. Jackson,
Sup't of Agencies.

The Preferred
ACCIDENT INSURANCE COMPANY
of New York

SUPERIOR POLICIES

KIMBALL C. ATWOOD, President,
290-292 Broadway, New York.

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an **INSURANCE PROPOSITION** which in the sum of **ALL ITS BENEFITS** is unsurpassed for net low cost and care of interests of all members.

**THE PENN MUTUAL
LIFE INSURANCE COMPANY
OF PHILADELPHIA**

On January 1, 1909, rates were reduced and values increased to full 3% reserve.

TO REGULATE THE UNRULY AUTO.

There is little doubt but that the incoming Legislature will amend the existing motor vehicle laws. There is so much interest in motor vehicles that users, manufacturers and legislators generally recognize the need for more effective motor vehicle legislation.

The great complaint against the operation of the present law is that of reckless driving and the consequent killing and maiming of innocent people upon the highways. The trouble is not that the speed restrictions are not severe enough, or that the penalties for their violation are not heavy enough, but that public officials do not exercise the power which the law gives. If a driver operates "a motor vehicle on the public highway at a rate of speed greater than is reasonable and proper, having regard to the traffic and use of the highway, or so as to endanger the life and limb of any person, or the safety of any property," he is guilty of a misdemeanor and liable to a fine of \$100 for the first offense; for the second offense to a fine of \$100 and thirty days imprisonment; and for the third or subsequent offense to a fine of \$250 and thirty days imprisonment.

Present Law Not Enforceable.

The law goes further and says that even if the speed of the motor vehicle is safe as to the traffic of the highway and does not endanger life or property, still at street intersections, at sharp curves and on bridges, &c., the speed shall not exceed four miles per hour, and in closely built up portions of cities and villages shall not exceed ten miles per hour, and in other portions of cities and villages shall not exceed fifteen miles per hour, while in the open country, it shall not exceed twenty miles per hour; i. e., the law says **first**, that the speed must always be safe, and **second**, that, whether safe or not, it cannot exceed the prescribed limits.

The law, however, does not stop with the foregoing, but says that if any city or village is dissatisfied with the above provisions, by action of its common council or board of trustees and by posting certain specified signs, it may provide for such lesser speed as it shall desire, except that such provisions for lesser speed shall apply to all vehicles and shall not be less than ten miles per hour in incorporated villages.

Is there any dissatisfaction on the part of the public with the speed restrictions of the present law? Clearly not. If dissatisfaction existed it would appear in the cities of the State, where motor vehicle accidents

principally take place; and if it did appear in the cities, it would manifest itself in a disposition to take advantage of the provisions of the law, which authorizes any city of the State to make speed limits whatever it sees fit, provided the restrictions are made to apply to all vehicles and provided the certain specified signs are posted. So far, no city has taken advantage of these provisions of the statute.

Officials, Not the Law, Too Lenient.

If the law is too lenient as regards penalties for violating speed provisions we would expect to find convicted violators of the motor vehicle law receiving sentence for the full penalties prescribed. On the other hand, it is doubtful if a case can be found in the State of New York where the punishment of the convicted offender has been as severe as the law would allow.

If the speed provisions and the penalties for their violations were enforced as they should be, there is nothing further that the public needs for its protection. This will stop speeding and resulting accidents more than any new law that any Legislature can enact.

The average city administration pays very little attention to enforcing the automobile law. They may take a whack at it once or twice a year, and the rest of the time automobilists drive as fast as they like.

PAUL L. WOOLSTON,

Consulting Actuary,

214 Symes Bldg., DENVER, COL.

BONDS--CASUALTY

**AGENTS
IF
YOU**

{ Can Command Bond or Casualty business
Are seeking an Agency connection
Are not representing another like Company

ADDRESS, AGENCY DEPARTMENT,

The Empire State Surety Co.
NEW YORK

\$27,000,000

Insurance in Force



CITIZENS LIFE

INSURANCE COMPANY

LOUISVILLE, KY.

W. H. GREGORY, President

**LEADING FIRE COMPANY
OF THE WORLD**



[of Liverpool,

England.]

The Employers' Liability

Assurance Corporation, Ltd.

LIABILITY, STEAM BOILER,
ACCIDENT, HEALTH, FIDELITY
and BURGLARY INSURANCE.

UNITED STATES BRANCH.

SAMUEL APPLETON, United States
Manager,

Employers' Liability Building,
33 BROAD STREET, BOSTON, MASS.

EDMUND DWIGHT,
Resident Manager for New York State
56 MAIDEN LANE, NEW YORK.

AGENTS WANTED.

THE ROAD OF FOLLY.

(Continued from Page 1.)

The company cannot afford to identify itself with that element, which you and your associates have been working so earnestly and unceasingly to suppress."

From President Lyman of the American Surety Company:

"Long prior to the formation of the Committee of Fourteen this company determined not to issue such bonds, and that course has been continued since. This company is in full sympathy with the objects of your committee."

From President Durbin of the Federal Union:

"This company in its writing believes in decency as much as you or your associates. It will not knowingly write any excise bond on the character of the risk you mention."

From President Seward of the Fidelity and Casualty Company:

"It has been the persistent policy of this company to avoid, as far as possible, risks of the class to which you allude. Our efforts will continue to be steadily in that direction."

From President Warfield of the Fidelity and Deposit Company:

"This company is associated with the surety company in writing excise business, and the purpose of the companies handling this business is not to write bonds for such places."

From President Blount of the Illinois Surety Company:

"This company will co-operate with you in every way in its power by refusing to write bonds for any disreputable institution."

From President Joyce of the National Surety Company:

"This company will not knowingly permit the execution of any excise bond for vicious places, irrespective of the premium or security offered us. I cannot believe a surety company of any standing would for a few paltry dollars sell its services to such an undesirable element."

From President Bland of the U. S. Fidelity and Guaranty Company of Baltimore:

"My company is thoroughly in sympathy with the views of the Committee of Fourteen and will not knowingly write an excise bond for any disorderly place."

From President Tompkins of the U. S. Guarantee Company:

"It has been and will continue to be the policy of this company to avoid the bonding of such places. We are pleased to note that the co-operation will be continued."

From President Penniman of the United Surety Company:

"My company is thoroughly in accord with the movement and aims of the Committee of Fourteen. I shall be glad to co-operate with your committee in bringing about the reforms which are need to place this business on a better foundation, at least, from the lawbreaking standpoint."

From President Hunt of the Aetna Indemnity Company:

"I wish to take this opportunity to personally endorse the attitude of your committee regarding excise bonds."

From President Falvey of the Massachusetts Bonding and Insurance Company:

"This company will not lend its

name or support to the conducting of immoral or unlawful places."

Read and Be Wise.

There is no need to comment on what follows. It is its own glossary. From it you can learn and some may divulge a portion of radium—valuable stuff.

The Cat Is Out of the Bag.

After the several years effort of "The Chronicle" and the Committee of Fourteen combined, there comes a semblance of help from the daily press in the article printed last Sunday in the New York "American," from which the following pathetic extracts are reprinted.

It must be stated in this connection that "The Chronicle" has spent some money in affording all parties at interest an opportunity to enter a statement. To the hour of going to press the only reply received has been from President Harvey, of the Bankers', which refers the inquiry to President Seward, of the Fidelity & Casualty, as though he was head of a public life-saving service.

What The "American" Sees.

The tale the "American" tells is quite confirmatory of all that has preceded. It reflects credit on the journal, the committee and this office. The turning on of the limelight, due to Tammany's defeat politically, has marked what is in fact an epoch in the history of New York, even of America.

The Indictment.

This is the indictment the man from the "American" has entered against the Bankers, and his visit to Cleveland is prolific of talk, surprising, simple, superfluous, the principal parts of which are reprinted so that a fool or a wayfaring man may not err.

This is as the awakening runs:

Another battle against white slavery in New York City will be begun this week by the Committee of Fourteen, which is composed of men and women already well known for their activity in civic and social reform. The committee is to hold a special meeting within the next few days, to de-

cide on legislation for closing unlawful resorts where liquor is sold.

At its conference the committee will also consider a plan to break up a bonding monopoly, which took advantage of the anti-Raines Law Hotel crusade of the Fourteen last year to force the dives to pay an additional tribute of nearly a half million dollars.

The men behind this monopoly are the directors of the Bankers' Surety Company of Cleveland, many of whom are prominent in church circles of the company's home city. Again and again the Rev. Dr. John P. Peters, chairman of the Fourteen, appealed to the directors there to abandon the business of bonding New York dives for extortionate sums, but in vain.

The story of how a group of lawyers and financiers, holding high social and business positions in a distant city, reaped a rich harvest from bonding vice in New York, is now made public for the first time.

Only One Company Bonded Them.

For the purpose of shutting the doors of drinking resorts frequented by certain men and women the Fourteen drew up a blacklist of about 320 hotels, cafes and restaurants. It asked all the surety companies not to bond the blacklisted resorts. At first all the companies, through their New York agents, agreed to the request. Then, suddenly, a few days before October 1, 1908, the beginning of the excise year, the Bankers' Surety broke away and began bonding the dives. Its agent, James McGinty, gave as an excuse that a small Scranton company was after that kind of business.

The Scranton company, soon after Dr. Peters appealed to its officials to refuse to take money from the dive keepers, quit. The Bankers' Surety, however, plunged in all the deeper.

The blacklisted establishments thereupon found that it was either "pay up or shut up." No company except the Cleveland one would bond them for an excise license, and without a license the alternative was to go out of business.

Where the Evil Is Found.

Taking advantage of its monopoly, the Cleveland corporation jumped the price of excise bonds from \$40 to as high as \$1,000. In a multitude of cases keepers of blacklisted resorts were also compelled to put up a cash indemnity of \$1,800 in addition to a \$1,000 premium.

It is at the doors of just such places as the Committee of Fourteen blacklisted that the responsibility for the worst evils of the white slave traffic

THE HOME LIFE INSURANCE COMPANY OF AMERICA

Incorporated 1899.



THE COMPANY FOR THE AMBITIOUS AGENT who desires to sell "COMMON SENSE" insurance at LOWEST COST, and who seeks, through most liberal first year and guaranteed renewal commissions, to receive just recognition of service. All policies registered, signed and sealed by the Insurance Commissioner of the State of Delaware, making them truly

SAFE AS GOVERNMENT BONDS.

Address Executive Offices, 416-18-20 Walnut Street, PHILADELPHIA, PA.

JOHN LANGHAM, Jr.,
President.

JOSEPH L. DURKIN,
Secretary.

GEORGE M. NETTLESHIP,
Manager of Agencies.

have been laid by social workers who have studied the underworld closest.

Inquiry by the "American" in Cleveland discovered that the officials of the Bankers' Surety Company of that city are fully aware of the character of the business solicited and accepted by their New York agents. Moses A. Craig, secretary and treasurer of the company, speaking for the directors, freely admitted this.

The only defense made for accepting what Mr. Craig himself characterized as "dirty money" is that it supplied a practical method of recouping losses sustained through a former New York agent.

Endorsing Is "Good Business."

"We have been writing excise bonds in New York and taking all we could get. We considered it good business, as it afforded an opportunity to retrieve losses incurred during the year 1907, when the agents of the excise law were active in New York. A year or so ago we needed money badly, and this looked like a good way to get it without much risk."

"Do you know the character of the places that your agent is supporting by supplying the bond necessary to procure a liquor license, and without which they could not do business?" interjected the interviewer, who was not prepared for the frankness shown in the preliminary statement of the official.

"We know we are furnishing surety bonds to your so-called Raines law hotels," was the answer.

Knows It Is "Dirty Money."

"And do you know that practically every place to which you have furnished a surety bond it blacklisted as a disorderly house?" persisted the reporter.

"Yes," answered Mr. Craig. "We know that it is 'dirty money,' and we are in bad repute with the Association of Surety Companies for accepting such business, but after we found that our former New York agent, Arthur C. Reister, had been writing bonds for places of the class mentioned and had incurred heavy losses through revocations not reported to the home office there seemed no other course to adopt but to go after every dollar in sight."

Mr. Craig admitted he came to New York on several occasions, and, after thoroughly investigating the conditions under which they were doing business there, told the metropolitan agent, James McGinty, to go ahead and make all he could out of the excise business. As a special inducement to the agent a contract was made by which he was to get, and has received, 33 1-3 per cent. of all the money collected as premiums excise bonds.

Keeping Up Home Appearances.

When Secretary Craig was asked if the Bankers' Surety bonded houses in Cleveland such as those from which he admitted large profits had been obtained in New York, his answer was equally as frank as any made previously during the interview.

"No," he said, "we certainly could not afford to do that sort of business at home."

The men actively connected with the management of the Bankers' Surety Company are all prominent, religiously, financially and socially.

P. W. Harvey, president; George H. Olmstead, first vice-president; William Winsor White, second vice-president; M. A. Craig, secretary and treasurer; directors, Harvey D. Goulder, chairman; Charles Babcock, Charles A. Otis, D. Z. Norton, George H. Olmstead, Frank Semple, Christian Schuele, John Mitchell, C. E. Kennedy, E. H. Zurhorst, Charles R. Mayers, of Columbus; Henry Strand, R. E. Burdick, A. S. Upson, F. M. Osborn, Frank McCord, L. Newshuler, H. J. Wentz and M. P. Goodman.

P. W. Harvey, the president, is a Yale graduate, and in addition to being wealthy is one of the best known young men socially in Northern Ohio.

A Dominating Spirit.

Harvey D. Goulder, chairman of the board of directors, and the dominating spirit in the management of the company, is a lawyer of national repute. He is well known in Washington for the interest he took in the Ship Subsidy bill some years ago. He is general counsel for the Lake Carriers' Association and a director in a dozen other corporations.

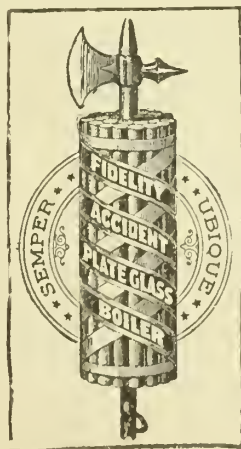
Mr. Goulder's home in Cleveland is on Euclid avenue, and he is a prominent and active member of the Euclid Avenue Congregational Church. He is a member of the Union, Euclid, Colonial, Country, Roadside, Rowfant, Cleveland Yacht, Congregational and Gentlemen's Driving Clubs, of Cleveland; Detroit Club, Detroit, and Transportation Club, of Buffalo.

Charles A. Otis, Jr., is a member of the firm of Otis & Hough, bankers and brokers, and publisher of an afternoon newspaper. He is a Yale graduate, a director of the Standard Sewing Machine Company, member of the advisory board of the Citizens' Savings and Trust Company, New York Stock Exchange and Cleveland Stock Exchange.

NATIONAL SURETY EXAMINATION.

Just as "The Chronicle" goes to press the Superintendent's report of its examination is at hand. It is too lengthy to review in the limited time and space afforded, but will be treated in extenso in an early issue.

The report deals with many matters that have been the subject of criticism and gossip for many months and which will no doubt be now set at rest. Generally, the report shows a favorable financial condition.



THE FIDELITY & CASUALTY COMPANY

97 TO 103 CEDAR ST., NEW YORK CITY.

ASSETS - \$8,649,885.06

Cap. & Surplus \$3,011,834.00

LOSSES PAID \$29,195,835.85
to Jan. 1, 1909.

This Company grants Insurances as follows:

Bonds of Suretyship for Persons in Positions of Trust, Fidelity Bonds, Burglary, Plate Glass, Steam Boiler, Fly Wheel, Employers, Public Teams, Workmen's Collective, Elevator and General Liability; Personal Accident, Health and Physicians' Liability.

OFFICERS:

GEORGE F. SEWARD, President.

Robert J. Hillas, V.-P. & Sec'y. Henry Crossley, Ass't Sec'y
Frank E. Law, 2d Ass't Sec'y. George W. Allen, 3d Ass't Sec'y.

Philadelphia Casualty Co.

WALTER LE MAR TALBOT, Pres't.

Capital \$500,000
Total Assets, April 1, 1909.....\$1,427,564
Surplus (Policyholders).....\$714,598

SAFE SUPERIOR POLICIES SATISFACTORY

Personal Accident, Health, Liability,
Automobile, Plate Glass and
Credit Insurance.

Agency Correspondence Solicited.

Alfred M. Best Company

INCORPORATED

100 William Street, New York.

BEST'S INSURANCE REPORTS.
BEST'S INSURANCE NEWS.

The Standard Authority.

HARTFORD LIFE

INSURANCE COMPANY,
OF CONN.

1000 Policies are Participating, or
Non-participating, with Lower Rates
and Values based on FULL RE-
SERVE.

For Right Contracts,

Address, Second Vice-President

Home Office HARTFORD, CONN.

WILL TEST KANSAS STATE FIRE RATES.

Chicago, Tuesday (Special).—Managers here have been going ahead with their preparations to test the constitutionality of the Kansas rate regulation law, being fairly confident that the Attorney General of Kansas would be unable to prove the companies guilty of violation of the anti-trust law of that State in the trial which was in progress at Topeka for a number of days.

It is the intention of the companies to knock out the rate regulation law if possible. While many managers are favorable to anti-discrimination laws, if properly safeguarded against abuse, the majority have become convinced that the principle in the Kansas law is too dangerous to ignore. If the power of rate regulation were in the hands of experts not subject to political influence, the case would be different; but managers see no probability of rate advances ever being ordered, no matter how greatly they may be needed. They look upon the law as a rate-reduction measure. No insurance superintendent would have reason to expect anything but political death if he were to resist the demands for reductions or to order advances. Should a superintendent court his own destruction by thus defying public opinion, there is nothing to prevent candidates for Governor from making campaign pledges to appoint as superintendent a man who will give the people what they want.

Already three States have enacted State rate regulation measures, and no two of these laws are alike. The managers figure that if fifteen or twenty more States should enact fifteen or twenty more varieties of the same species it would create an intolerable condition. Therefore they feel constrained to endeavor to convince the courts that the Kansas law is unconstitutional, and thus stem the tide before it runs higher.

MILLIONAIRE AGENCIES.

It is fresh in the memory of even the latest neophyte in insurance that the great State of New York determined, in legislative session, that its insurance energies, as individually represented, required a limitation of effort by the real live ones, else the small fry would have no place in the running. This applied to the companies.

Now comes the general agency of E. E. Clapp & Co., domiciled at 66 Pine Street, this city, managers of the Fidelity & Casualty's accident department, with the placid announce-

ment of two million dollars premium income for 1910. Now, why should one single general agency be allowed such reward of energy? Why not compel it to divide with the poor and us? Even a very small part of that two millions would be accepted by a very large portion of the non-working element.

Even Chicago is getting "chesty" on this same question. Conkling, Price & Webb, managers of the Western department of the London Guarantee & Accident, are calmly counting on one million premium income for the agency during the year. With better burglary and plate glass conditions even these figures will be raised. Burglary conditions as to rate and commission wars are practically settled, but the plate glass fight is still in progress. However, the plate glass is a negligible factor in the computation of general results, therefore 1910 may be forecasted with approximate accuracy.

Frederick P. Hopkins, for forty years connected with the State Mutual Life, of Worcester, first as solicitor and later as general agent, died at his home in that city Wednesday of last week, at the age of 73.

INCORPORATED 1833.

British America Assurance Company

HEAD OFFICE, TORONTO, CANADA

UNITED STATES BRANCH.

JANUARY, 1, 1909.

Assets	\$1,473,470.08
Liabilities	902,747.45
Surplus	\$570,722.63

Hon. GEORGE A. COX, President.
W. R. BROCK } Vice-Presidents
JOHN HOSKIN }
W. B. MEIKLE, General Mgr

The UNION CENTRAL LIFE of Cincinnati

Has several good openings for first-class men. It is the Company of companies for the agent who will make an aggressive campaign for business, and who wants to win in competition.

The Union Central earns the highest rate of interest on its investments of all American companies.

THE BEST COMPANY For The Policyholder.

Address

JESSE R. CLARK, President, or
ALLAN WATERS, Sup't of Agents.

"PERFECTION" POLICIES
are issued only by the

Continental Casualty Co. CHICAGO, ILLINOIS.

When better accident and health policies can be written, we will write them.

Good Contracts in Good Territory to Good Men. Producers address

H. G. B. ALEXANDER,
President and General Manager,
1208 Michigan Ave., Chicago, Illinois.

New England Mutual Life Insurance Company

87 Milk Street, BOSTON, MASS.

ASSETS, Jan. 1, 1909.....	\$47,980,647.74
LIABILITIES	44,476,655.63
	\$3,503,992.06

All forms of Life and Endowment policies issued. Cash distributions paid upon all policies. Every policy has indorsed thereon the cash surrender and paid up insurance values to which the insured is entitled by the Massachusetts Statute. Pamphlets, rates and values for any age sent on application to the Company's Office.

ALFRED D. FOSTER, President.
D. F. APPEL, Vice-President.
JACOB A. BARBEY, Secretary.
WM. F. DAVIS, Ass't Sec'y.
J. G. WILMAN, Asst. Sec'y.
NEW YORK OFFICE:
St. Paul Building, 220 Broadway.
SETH H. WHITELEY, Manager.

THE FRANKFORT MARINE, ACCIDENT AND PLATE GLASS INSURANCE CO. OF FRANKFORT-ON-THE-MAIN - - - - - GERMANY ESTABLISHED 1865.

United States Department, - - - 100 William Street, New York, N. Y.

TRUSTEES:
RICHARD DELAFIELD, Pres. of National Park Bank
ERNST THALMANN, of Ladenburg, Thalmann & Co.
STUYVESANT FISH, 214 Broadway, New York City.
C. H. FRANKLIN, U. S. Mgr. and Attorney JNO. M. SMITH, Sec. U. S. Branch

LIABILITY—		INSURANCES TRANSACTED	
Employers,	General,	Vessel Owners,	Burglary
Public,	Landlords,	Contingent,	Workmen's Collective
Teams,	Elevator,	Druggists & Physicians.	Individual Accident & Health
			Industrial Accident & Health

AGENTS WANTED FOR UNOCCUPIED TERRITORY

The Star of Success

shines over the fields in which our agents work.

Why? Popular company, policies that cover public needs, low net cost, literature that prospects read.

Now writing the largest business in our history.

For agency information apply to

Massachusetts Mutual

Life Insurance Company

Springfield, Mass.

Incorporated 1851.

Hanover Fire

INSURANCE
COMPANY
of New York



Agencies
in all the Principal Places
in the United States.

CLAIMS PAID OVER \$11,300,000 CASH CAPITAL \$500,000.00 RESERVE AND SURPLUS POLICY HOLDERS OVER \$3,200,000

All forms of Accident, Sickness, Industrial and Liability Insurance

THE STANDARD

Accident Insurance Co.

Detroit, OF Michigan.

Lem W. Bowen, Pres. E. A. Leonard Sec.

Metropolitan Department,
C. A. TIMEWELL, Manager,
92 William St., New York City.

Organized 1850

ISSUES GUARANTEED CONTRACTS.

JOHN P. MUNN, M.D. PRESIDENT	Good men, whether experienced in life insurance or not, may make direct contracts with this company, for a limited territory if desired, and secure for themselves, in addition to first year's commission, a renewal interest insuring an income for the future. Address the Company at its Home Office, No. 277 Broadway, N. Y.
JAMES R. PLUM VICE PRESIDENT	
CLARENCE H. KELSEY LEASHER	
WILLIAM H. PORTER PRESIDENT, THE GUARANTEE AND TRUST CO.	
WILLIAM H. PORTER PRESIDENT, THE GUARANTEE AND TRUST CO.	

T H E PROVIDENT LIFE AND TRUST COMPANY OF PHILADELPHIA

Insurance in Force, \$201,185,435.00
(Paid for Basis)

Assets \$67,324,334.35
(Market Value, Dec. 31, 1908)

Contingency Reserve . \$8,819,979.14

The NEW POLICIES of the Provident are unsurpassed for conciseness and simplicity of form and for adaptability and liberality in all essentials.

The Premium rates of the Provident are exceedingly low and are still further reduced by large annual dividends.



Established 1836.

Entered U. S. 1848.

The statement of the condition of the United States Branch on the 1st of January, 1909, in accordance with the laws of the State of New York, is as follows:

ASSETS\$13,212,749.70
LIABILITIES 8,238,870.50

SURPLUS \$4,973,879.20

As an illustration of the Company's practice in maintaining its Assets in the United States in years of excessive loss, the following figures may interest policyholders:

Year.	Assets at January 1.	Income.	Expenditure.	Excess of Expenditure.
1871	\$3,054,361	\$3,163,901	\$5,122,653	\$1,958,752
1872	3,640,450	3,733,101	4,484,999	751,898
1873	4,165,290			

THUS SHOWING EXCESS OF EXPENDITURE IN THE TWO YEARS OF\$2,710,650
AND INCREASE OF ASSETS IN THE SAME TIME OF 1,110,929

PROGRESS of the United States Branch: Net Fire Premiums—1848, \$4,519; 1858, \$471,998; 1868, \$1,739,620; 1878, \$2,422,126; 1888, \$3,928,010; 1898, \$4,979,422; 1908, \$7,427,617.63.

LOSSES—The amount paid in satisfaction of fire losses in the United States to the beginning of the present year was \$115,772,000. This large sum, in conjunction with the growth of the Company's business, evinces the confidence of the public and the faithfulness with which the Company's losses are adjusted and settled.

The Chronicle.

1866

Published by THE CHRONICLE COMPANY, Ltd., 90 William St., New York City.

1910

VOLUME LXXXV.

New York, January 13, 1910.

NUMBER 2

JOHN C. PAIGE & CO.

INSURANCE

**65 KILBY STREET
BOSTON**

201st YEAR

SUN
**Insurance Office
OF LONDON.**

FOUNDED 1710.

UNITED STATES BRANCH:

54 PINE STREET, NEW YORK.

WESTERN DEPARTMENT:

171 LA SALLE ST., CHICAGO.

PACIFIC DEPARTMENT:

Sansome & Sacramento Sts.,
SAN FRANCISCO, CAL.

AGENTS WANTED
AT UNREPRESENTED POINTS.

The Connecticut Mutual

That means the best life insurance to have and the best to sell. If you can sell life insurance, you can sell more of it for the CONNECTICUT MUTUAL.

Men of Character and Ability are invited to apply.

Conn. Mutual Life Ins. Co.,

Hartford, Conn.

Please mention this paper.

SECOND ANNUAL STATEMENT CONTINENTAL LIFE INSURANCE COMPANY

WILMINGTON, DELAWARE.

January 1, 1910.

ASSETS.

Bonds at market value.....	\$110,281.25
Mortgages on real estate, first liens.....	26,200.00
Cash in bank at interest.....	19,347.41
Cash in office.....	598.37
Premium notes and policy liens.....	9,799.79
Deferred and unreported premiums.....	5,309.51
Accrued interest on investments.....	2,144.53
Agents' balances.....	3,150.11
Furniture, supplies and all other assets.....	2,970.06
Total	\$179,801.08

LIABILITIES.

Reserves to reinsure all outstanding policies.....	\$38,347.13
Commissions contingently payable to agents.....	3,981.41
Capital stock.....	\$104,130.00
General surplus.....	32,441.50
Surplus apportioned, awaiting distribution.....	462.69
Assets as security for policyholders in excess of all legal requirements.....	137,034.19
Total	\$179,801.08
INSURANCE IN FORCE	\$3,417,770.00

INCREASES DURING 1909:

In net surplus.....	18 per cent.....	\$4,036.85
In gross surplus.....	35 per cent.....	8,474.29
In assets.....	24 per cent.....	34,271.26
In insurance in force.....	120 per cent.....	\$1,865,730.00

PHILIP BURNET, President.

Harvey L. Cooper, Vice-President.

George E. Saulsbury, Second Vice-President.

William F. Kurtz, General Counsel.

Peter W. Tomlinson, M.D., Medical Director.

John D. Kurtz, Secretary and Treasurer.

NATIONAL LIFE INSURANCE COMPANY of the United States of America CHICAGO

ESTABLISHED 1868



ALBERT M. JOHNSON, President

ROBERT E. SACKETT, Vice-President

ROBERT D. LAY, Secretary

**RECORD
SIX YEARS**

Increase in Surplus Funds, - - - - -	\$ 495,980.03
Increase in Yearly Income, - - - - -	1,167,464.28
Increase in Assets - - - - -	5,848,855.77
Increase in Insurance in Force - - - - -	23,968,070.00

EXCEPTIONAL OPPORTUNITIES FOR MEN OF ABILITY

INCORPORATED 1833.

British America

Assurance Company

HEAD OFFICE, TORONTO, CANADA

UNITED STATES BRANCH.

JANUARY, 1, 1909.

Assets\$1,473,470.06
 Liabilities 903,747.45
 Surplus \$570,722.61

Hon. GEORGE A. COX, President.

W. R. BROCK } Vice-Presidents
JOHN HOSKIN }

W. B. MEIKLE, General Mgr.

New England Mutual Life

Insurance Company

87 Milk Street, BOSTON, MASS.

ASSETS, Jan. 1, 1909.....\$47,980,647.74
 LIABILITIES 44,476,655.63
 \$3,503,992.06

All forms of Life and Endowment policies issued.
 CASH distributions paid upon all policies.
 Every policy has indorsed thereon the cash sur-
 render and paid up insurance values to which the
 insured is entitled by the Massachusetts Statute.
 Pamphlets, rates and values for any age sent
 on application to the Company's Office.

ALFRED D. FOSTER, President.

D. F. APPEL, Vice-President.
 JACOB A. BARBEY, Secretary.
 WM. F. DAVIS, Asst. Sec'y.
 J. G. WILMAN, Asst. Sec'y.

NEW YORK OFFICE:

St. Paul Building, 220 Broadway.
 SETH H. WHITELEY, Manager.

NATIONAL LIFE

Insurance Company.

MONTPELIER, VERMONT.

Established in 1850.

Operating in 36 States.

JOSEPH A. DE BOER, President.

FRED A. HOWLAND, Vice-President

JAMES B. ESTEE, 2nd Vice-President

OSMAN D. CLARK, Secretary

H. M. CUTLER, Treasurer

A. B. BISBEE, Medical Director

C. E. MOULTON, Actuary

This Company held January 1, 1909, and
 gained during the past decade:

ASSETS . . . \$44,026,069.73
 GAIN, 173 PER CENT

SURPLUS . . . \$5,279,925.70
 GAIN, 174 PER CENT

INSURANCE . \$155,755,039.00
 GAIN, 93 PER CENT

**Absolute Security and
 Economy of
 Management**

THE FRANKFORTMARINE, ACCIDENT
AND PLATE GLASS

INSURANCE CO.

OF FRANKFORT-ON-THE-MAIN GERMANY
ESTABLISHED 1865.

United States Department, . . . 100 William Street, New York, N. Y.

TRUSTEES:

RICHARD DELAFIELD, Pres. of National Park Bank
 ERNST THALMANN, of Ladenburg, Thalmann & Co.
 STUYVESANT FISH, 214 Broadway, New York City.

C. H. FRANKLIN, U. S. Mgr. and Attorney JNO. M. SMITH, Sec. U. S. Branch

INSURANCES TRANSACTED

LIABILITY— Employers, General, Vessel Owners, Burglary
 Public, Landlords, Contingent, Workmen's Collective
 Teams, Elevator, Druggists & Physicians. Industrial Accident & Health

AGENTS WANTED FOR UNOCCUPIED TERRITORY

HOME OFFICE OF THE

Metropolitan Life Insurance Company

(INCORPORATED BY THE STATE OF NEW YORK, STOCK COMPANY)

The Company OF the People, BY the People, FOR the People

PROOF OF PUBLIC CONFIDENCE.

This company has more premium pay-
 ing business in force in the United States
 than any other company, and for each of
 the last 15 years has had more New In-
 surances accepted and issued in America
 than any other company.

The number of Policies in force is
 greater than that of any other Company
 in America, greater than all the Regular
 Life Insurance Companies put together
 (less one), and can only be appreciated
 by comparison. It is a greater number
 than the Combined Population of Greater
 New York, Chicago, Philadelphia, Boston,
 St. Louis, Cleveland, Cincinnati, San
 Francisco, Pittsburg, Baltimore, New
 Orleans and Buffalo.

Assets.

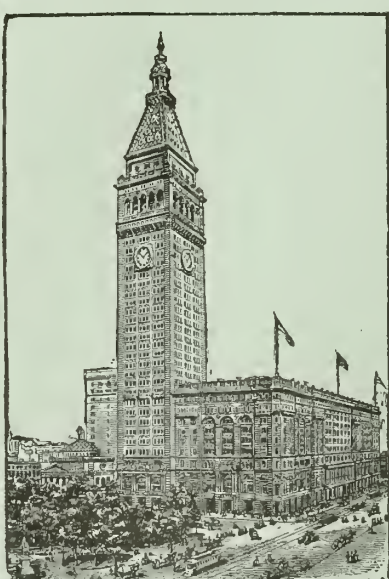
United States, City and R. \$99,630,935.56
 R. Bonds and Stocks..... 90,795,319.02
 Bonds and Mortgages..... 22,444,627.78
 Real Estate 4,775,988.79
 Cash 2,192,702.00
 Demand Loans on Collateral..... 8,866,362.78
 Loans to Policyholders.....
 Prem. deferred and in course
 of collection (net)..... 5,300,922.97
 Accrued Int., Rents, etc..... 2,820,502.29

Total\$236,927,361.19

Liabilities.

Reinsurance Fund and
 Special Reserves.....\$208,134,891.00
 All other Liabilities..... 6,669,563.07
 Capital and Surplus..... 22,122,907.12

Total\$236,927,361.19



Largest Office Building in the World—
 Madison Ave., Fourth Ave., 23d St.
 and 24th St., New York City.

THE DAILY AVERAGE OF THE COM-
 PANY'S BUSINESS DURING 1908:
 441 per day in number of Claims Paid.
 6,343 per day in number of Policies placed
 and paid for.
 \$1,202,352.87 per day in New Insurance
 placed and paid for.
 \$166,633.89 per day in Payments to Policy-
 holders and addition to Reserve.
 \$126,996.37 per day in Increase of Assets.

OFFICERS.

John R. Hegeman.....President
 Haley Fiske.....Vice-President
 George H. Gaston.....2nd Vice-President
 George B. Woodward.....3rd Vice-President
 Frank O. Ayres.....4th Vice-President
 James M. Craig.....Actuary
 Frederick H. Ecker.....Treasurer
 Walter Stabler.....Comptroller
 James S. Roberts.....Secretary
 John R. Hegeman, Jr.....Asst. Secretary
 J. J. Thompson.....Assistant Secretary
 T. R. Richardson.....Assistant Secretary
 F. F. Taylor.....Assistant Secretary
 Frederick A. Betts.....Assistant Secretary
 George C. Penhallow.....Assistant Secretary
 Stewart L. Woodford.....Counsel
 Thomas A. Willard, M. D.....Med. Director
 Augustus S. Knight, M. D.....Med. Director
 W. S. Manners, M. D.....Asst. Med. Director
 E. M. Holden, M. D.....Asst. Med. Director
 D. M. Gedge, M. D.....Asst. Med. Director
 I. J. Cahen.....Manager Ordinary Dept.
 Lee K. Frankel, Ph. D.....Mgr. Indus. Dept.
 Jacob Chadeayne.....Mgr. Intermediate Dept.
 Chas. G. Reiter.....Asst. Actuary
 James C. Brown.....Asst. Actuary
 James D. Craig.....Asst. Actuary
 Raymond V. Carpenter.....Asst. Actuary

Paid to Policyholders since Organization, plus the Amount now invested for their Security. \$470,366,769.36.
 Number of Policies, in Force, Dec. 31, 1908, 9,960,196. Total Outstanding Insur. Placed and Paid For, Dec. 31, 1908, \$1,861,890,803.

In its Ordinary Department policies are issued for from
 \$1,000 to \$1,000,000 on individual lives, premiums payable an-
 nually, semi-annually and quarterly. In its Industrial De-
 partment policies are issued on all the insurable members of
 the family for weekly premiums.

Full particulars regarding the plans of the Metropolitan
 may be obtained at its Home Office, 1 Madison Avenue,
 New York City, or of its Agents in all the principal cities
 of the United States and Canada.

The Chronicle

VOLUME LXXXV.

NEW YORK, THURSDAY, JANUARY 13, 1910.

NUMBER 2

ALFRED B. DAWSON, President.
R. B. Dawson, Treasurer. Chas. D. O'Brien, Secretary.
Emil Schwab, Manager New England Department,
178 Devonshire Street, Boston, Mass.

All communications should be addressed to and remittances should be made to The Chronicle Company, Limited.
Entered at the Post Office, New York, N. Y., as Second Class Mail Matter.

PUBLISHED EVERY THURSDAY BY
THE CHRONICLE COMPANY, Limited.
No. 90 WILLIAM ST., NEW YORK.
Phone "567 John." Cable Address, "Chronogram," New York.
Subscription Price:
Three Dollars a Year. Single Copies, Twenty-five Cents.
Postage Prepaid in the United States and Canada.

Superintendent Hotchkiss' Report.

The first annual report of Superintendent Hotchkiss and the fifty-first annual report of the Insurance Department of New York was submitted on January 12 to the Legislature. The early part of it is given over to a comparison of the work of the department with the work of its first year under the Hon. William Barnes, first Superintendent of Insurance, who assumed office on January 12, 1860, and who is still living at the ripe age of 85.

A comparison is instituted between the assets of companies at the time of the first report and the assets one year ago—the statements of the companies at the close of the year 1909 are, of course, not yet in—showing that the total assets of all the insurance companies doing business in the State of New York on December 31, 1859, were \$105,001,520.65, and at the present time \$3,939,887,174.55.

Pages 12 to 14 are given up to an explanation of the present organization of the department, comprising 85 persons, and to recommendations that proper provision be made for larger headquarters at Albany, for additional space in the offices in New York City, for generally increased expenses and for a restoration of the office of Third Deputy Superintendent and authorization of the employment of an assistant auditor and an assistant actuary, to be stationed in New York City.

Proposed Amendments of Last Year's Enactment.

Discussing the legislation of last year, the Superintendent recommends that section 7, prohibiting gifts to department officers and clerks be amended so as to prohibit the same coming from any officer or other person connected with "the superintendent or any clerk or employe of the Insurance De-

partment, or any examiner, for extra service, or for purposes of legislation, or on any other pretense," and that the amortization section be amended so as to provide that it shall apply only to life companies unless the superintendent shall otherwise determine. He also recommends that the section relating to reinsurance which now provides that the whole of any risk on an individual life may not be reinsured except by permission of the Superintendent of Insurance, be amended so as to apply also to all other kinds of insurance companies, the idea being that no company should be permitted to reinsure all its risks without the consent of the department.

Would This Suit the New York Life?

The superintendent mentions a suggestion that "so long as the gross amount of renewal commissions and collection fees specified in this section (97) be not exceeded, any life company should be permitted to use the same in other forms of compensation, provided that its contract stipulate that such compensation be approved by the Superintendent of Insurance." This appears to look toward some kind of a recognition of the Nylie scheme which the New York Life Insurance Company has so long urged should be permitted.

The Superintendent comments especially upon the extremely low cost of the department's taking charge of a company, pointing out that the entire trusteeship of the Washington Life Insurance Company during the period that the department was in charge, by agreement, between the Washington Life and the Pittsburgh Life was less than \$4,500, and that this also eventuated in a reinsurance contract approved by the company,

the termination of the trusteeship, the surrender of possession and a certificate of authority to the Pittsburgh Life & Trust Company to do business in New York.

Recommends Amendments of Laws.

The Superintendent takes up the discussion of the origin and general nature of the insurance laws of New York and makes certain recommendations, as for instance:

First, that the provision for registered policies should be repealed.

Second, that section 96, limiting the volume of new business, should be extended to all companies doing business in the State of New York, the penalty to be revocation of license in the case of a company which is domiciled in another State or foreign country.

Third, that section 97 be amended, first, so as to make it perfectly clear that it does not apply to a contract with each individual agent; and, second, "so as to provide that companies may only claim credit for mortality gains upon policies in force, and in no case ignore the costs of carrying the policy to its next due date." The first of these has reference to a ruling of the Attorney General, based upon *Boswell vs. Security Mutual Life Insurance Company*, in the Court of Appeals, and the second to a decision of the Appellate Division in *Travelers vs. Kelsey*, which is now before the Court of Appeals.

Fourth, that section 60 be so amended that it will penalize the making of any representation instead of merely any misrepresentation for the purpose of inducing one to lapse, forfeit or surrender his insurance. Query: As to whether this would not be unconstitutional.

The Superintendent also discusses section 70 of the insurance law, and

particularly the words "or the health" in sub-division I, and is of the opinion that while total and permanent disability may well be covered in life insurance policies, all forms of disability perhaps ought not to be. He is, in any event, clearly of the opinion that "the department should have power to require life companies writing any kind of health policies to keep separate accounts and make separate statements on that class of business."

Recommendations Re Industrial Insurance.

Under the head of "Industrial Insurance" he refers to the fact that the Armstrong Committee "suggests that the subject of industrial insurance is one deserving special investigation," and says: "Such suggestion continues to have much merit and with proper additions to the department's force such an investigation may, it is thought, be begun."

He recommends that there be added to article II a section permitting any life insurance corporation doing business in this State to issue life or annuity policies "in amounts not exceeding \$3,000 on a monthly premium basis, with such exemptions from the provisions of the insurance law as now apply to so-called industrial insurance, provided the policies have the advance approval of the department."

Reference is made by the Superintendent to the present standard for the valuation of industrial policies, which is the Standard Industrial Mortality table, based upon the experience of the Metropolitan Life Insurance Company and $3\frac{1}{2}$ per cent., the method being what is known as the "New York plan"; and to the fact that request has been made that the same be modified. The Superintendent says of this:

The department has ruled that, having once exercised this function, it has no power to modify or amend, and that, if any change is to be made, legislative authority must be given. The minimum standard of industrial valuations fixed by the department in 1907 was based upon computations and conferences expressive of the views and experience of the two companies then chiefly doing this class of business. The conclusion reached was thought to establish a basis that was absolutely safe. The department is not now willing to recommend any lower basis, and, therefore, merely suggests that, if the basis then established is thought by the Legislature to be too high the Legislature itself, after a proper investigation of the experience of the companies doing this class of business, fix such basis.

The recommendations of Superintendent Hotchkiss in regard to other forms of insurance are set forth in other pages of this number of "The Chronicle."

A NEW AND VALUABLE MORTALITY TABLE.

Some three or four years ago "The Chronicle" exclusively published a mortality table constructed on the aggregate basis under the supervision of the Scandinavian Actuarial Society, and showing the mortality experience of the companies of Denmark, Norway and Sweden.

This table, however, is not well adapted for the use of companies, owing to the fact that it was in the opinion of most of the companies what is known as a "junior table," that is, it was affected at all the ages at which insurance is taken, but in an unequal degree, by the presence of an over-large number of lives which had been recently selected by medical examination.

Accordingly, J. F. Steffenson, a leading Danish actuary, and one of the members of the government commission which supervises life insurance in Denmark, has constructed by the application of Makeham's law, from the experience of the Scandinavian companies, excluding the first five years of insurance an ultimate table which he calls Dm⁽⁵⁾ meaning Danish male table, with the first five years of insurance excluded. The title selected is somewhat unfortunate, because this expression "D" has already been used in connection with English tables to designate a "diseased life" table. It is otherwise applicable, because, apparently, only the Danish lives have been considered.

The extraordinary thing about the table is the very low mortality which it exhibits at all of the ages under 55, but this can best be illustrated by giving the mortality rates themselves, which are as follows:

Age.	Rate of Mortality.	Age.	Rate of Mortality.
20	0.00274	61	2962
21	280	62	3221
22	287	63	3505
23	294	64	3814
24	303	65	0.04152
25	0.00312	66	4521
26	322	67	4924
27	333	68	5363
28	345	69	5842
29	358	70	0.06364
30	0.00372	71	6932
31	388	72	7551
32	405	73	8225
33	424	74	8957
34	444	75	0.09752
35	0.00467	76	10616
36	492	77	11552
37	519	78	12567
38	549	79	13666
39	581	80	0.14854
40	0.00617	81	16137
41	656	82	17520
42	699	83	19010
43	746	84	20611
44	797	85	0.22328
45	0.00853	86	24168
46	915	87	26133
47	981	88	28228
48	1056	89	30456
49	1137	90	0.32816
50	0.01225	91	35311
51	1322	92	37939
52	1428	93	40695
53	1544	94	43574
54	1670	95	0.46568
55	0.01809	96	49667
56	1961	97	52857
57	2127	98	56119
58	2309	99	59435
59	2507	100	0.62782
60	0.02725		

AN ACHIEVEMENT WORTH WHILE.

The annual statement of the Continental Life Insurance Company, of Wilmington, Delaware, published in other columns of this issue of "The Chronicle," is a record of one of the most remarkable achievements in establishing a new company—and all the more remarkable in view of the rage of extravagance in building up new companies which has swept over nearly all the country except New York.

The company shows for the year a gain in insurance in force of \$1,865,730, or 120 per cent., and this, not only without the large loss in surplus which only too commonly attends such growth, but actually with an increase of net surplus of 18 per cent.

The Continental Life made a similar record in 1908; that is, showed earnings for the year though doing a large new business. That was its first full year and this its second.

It is doubtful whether this has ever been paralleled in this country. It might be considered the more extraordinary, in view of the fact that the company has carried the strict modified preliminary term reserve from the outset. But, instead, it is due to that, i. e., to the guidance which that method affords the management as to what it can profitably expend for new business, more than to any other one thing, other than the capable business management of its president and other officers.

The business of the company is annual dividend, and, in addition to its gain in surplus, it paid dividends upon policies which reached their second anniversary, that reduced the net cost below the average in the 25 leading American companies.

The management ascribe their success to the conservative reserve standard, cost of new business limited to actual margins, careful selection of risks, restricted territory and intensive field work and prudent investments.

Germania Fire INSURANCE CO., NEW YORK. ORGANIZED 1859.

Cash Capital.....\$1,000,000.00
Assets\$5,874,016.00
Net Surplus.....\$1,509,442.33
Surplus for Policyholders, \$2,509,442.33

HEAD OFFICE:
Cor, William and Cedar Streets,

A QUEER DEAL.

Horace White, Lieutenant Governor of New York, better known as the right-hand man of the State Republican machine boss, Timothy L. Woodruff, does not seem to be able to keep out of the insurance limelight. In the recent action of the Superintendent of Insurance to block the scheme to get possession of the \$3,000,000 of assets of the People's Mutual Life Insurance Association and League, of Syracuse, a fraternal society, for which control of the directorate was to be had for the sum of \$100,000, Mr. White admits that he acted as official "bag-holder," and that in that connection he had been recipient of the sum of \$20,000 which, he says, was paid him for an old obligation of John Tevis, who engineered the deal. His explanation of the old obligations is as follows:

This sum had been owing to me, part of it running over a period of several years, for disbursements, moneys advanced, profits and services in various transactions in which I had been interested with Tevis, and not a cent was for services rendered in this transaction.

Was It an Obligation From Provident Savings Days?

The names of John Tevis and Horace White will be recalled in connection with the purchase of the control of the Provident Savings Life Assurance Society by a number of Louisville capitalists about a year and a half ago. Fortunately, the Insurance Department of New York prevented the assets of the Provident Savings from being removed to Louisville. Query: Was the \$20,000 an unpaid commission on the former deal?

It is reported that the object in getting control of the People's Mutual Association was to reinsure the same in the Federal Life Insurance Company, of Canada, which, of course, although the members were not notified of it, was being done for the benefit of the certificate holders.

The transaction in which Lieutenant Governor White played an important part is believed to be a flagrant violation of the laws of New York State. The People's Mutual Life Association is a fraternal society, and the claim of the resigning directors that they held certain contracts which were worth \$100,000 is believed to be a mere evasion. If these contracts were bona fide, the officers of the company could be prosecuted for perjury (the maximum penalty for such an offense is twenty years), on the ground that the company has never reported these contracts as a liability in their sworn statements to the Insurance Department.

Statement of the Superintendent.

A statement of facts has been issued by Superintendent Hotchkiss, and is in part as follows:

In brief, the evidence showed that eight of the nine directors of this society, which is a fraternal beneficiary society having no capital stock, have received thus far the following amounts from one John Tevis, of Louisville, Ky., who seems to have been in effect the purchaser of the society, with assets of about \$3,000,000, and having 40,000 members, viz.: Willard H. Peck (first payment), \$21,500; Iram C. Reed, \$15,000; E. R. Debarr, \$13,500; Dr. E. O. Kinne, \$25,000; J. E. B. Santee (this sum having been sent him in currency by Kinne out of \$30,000 paid the latter), \$5,000; Charles F. Wazte, \$1,000; H. H. Mondon, \$5,000; Slayter Laycock, \$5,000.

Fifty thousand dollars of the \$150,000 placed in Lieutenant Governor White's hands by Mr. Tevis was disbursed by the latter in the following amounts: Willard H. Peck, \$10,000; First National Bank of Syracuse, \$5,000; John Tevis, \$10,000; Horace White, \$20,000; still on deposit in the First National Bank of Syracuse, \$5,000.

Messrs. Peck, Reed and Debarr claim that the money paid them was consideration for their assignment to Mr. Tevis of certain contracts bearing date in 1904, at about the time the society began business, whereby they were to receive, in addition to their salaries, certain percentages on business done. Messrs. Peck and Reed, however, admit that obligations to them on these contracts were never carried as a liability against the company, and therefore face the alternative of admitting that this money was paid to them, as claimed by the department, in consideration of their joining in a scheme for the surrender of the control of this company to Mr. Tevis and his associates, or else responding to the charge of filing false statements in the Insurance Department for the past several years.

As to the disbursement of the \$50,000, it would appear that the \$10,000 paid Mr. Peck was by way of securing his services in connection with a new or reorganized company; that the payment to the First National Bank of Syracuse was in consideration of its accepting on deposit from one Travers, of the Farmers Bank, of Canada, on behalf of Mr. Tevis, Canadian currency to the extent of \$150,000, and also for its good offices and the risks which it might run in practically cashing \$180,000 of the society's securities, that the same might be used in making a deposit of \$150,000 of the society's moneys in the Farmers Bank, of Canada; that the payment of \$10,000 to Mr. Tevis was a return to him of his own money, and that the payment of \$20,000 to Lieutenant Governor White was for moneys owing him over a period of several years, and represented by disbursements, cash advanced, profits and services in several transactions in which he had been interested with Mr. Tevis, and that the \$5,000 still in the bank is claimed by Mr. Tevis, but at the request of the department is being held subject to the determination after an examination as to whether he is entitled to the same.

It will therefore be seen that the statement of the department late in

December, that the controlling officers of these fraternal beneficiary societies had parted with such control to other persons for a substantial money consideration running to such officers, has been substantiated.

It was then stated that the amount paid such officers—and such statements were based upon the facts as they had then been developed—was \$150,000. It now appears that such officers received but \$110,000.

The testimony, which is quite voluminous and contains much that throws side lights on the whole transaction, indicates that the old officers looked upon this society as their property, and without consulting its members were willing to dispose of it to their individual profit. In the opinion of the department, men who would thus sell their trusteeship cannot be trusted to continue in such trusteeship; likewise men who would buy such a trusteeship might sell it. Hence the department's action in seeking to take this company and its large assets out of their hands.

A CREDITABLE INSTITUTION.

The thirtieth annual statement of the Bankers Life Association of Des Moines, Iowa, shows the association has made great gains in the territory in which it operates. The Bankers is by far the most successful assessment association that this country has ever had, both from the standpoint of economy of management and the selection of risks. Great credit for its remarkable growth and stability is due President Clark and his associates.

Previous to becoming president, Mr. Clark had been active in the management of the association for over twenty-one years. Treasurer Simon Casady has served for thirty years, while Secretary H. S. Nolan has lent his efforts for seventeen years.

The association has a membership close to 150,000, and has insurance in force of over \$400,000,000. New business written during the year exceeded \$64,000,000.

The resources of the association January 1, 1909, were \$13,502,474.51. After paying its expenses and \$2,730,000 to the beneficiaries of members who died during the year it saved for future needs a little more than \$1,750,000. At the end of the year its assets were over \$15,000,000, and it has since organization paid to the beneficiaries of deceased members more than \$20,700,000.

Alfred M. Best Company

INCORPORATED

100 William Street, New York.

BEST'S INSURANCE REPORTS.
BEST'S INSURANCE NEWS.

The Standard Authority.

A NOTEWORTHY SESSION.

It gives "The Chronicle" pleasure to own receipt of a special invitation to attend the third annual meeting of the Association of Life Insurance Presidents, to be held at the New Willard Hotel, in Washington, in connection with the National Civic Federation's "Third House of Congress," which opens its week's session on Monday.

Invitations are also acknowledged from several State insurance commissioners and from the organizations of insurance interests that will attend this most notable meeting.

"The Chronicle" has already outlined in a general way, the program of the different groups, but as all are more or less intimately bound by related purposes and plans, the full program of the life presidents' meeting on Wednesday will serve to focus all the others. For this reason it is given in full as a guide for all the others, excepting, of course, the predominating National Civic Federation and the "House of Governors" respective plans.

The Life Presidents' Program.

Wednesday—Morning Session: 10:30 o'clock.

"Words of Welcome"—Hon. Thos. E. Drake, Superintendent of Insurance for the District of Columbia.

"Movement for Uniformity of State Laws."

Addresses by:

L. G. Fouse, president, Fidelity Mutual Life Insurance Company, Philadelphia.

George H. Noyes, Esq., general counsel, Northwestern Mutual Life Insurance Company, Milwaukee.

Hon. John A. Hartigan, Insurance Commissioner of Minnesota and president of the National Convention of Insurance Commissioners.

Afternoon Session: 2:30 o'clock.

Discussion of morning topic continued.

Address by

Hon. Charles E. Hughes, Governor of the State of New York.

Thursday—Morning Session: 10:30 o'clock.

"Movement to Prolong Human Life."

Report of life extension committee of the Association of Life Insurance Presidents.

George E. Ide, chairman, president of Home Life Insurance Company, of New York.

"Work of the Federal Government in the Matter of Health Conservation and what may be done to supplement it."

Walter Wyman, M.D., surgeon general of the Public Health and Marine Hospital Service of the United States.

"The Organization of a Public Health Militia in the Cause of Preventive Medicine."

"MAKING ONEIDA FAMOUS."

Oneida "Democratic Union."

Birch F. Rhodus, of the firm of Rhodus Brothers, the best-known expert life insurance men of this country, who are completing the organization of the Consolidated Life Securities Company, has been president of the company, and to succeed this gentleman as president is an honor of which Mr. Remich can be very proud; and the bringing here of the home office of such a large enterprise ought to be pleasing news to all Oneidans.

But the last addition to making Oneida famous, and what will make this city become more generally known and talked about, and hence **still more famous**, is the coming here of the home office of a big life insurance company—the Consolidated Life Securities Company, of Chicago, Ill. The company has a capital of \$2,500,000, one-half preferred stock and the other half common stock.

Mr. Remich has received several telegrams congratulating him upon his election to the presidency, assuring him of support, and expressing confidence in his ability to do the work.

Birch F. Rhodus, the retiring president, is expected here shortly after the first of the year, and the force of clerks will also come here, as will the deposits come to our banks.

M. J. Rosenau, M.D., department of preventive medicine and hygiene, Harvard Medical College, Boston, Mass.

"Latent Powers of Life Insurance Companies for the Detection and Prevention of Diseases."

E. W. Dwight, M.D., medical director of the New England Mutual Life Insurance Company, Boston, Mass.

Thursday—Afternoon Session: 2:30 o'clock.

Informal remarks

Hon. William H. Taft, President of the United States.

"Amalgamation of Life Insurance Companies."

Addresses by

Hon. Isaac Miller Hamilton, of Chicago, Ill., president of American Life Convention.

Alfred Hurrell, Esq., of Albany, N. Y., counsel to Insurance Department of the State of New York.

Insurance Commissioner Blake of Missouri announces that it is his intention to have an examination made of every insurance company operating in that State, within a year.

"The Chronicle," January 6.

The Supreme Court of the State of Illinois has sustained the sentence of six months which was imposed on Birch F., Thomas and Edward T. Rhodus for failure to turn over to the receiver the books of the Mercantile Finance Company. Their refusal was based on the ground that they contained evidence that might tend to incriminate and degrade them.

Undesirable Fame.

It thus appears that the rats which have gone often to the trap are at last caught and actually must suffer imprisonment. The operations of the Rhodus brothers for nearly twenty years past are by many deemed to indicate that there ought to be a sanitarium established for the safe keeping of financial perverts and degenerates, both for their own good and for the protection of other men.

There Are Others.

There are not wanting others who would be candidates for treatment in such a sanitarium in company with the Rhodus brothers.

Perhaps.

Provided his time is not otherwise engaged, and provided there are any deposits.

The Pacific Mutual Life Insurance Company not only increased the amount of new business written in 1909, over the business written in 1908 by \$2,600,000, but it has also added to its assets a sum of almost equal amount. President Cochran states that the accident department of the company has had the best and the largest year in its history.

COMMERCIAL - UNION
ASSURANCE CO.,
(LIMITED)
OF LONDON.

OFFICE;

Cor. Pine & William Sts.
NEW YORK.

CONSERVING PUBLIC HEALTH.

By Lewis E. Palmer.

While professor of economics at Yale, Dr. J. Pease Norton made an address that resulted in something more than its reprint in a tiresome convention volume. Dr. Norton was speaking on the advisability of a National Health Department and stated that while the Department of Agriculture spends \$7,000,000 a year on plant health and animal health, Congress does not appropriate directly, with the exception of the work done by Drs. Wiley, Atwater and Benedict, a single cent for promoting the well-being of babies.

Thousands have been expended in stamping out cholera among swine. Not one dollar was ever devoted for eradicating pneumonia among human beings. Hundreds of thousands are consumed in saving the lives of elm trees from the attacks of beetles—in warning farmers against the blights affecting potato plants and in importing Sicilian bugs to fertilize fig blossoms in California.

Dr. Pease stated that a million and a half persons must die in the United States during the next twelve months—that equivalent to 4,200,000 persons will be constantly sick and that 5,000,000 homes, consisting of 25,000,000 persons, will be made more or less wretched by death and sickness.

The Government Should Take a Hand.

In a great measure as a result of this speech, a committee on national health was organized. It really originated in the medical profession some twenty years ago, but its recent reported success has been largely due to the reinforcement received from laymen. The tuberculosis crusade has now become largely a lay movement, and to its success is doubtless due in part the growth and strength of the work of a national health bureau, and this growth and strength is no where more forcibly indicated than in President Taft's last message, where he calls attention to the fact that "for a considerable period a movement has been gathering strength, especially among the members of the medical profession, in favor of a concentration of the instruments of the National Government which have to do with the promotion of public health."

It has expended nearly \$50,000 in a campaign of education, and has distributed 42 different publications. The total number of pieces of mail matter sent out is nearly a million. Newspaper clippings in the office of the committee in New Haven nearly fill two enormous scrap books of 500 pages each. An equally important

branch of publicity is that through the magazines; several of which give regular space to questions of health; and as a New York paper recently had it, one of the chief joys of the circulation manager's heart lies in the subscription possibilities of articles on tuberculosis, hook-worm, pellagra, cancer and other grim maladies.

Accomplishments of the Committee.

It was largely through the work of the Committee of One Hundred that President Roosevelt added public health to his conservation program and invited the president of the committee to become a member of the conservation commission, and to write a report on this aspect of conservation. His commission on country life also included public health questions in its report. It was undoubtedly partly as a consequence of this last report that Mr. Rockefeller was spurred to make his famous gift of \$1,000,000 to eliminate the hook-worm disease on the Southern farms.

Recently the committee proposed to the Association of Life Insurance Presidents that it was just as essential to their interests to decrease death rates and lengthen life, as it was for fire insurance or boiler explosion insurance people to prevent fires and explosions. It was shown that over 40 per cent. of the deaths which now occur could be postponed, at an enormous saving to life insurance companies. The life insurance presidents, as a result of the suggestion, have appointed a committee on "human life extension." In the meantime the Metropolitan, the Provident Savings Life Assurance Company and the New York Life Insurance Company have made special efforts to preserve the health of their policyholders.

Of all the results thus far accomplished, the setting in motion of this great commercial interest on the side of health and longevity is most important.

For a Federal Health Office.

But the chief aim of the Committee of One Hundred has been aside from direct education of the public or enlisting the co-operation of life insurance companies. It has aimed still higher—at the National Government itself. Just as the Department of Agriculture has revolutionized the science of farming so a Bureau of Health may revolutionize the science of human life.

There are still people who do not seem to realize that one of the chief effects of a strong Federal health office will be not to decrease, but to increase the activity of the State and municipal boards of health. In fact, one of the purposes of a bill before

BURGLARY CHANGES.

The Great Eastern Casualty has launched its caster into the ring for burglary business under the management of Norman R. Moray, formerly of the National Surety and until now manager of the American Bonding's burglary business. With a large and active agency plant already firmly established the Great Eastern will cut a big figure in burglary lines throughout the country under the direction of Moray.

The American Bonding is reported as having selected a successor to Mr. Moray from among the well known New York underwriters, but no official announcement has yet been made.

OUR BOND—YOUR SECURITY.

T. J. FALVEY, President. JOHN T. BURNETT, Sec'y & Treasurer.



Massachusetts Bonding and Insurance Co.

Organized under the Laws of the Commonwealth of Massachusetts.

Home Office, 77-81 State Street, Boston.

Capital\$500,000.00

Surplus\$250,000.00

SURETY BONDS and BURGLARY and THEFT INSURANCE.

All securities valued as of Dec. 31, 1907.

FOUNDED 1792

116th ANNUAL STATEMENT

INSURANCE COMPANY OF NORTH AMERICA. OF PHILADELPHIA, PA.

	January 1, 1908.
Real Estate	\$ 399,138.75
First Mortgages on Real Estate	467,983.48
New York, Boston, Montreal and other City and State Loans	784,346.99
Pennsylvania, Philadelphia and Erie, Lehigh Valley, and other Companies' Bonds and Stocks	7,268,881.40
Cash in Bank and Bankers' hands	1,045,774.76
Notes Receivable, and Unsettled Marine Premiums..	341,838.34
Net Cash Fire Premiums in course of Transmission ..	946,818.70
Accrued Interest, and all other Property	35,338.25
Total Assets	\$11,290,121.11
LIABILITIES.	
Capital Stock	\$ 3,000,000.00
Reserve for Re-Insurance ..	6,351,346.39
Reserve for Losses	777,100.00
All other Liabilities	71,717.15
Surplus over all Liabilities..	1,089,957.57
	\$11,290,121.11

CHARLES PLATTPresident.
EUGENE L. ELLISON..Vice-President.
BENJAMIN RUSH...2nd Vice-President.
GREVILLE E. FRYER..Sec'y and Treas.
T. HOUARD WRIGHT.....Ass. Sec'y.
HENRY W. FARNUM.....Marine Sec'y.
JOHN O. PLATT.....Assistant Sec'y.

Agencies in all Prominent Cities & Towns.

(Continued on Page 11.)

THE ILLINOIS FIRE COMMISSION AGAIN.

The Illinois fire insurance commission gave a five-days' engagement at Chicago last week. The program was sufficiently varied to appeal to every taste. George H. Holt, president of the Policyholders' Union, presented views of a student of insurance who, however, is not practically dealing with the problems of the business from a company's standpoint. A. F. Dean took up the two sessions on Friday in reading a paper, a discussion of the rating question. P. D. McGregor, Western manager of the Queen, was one of the good practical witnesses. H. H. Glidden, manager of the Chicago Board of Underwriters, told about the board organization, commissions paid and about Cook county rates. The non-board element had a representative in Harry Fox, manager of the Milwaukee Mechanics. The legitimate brokers had their spokesman in J. C. Braden. A. F. Shaw gave the commission a lot of first hand information about London Lloyds. One merchant appeared and registered his kick because the 25 per cent. flat advance in 1902 did not apply to sprinklered as well as unsprinklered risks.

There were other witnesses also, including President Bishop and Vice-President Pellet of the Chicago Board, and several general agents.

Excellent Talent, but—

Altogether it was a fine and representative array of talent, but what was gotten out of it was not altogether satisfying. Manager Glidden of the Chicago Board did say that he understood some companies paid commissions ranging from 15 to 45 per cent. in Chicago, but it was not followed up. Attorney Ryon does the examining of witnesses. The fact that he has drawn out witnesses who presented certain views and has not drawn out those who took other positions has caused some intimation that he was steering the investigation in certain directions. However, the theory has also been advanced that the commission is laboring under disabilities which prevent its going into every subject as deeply as possibly it desires to go. The commission was appointed under a joint resolution of the State Senate and House and not under a regularly enacted law. There is, therefore, some question whether the commission could get before it an unwilling witness if he saw fit to go into court and test the commission's powers. Furthermore, the appropriation is not sufficient to enable the commission to carry on extended litigation in such a case. This has given rise to the theory that the commission to avoid trouble is practically confining itself to the examination of willing

witnesses and that it has to exercise care not to demand of them answers which they may not want to give.

Entirely a Matter of Viewpoint.

George H. Holt had a number of views to express, such as might be expected from a man who has been intimately connected with insurance from the standpoint of the assured and has given it a study such as few assured have. Mr. Holt believes in the State's securing classifications and results by classes, with a view to basing rates on experience. Mr. McGregor, on the other hand, practically held that individual or combined experience as a mathematical basis of rates is no good, and gave examples to back up his position. Mr. Holt's view is that of the student viewing the business from one side, Mr. McGregor's that of a manager whose business it is to make money for his company. He is a student of the business, but his theories, whatever they may once have been, have been tempered and changed by experience and business exigency. In his paper Mr. Dean gave endorsement to Mr. McGregor's view that a trustworthy mathematical basis for rates cannot be worked out of combined experience. While neither of these men put it in that form, the testimony of both tended to bear out the view so strongly held by some that in fire underwriting no system can take the place of sound experienced judgment.

Manager Glidden, of the Chicago board, gave the commission some interesting information. He also made one statement which was amusing, when he attempted to justify the higher preferred rates in Cook county than outside of it on the ground that in Cook county a much larger portion of the preferred business is occupied by tenants than outside. It was that kind of information which called out the remark from an onlooker, "They seem to be seeking explanations and they generally find them."

Lloyds and Bombs.

A. F. Shaw gave interesting and valuable information on London Lloyds. So interesting were some of his statements that one of the city newspapers the next morning practically ignored the session except to relate as startling news that a number of Chicago business men have their property insured in Lloyds against damage by explosions of bombs. As there have been thirty-odd such explosions in Chicago, presumably in a war among gamblers, bombs are a live topic in Chicago. Mr. Shaw presented the argument that it was not advisable to attempt to regulate London Lloyds unless by uniform State laws, as otherwise all the Lloyds busi-

ness would be written from States which had no regulations. In other words, Chicago Lloyds brokers would have to operate from Hammond, Ind., if Illinois sought regulation.

E. G. Halle, Western manager of the Germania, who was one of the non-union leaders in the movement three years ago to reduce expenses in Chicago, thinks the States better do what the companies are unable or unwilling to do—place a reasonable limit on commissions.

Abuses Not to Be Overcome by State.

Up to the present time the commission has received almost nothing in the way either of arguments or information favorable to State rate making or State regulation of rates. Some of the present abuses in the business have been brought out, but the testimony of experts—and a large percentage of the witnesses may be called experts—has not shown that they are subject to improvement or correction by the State's interference. The testimony rather has shown the practical difficulties which confront managers, and which have to be solved as best they may. Letting the light in on the abuses has not been without its advantages. Already it has stopped the too promiscuous granting of relief rates in Illinois. A confession of the sins of the business calls attention to them and impresses those who may be able to do something for their cure with the need of exerting their utmost influence lest the Legislature with its little knowledge attempt to do something.

It is believed that the commission will probably recommend some measure for limiting expenses if one can be devised which will be practical. Messrs. McGregor and Dean both expressed themselves as favorable to such a measure, with the proviso mentioned. However, both pointed out that a limitation on commissions would be evaded in many instances and that a general limitation on expenses would bear down heavily upon small companies.

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS is unsurpassed for net low cost and care of interests of all members.

THE PENN MUTUAL LIFE INSURANCE COMPANY OF PHILADELPHIA

On January 1, 1909, rates were reduced and values increased to full 3% reserve.

CALLS FOR RECODIFICATION OF INSURANCE LAW

Although Superintendent Hotchkiss in his annual report, calls attention to the need of a complete recodification of the insurance law, he very modestly admits that to attempt it at this time would be next to impossible. He recommends that fire insurance companies complying with satisfactory deposit law and with sufficient capital be permitted to insure against fire not only on land, but on the high seas, and that the marine companies likewise, in turn, with proper restrictions, be permitted to insure against any of the risks of transportation, including fire on land, as well as on inland waters and the sea.

While taking a very fair attitude concerning State regulation of fire insurance rates, Superintendent Hotchkiss recommends that the State should begin to gather statistics immediately, in order that if the evils complained of in certain localities are due solely to action of the boards of fire underwriters, New York should be prepared to take immediate action. The suggestion is also made that a law with provisions similar to the one prohibiting rebating by life insurance agents and giving the superintendent discretion to refuse them licenses be put into effect to cover, and thus eradicate some of the evils that exist in the fire insurance agency field.

Supervision of Lloyds.

The report comments on the scandals which have characterized Lloyds insurance in New York during the past two decades, and recommends a plan whereby all Lloyds associations now doing business under licenses given by the act of 1892 shall be examined and definitely authorized to continue in business or prohibited from doing business, under such requirements as to unearned premium reserve or departmental deposits as shall be fixed by the superintendent.

A recent investigation of town and county co-operative fire insurance leads to a recommendation that companies of this kind be brought fully within the supervision of the department; those which do business in small localities to be required to file annual reports, on blanks furnished by the department, and to submit to examination; and those which do business in larger territories, and which are known technically as advance premium associations, to be under certain restrictions, as shall be indicated in a bill now being framed by the department.

Many Insolvent Companies Liquidated.

The report calls attention to the importance and far-reaching effect of section 33, by which insurance compa-

nies and associations may be proceeded against and liquidated in case they are insolvent, or so conduct their business that in the judgment of the department their further continuance is hazardous to the public.

Since June 1, 1909, eight co-operative fire insurance companies, three Lloyds associations and three assessment live-stock corporations have been proceeded against. It is reported that but three of the six co-operative live-stock insurance associations which were doing business in New York at the beginning of 1909 still exist, and that "seventeen similar associations have gone out of business in the past fifteen years, leads to the recommendation that the State prohibit the further incorporation of associations of this character. It is, however, recommended that stock companies be authorized to insure live stock, should they so desire."

OLD OFFICERS RE-ELECTED.

The annual meeting of the Fidelity Mutual Life Insurance Company was held at the company's home office on Tuesday last, and the complete old board of directors was re-elected for the ensuing year. Immediately after the meeting the board convened and re-elected the following officers:

President and actuary, L. G. Fouse; vice-president, Alexander McKnight; secretary and solicitor, W. S. Campbell; treasurer, F. X. Quinn; managing actuary, Charles G. Hodge.

Insurance Commissioner Frank N. Julian has sent out a bulletin, urging the municipalities of the State of Alabama to cut down the fire insurance company licenses. The commissioner believes that this is one step toward assisting to reduce the rates.

Eugene Saterlee, president of the Rochester German Insurance Company and also president of the Lincoln National Bank, died at his home in Rochester, N. Y., on Friday last, after a short illness.

PHENIX

Insurance Company

—OF—

BROOKLYN, N. Y.

NEW YORK OFFICE:

68 WILLIAM STREET

\$3,300,000.00

Of First Farm Mortgages.

Lowest Net Cost of Insurance
of Any Company in America.

THAT'S WHY WE GROW.

Bankers Life Ins. Co.,
Lincoln, Neb.

The Preferred
ACCIDENT INSURANCE COMPANY
of New York

SUPERIOR POLICIES

KIMBALL C. ATWOOD, President,
290-292 Broadway, New York.

The Best, Safest, Most Liberal and Most Equitable Forms of Policy Contracts
are issued by the

JOHN HANCOCK MUTUAL LIFE
INSURANCE CO. OF BOSTON, MASS.

ROLAND O. LAMB, President.

WALTON L. CROCKER, Secretary.

Issues the Most Perfect Forms of Life, Endowment, Instalment and Term
Policies. Greatest Sellers in the Market.

LIBERAL CONTRACTS TO THE RIGHT MEN.

ROBERT K. EATON, Supt. of Agencies, Boston.

WILLIAM N. COMPTON, General Agent, Metropolitan District
St. Paul Building 220 Broadway, New York

NEW ENGLAND INSURANCE EXCHANGE ANNUAL.

The annual meeting of the New England Insurance Exchange last Saturday morning attracted a large attendance.

J. W. Grover, chairman, submitted the report of the executive committee for the year. He gave statistical details respecting the extensive growth of exchange work of late years; also noted the usual satisfactory financial condition of the exchange.

Reviewing the year he said in part:

The reduced rate clause rules of the exchange, put in force in Maine, late in 1908, have, we believe, been quite satisfactory to agents at large, as little criticism having been received as could be expected, on the introduction of a measure of this kind.

Fifteen new tariffs have been printed and distributed, and nine are in various stages of preparation, of which five will probably be issued within the next sixty to ninety days.

The standard forms for incubators and brooders were revised, during the year, and explosion and demolition clauses, with suitable charges for their use, adopted and promulgated.

Minimum rates for unprotected dwellings, in Massachusetts, have been adopted; and suggested minimum rates on lumber are now before the exchange for action in the near future.

Stamp clerks were installed in New Bedford and North Adams, and the exchange has voted that such office be also established in Pawtucket.

Country clubhouses, of all descriptions, were transferred to the jurisdiction of the summer hotels committee.

The matter of establishing a central rating bureau for electric light and power stations and electric railway properties was given careful consideration by the exchange at three very largely attended meetings, and, although the vote was very close, the exchange finally declined to approve of the suggestion.

For Greater Uniformity.

The exchange has taken part in a preliminary conference between various Eastern underwriting organizations, looking toward securing a greater uniformity in the matter of general forms and clauses used by the different associations. A permanent organization has been effected, and the exchange has appointed delegates to represent it in this organization.

During the past month there has been mailed to all local agents, companies and active members a new publication, by the exchange, called an Agents' Manual. Heretofore, in promulgating general legislation to agents, it has been necessary to issue separate sheets for about one hundred and twenty tariffs, at a considerable expense and possibly not as promptly as might be desired. This manual is now in effect and will remove from all new tariff books general rules and regulations, and enable promulgation of any specific action in one set of notices.

I am very glad to report that where we have had considerable trouble in the past year with "Out of Board"

agencies, all matters have now been put on a basis of harmony, and suspended members reinstated; and with in the knowledge of the chairman there is no section where there are agents out of the board, where boards exist.

The report closed with the following recommendations, the first of which is of special interest at the present time:

As to the future action of the exchange, I would call your attention to the growing attack being made upon our business, in various sections of the country, to the extent of "State Made Rates," etc.

It might be wise for this body to establish what might be called a "legislative committee," whose duty it would be to keep in touch with matters of this nature.

Committees Are Too Large.

I would call attention to the need of some action being taken in the matter of the so-called "standing committees" appointed by this body. Our committees are too large and cumbersome, and what is "everybody's business" gets no attention. It would seem as though it should be possible to materially reduce the membership of our various local committees, and put them more in accord with the size of committees, of this nature, in other organizations.

I would recommend that action be taken toward establishing minimum rates for unprotected dwellings and barns (other than farm and summer property) in other New England States along the lines adopted in Massachusetts.

It would seem in order that action be taken toward establishing a basis for rating protected property in various cities and towns of Massachusetts, by classifying the places in accordance with fire protection, building laws, conflagration hazard, past record, etc., so that towns of the same class in different sections might have the benefit of the same rates, and enable us to protect ourselves against charges of difference in such rates in these different sections. This has had considerable attention in the past, without result, but it would seem to me advisable now to protect ourselves against questions in the future that we might find difficult to answer.

I would also recommend, for the consideration of the incoming administration, the applying of the reduced rate rules to all classes of risk, having particularly in mind the more expensive class of dwelling property, where insurance to value is usually much lighter than where smaller values are involved, and loss from the same amount of fire much greater.

William F. Rice, who, as president, has for two years past guided the affairs of the exchange to general satisfaction, spoke as follows in part:

A year ago at this time a gentleman from the Cape launched in these rooms a craft he termed a "Ship of State." He graphically described the breakers, the high seas, the outer and inner harbor, and in electing me captain of this ship predicted that my rotund figure in promenading the quarter-deck would insure a good full sail, by the outer harbor and into port.

Gentlemen, that ship of State is

warped into the pier, and as we throw out the gang plank I am issuing the order to the administration of 1909, "All ashore that's going ashore."

Better Attendance Last Year.

During the year the exchange has held 37 meetings, at which the average attendance has been 74, about 20 per cent. more than ever before. I will not at this juncture attempt to state the reason why; possibly that is well known.

There were at the beginning of the year 148 active members; eight have resigned, three have died and 20 new members have been elected, making a total at the present time of 157.

The honorary membership at the beginning of the year was 73. One has resigned to become an active member, three have died and three have been elected, making an present honorary membership of 72.

As I have previously recommended, I repeat, the earnest workings of each and every member are solicited; participation in exchange matters and debates by the younger members, the prompt attention to rate matters which come before specific committees, keeping in touch with improvements installed in risks, whether in part or complete, the avoidance of pigeon-holing these matters, thus insuring prompt attention in dealing with these subjects, most decidedly a factor in appealing to the companies, agents and the public, keeping our work ever promptly up-to-date, and avoiding delays that frequently exist. Uniformity of action in all branches of our business, in all matters that concern the exchange, are likewise of vital importance, and proper legislation along these lines should be foremost in the minds of our members.

The election of officers for the ensuing year resulted as follows:

President, J. W. Grover, special agent Phocnix, England; vice-president, Walter Adlard, special agent, Continental; W. T. Furness, special agent, Commercial Union; George Shaw, special agent, Agricultural; executive committee, W. H. Lewis, special agent, National of Hartford, chairman; H. L. Hiscock, special agent, Aetna; W. H. Hellyar, special agent, Fire Association; A. H. Mills, special agent, Boston & Old Colony; A. L. Bliss, special agent, New Hampshire.

Charles E. Parker and William H. Smith, of Hartford, Conn., resigned their active and were elected to honorary membership in the exchange.

SAFETY FUND INSURANCE

NIAGARA*

Fire Insurance Company

—OF—

NEW YORK

OFFICE:

46 CEDAR STREET, CITY.

IN NEW ENGLAND

RECOMMENDS CHANGES IN MASSACHUSETTS INSURANCE LAWS.

Commissioner Hardison, of Massachusetts, has made the following recommendations for consideration by the Legislature of 1910:

That the laws applying to domestic insurance companies be so amended as to make clear whether those laws apply to such companies outside of Massachusetts as well as within.

That section 121, chapter 576, acts of 1907, be so amended as to make the larceny provision thereof effective, for the reasons set forth on page 22 of part 2 of the fifty-fourth report of the Insurance Department.

That sections 32 and 34, chapter 576, acts of 1907, be amended as and for the reasons set forth beginning on page 11 of part 2 of the fifty-fourth annual report of the Massachusetts Insurance Department.

That an act be passed regulating policies insuring against accidental bodily injury or disease issued in this commonwealth, and regulating companies issuing the same.

That subdivision 4, section 37, chapter 576, acts of 1907, be so amended that under certain safeguards insurance companies may make loans secured by mortgage on household estates, and no insurance company shall hereafter make loans with mortgages as security, except as set forth in said sub-division 4 as amended.

That section 1, chapter 511, acts of 1908, and section 69, chapter 576, acts of 1907, be amended so as to make it clear that no benefit may be specified in a policy of insurance except a money benefit, as is specifically permitted by law or is appropriate to the kind of insurance which the policy covers.

That section 80, chapter 576, acts of 1907, be so amended as to exempt the companies subject to such section from the obligation to pay surrender values or give other surrender options on account of the annuity reserve of policies, providing that their proceeds be paid by certain installments followed by an annuity payable during the life of the beneficiary.

That section 80, chapter 576 of the acts of 1907 be so amended as to permit the payment of the proceeds of a policy which, by reason of default in premium payments, becomes automatically paid up, in one sum if the contract shall so provide.

That section 94, chapter 576, acts of 1907, be amended so as to give any domestic insurance company authority to place with companies authorized in this commonwealth any insurance of the classes which it has authority to transact, and which it does not desire to cover by its own policies and to receive commissions thereon.

That a fraternal beneficiary corporation transacting business under the provisions of chapter 119 of the revised laws, which divides its members into classes, any one of which is assessed a rate which purports to be level for the whole period of life or after some specified age, shall ascertain annually the amount which each

of said classes pays for the death fund in excess of its own current mortality cost, and shall hold such excess and the interest accretions thereon for the benefit of the classes which respectively contributed; and that such other amendments be made to said chapter as shall give full force and effect to this recommendation.

That chapter 119, revised laws, be amended so as to provide that the Supreme Judicial Court shall have power to enforce by injunction compliance with the provisions of section 13 of said chapter relating to the transaction of business not authorized in this commonwealth.

Edward Marsh, President B. L. U. A.

At the annual meeting of the Boston Life Underwriters Association, held at Young's Hotel, Tuesday afternoon, Edward Marsh was unanimously elected president of the association for the ensuing year; James H. Lake and Charles H. Flood vice-presidents; Clarence C. Miller, secretary; Francis Marsh, treasurer; executive committee, Vernon B. Swett, T. Howard Lewis, Charles E. Fish, Geo. D. Crawford, H. M. Chamberlin.

The new president is associated with his father in charge of the Boston city agency of the John Hancock. Francis Marsh has been treasurer of the association ever since its organization; Edward Marsh has been its secretary for the past two years and will make a good president, as is to be expected from the worthy son of a noble sire.

Conspiracy Charged.

In the Superior Criminal Court at Boston the Suffolk County Grand Jury on Saturday last reported indictments against Samuel I. Gordon, Michael Rudnick, Bernard Davis and Morris Rudnick, charging them with larceny and receiving stolen goods. The circumstances leading to this action were detailed in "The Chronicle" of December 2, 1909. Gordon is also charged with burning a building, and the two Rudnicks with being accessory before the fact. Another in-

dictment in seven counts charges Gordon, Davis and the two Rudnicks with having conspired to defraud insurance companies out of policies aggregating \$35,000 by burning a building on Summer street on June 19, 1909.

The Insurance Committee

of the Massachusetts Legislature for 1910 comprises **Senators** Nash, of Plymouth; Turner, of Bristol; Harvey, of Middlesex; Denny, of Worcester, and **Representatives** Holt, of Springfield; Montague, of Boston; Holbrook, of Stoughton; Doane, of Middleboro; Vinson, of Boston; Stone, E. D., of Ayer; Wells, of Haverhill; Cavanaugh, of Everett; Sullivan, of Boston; Hennebery, of Worcester; Ducey, of Charlestown. The committee has organized with Representative Wells, of Haverhill, as clerk. Holt, Montague and Holbrook were also on the committee last year. It is considered that this year's committee is stronger than last year's.

New England Brevities.

Edward A. Northey has been appointed general manager of the New England Bureau of United Inspection, a position he is well qualified to fill by reason of his experience as assistant to Mr. Hilliard, who recently resigned as general manager.

In the Massachusetts House last Friday, Representative Conway, of Boston, presented an old age pension bill, providing that the Commonwealth shall pay a pension graded according to the means of the pensioner, to any person over 65 years of age who has been a citizen of the Commonwealth for at least twenty years, whose yearly income does not exceed \$200, except that a person shall be disqualified if he has habitually failed to work according to his ability.

An auto combination wagon, at a cost not to exceed \$5,500, has been ordered for the Malden (Mass.) fire department from the Knox Automobile Company.

All agents should remember that man is made up of three elements, i. e., SELFISHNESS, EGOTISM and CURIOSITY. One of these characteristics predominates in every interview. The Philadelphia Life Insurance Company is now issuing a SPECIAL INSTALLMENT CONTRACT which gives the greatest amount of insurance for the least money, and which returns to the insured, if he lives, all the money he pays in with a profit, at the end of 20 years. THIS APPEALS TO HIS SELFISHNESS.

It gives him the largest amount of face value insurance and enables him to leave the largest possible estate for the money invested. THIS APPEALS TO HIS EGOTISM.

When you state to him that you can give him so much insurance for so little money you HAVE AROUSED HIS CURIOSITY.

Write Perry to-day for particulars.

THE PASSING OF THE PROMOTER.

For some unknown and unknowable cause O. L. Van Laningham, promoter, late of Chicago, St. Louis and other polling precincts, is no longer to be seen around the recently transplanted offices of the United Insurance Company at 100 William street, New York. It is generally rumored that he has abandoned this ambitious fifty million dollar child of his imagination and New York on a base of operations and sought new fields on the Pacific Coast for the exercise of his talent, and that he will content himself hereafter with modest and rational plans that appeal to people who understand insurance. This, however, may not be taken as a permanent resolution because the fever of the adventurer and empire builders is intermittent in type and is never entirely eradicated from the system, therefore Mr. Van Laningham will no doubt be heard from again.

There is a view to be taken of his two or three months' sojourn in New York and his quick perception of his error and retreat that is creditable to his judgment. Thousands of "prodigies," in glittering armor, have tackled Wall Street with undaunted faith in their ability to conquer it, only to shortly retire in utter dismay and confusion, sadder, wiser and, usually, broke.

The day of the promoter of insurance companies was destined to be a short one, because he was ignorant of what is essential in underwriting and could not differentiate between insurance corporations and mining stock selling schemes. With his passing there is likely to be a good long period of immunity for insurance from "best ever" promotions.

INSURANCE LIBRARY ASSOCIATION.

At the annual meeting of the above-named association, held in Boston last Saturday, H. L. Hiscock declined to serve again as president, and Gayle T. Forbush was elected to succeed him. Vacancies on the board of trustees were filled by the appointment of W. B. Medlicott and F. R. Galacar, and Edward C. Brush was unanimously re-elected clerk-treasurer.

The annual report of the librarian, D. N. Handy, summarized an interesting and progressive year, during which eight active and fifty associate members were added to the roster of the association.

Recommendations in the address of the retiring president, to wit—that the Boston Board of Fire Underwriters be admitted to equal privileges in the association with the New England Insurance Exchange; that the date of

the annual meeting of the association be changed to avoid coming on the same day as that of the exchange; and that the present limit of expenditure for the association allowed the trustees be either raised or abolished—were committed to the board of trustees for consideration. The board, as constituted for the current year included: Gayle T. Forbush, president; W. H. Boutell, W. B. Medlicott, Edward C. Brush, clerk-treasurer; F. R. Galacar, George Neiley, Charles D. Palmer.

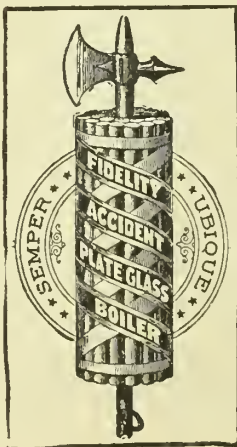
HUDSON COMPANY CHARGED.

The coroner's jury yesterday charged responsibility for the death of two men in a passenger elevator on New Year's Day to the Hudson tunnels (McAdoo) company. The jury charges gross carelessness in not having an attendant in charge of the open elevator car.

The men were Irving H. Lovejoy, a real estate operator, and August Floecker, a railroad inspector. As Lovejoy stepped into the elevator it was started upwards by a repairman and upset him against Floecker, both men falling in a position that caught them between the bottom of the open doorway of the car and the ceiling of the floor above, crushing them both to death.

The elevator hazards of New York are in serious need of attention by the State. It is a daily shiver for those who use them to note the reckless and incompetent boys operating many of them. In view of the daily accidents occurring it is apparent that these operators should be licensed only after being rigidly examined by a competent board.

In a special it is reported that following the recent investigations of the Chicago office of the Phenix, Manager Foulkes, son-in-law of Western Manager Lenahan, has resigned his position as manager of the Chicago branch.



THE FIDELITY & CASUALTY COMPANY

97 TO 103 CEDAR ST., NEW YORK CITY.

ASSETS - \$8,649,885.66
Cap. & Surplus \$3,011,834.00
LOSSES PAID \$29,195,835.85
to Jan. 1, 1909.

This Company grants Insurances as follows:
Bonds of Suretyship for Persons in Positions of Trust, Fidelity Bonds, Burglary, Plate Glass, Steam Boiler, Fly Wheel, Employers, Public, Teams, Workmen's Collective, Elevator and General Liability; Personal Accident, Health and Physicians' Liability.

OFFICERS:

GEORGE F. SEWARD, President.

Robert J. Hillas, V.-P. & Sec'y. Henry Crossley, Ass't Sec'y.
Frank E. Law, 2d Ass't Sec'y. George W. Allen, 3d Ass't Sec'y.

HARTFORD LIFE

INSURANCE COMPANY,
OF CONN.

1909 Policies are Participating, or Non-participating, with Lower Rates and Values based on FULL RESERVE.

For Right Contracts,
Address, Second Vice-President.

Home Office, HARTFORD, CONN.

1860 49th YEAR 1909

HOME LIFE

Insurance Company of New York.

GEORGE E. IDE, President.

Assets	\$21,708,901.70
Liabilities	\$20,471,723.76
(Including Deferred Dividend Fund)	
Dividend Endowment Fund	
(Deferred Dividends)	\$1,970,463.00
Net Surplus	\$1,237,177.94
Insurance in Force	\$33,368,244.00

The Record for 1903 shows the following GAINS:

Insurance in Force	\$2,174,947.00
Assets	\$1,704,048.00
Deferred Dividend Reserve	\$175,443.00
Contingency Reserve (Surplus)	\$467,742.51

Philadelphia Casualty Co.

WALTER LE MAR TALBOT, Pres't.

Capital	\$500,000
Total Assets, April 1, 1909	\$1,427,564
Surplus (Policyholders)	\$714,598

SAFE SUPERIOR POLICIES

Personal Accident, Health, Liability,
Automobile, Plate Glass and
Credit Insurance.

Agency Correspondence Solicited.

CONSERVING PUBLIC HEALTH.

(Continued from Page 5.)

Congress is to enable the Public Health and Marine Hospital Service to found a school of hygiene for the training of State and Federal health officers. The ground work for public health legislation has already been laid through the formal endorsement of the movement by President Taft's predecessor, numerous congressmen, the Governors of States, State Legislatures, labor organizations, the National Grange, insurance and benefit organizations, such as the Associated Fraternities of America, medical and sanitary associations, such as the American Medical Association, American Public Health Association and a score of other patriotic societies, such as the National Municipal League and some chapters of the Daughters of the American Revolution. The entire membership of the associations which have passed resolutions favoring the objects of the Committee of One Hundred is upward of two millions.

Many States Are Favorable.

Still more important is the political endorsement which has been received. The Ohio State Legislature passed a special resolution favoring the establishment of a National Bureau of Health. The party platforms of some States, Ohio, Delaware and Connecticut, contained planks favoring such legislation, and to crown all, the national platforms of the Republican, Democratic and Independence League parties contained health planks, as recommended by the committee and its allies.

President Roosevelt advocated public health legislation in two of his messages to Congress. President Taft has not alone endorsed the work of the committee, but he has also afforded in his last message to Congress the strongest public health recommendation in the history of the country, and he has intimated that he would later send a special message to Congress on the same subject. When this is done, it will be "up to Congress."

COMBINING FORCES.

Fire insurance underwriters are eligible for first place in the National Civic Federation convention in Washington next Monday. The National Fire Prevention Association will be present, through an able committee, is one of the several units of organizations which have been crystalized in that most influential of all American organizations, aside from the Government itself, the National Civic Federation, of which Senator Root remarked at its meeting at the Hotel Astor in this city last month, that it afforded

the only means available in America for the free expression of opinion from men who were trammelled by diplomatic and conventional bounds. At least, he said something to that effect.

The National Civic Federation is an incubator of ideas of value or near value. It is a National Forum and the National Fire Protective Association will appear at this session, backed by its latest important accretion to membership, the National Association of Credit Men. And it is safe to assert that financial interests of the Nation lean more heavily on them than all others combined.

WESTERN Assurance Co.

HEAD OFFICE,
TORONTO, - - CANADA.

Incorporated 1851.

Hon. GEORGE A. COX.....President
W. R. BROCK and JOHN
HOSKIN, K. C. LL. D....Vice-Presidents
W. B. MEIKLE.....General Manager

United States Statement, Jan. 1, 1909.
Assets\$2,184,632.20
Surplus in United States..... 726,218.62

NOTEWORTHY ADVANCE.

The BERKSHIRE LIFE Insurance Company,

OF PITTSFIELD, MASSACHUSETTS,
takes an advanced step in the interest of the policyholder by the adoption of the following liberal features in its new policy contract:

Low premium rates.

Large surrender values.

Dividends at the end of each policy year.

Thirty-one days of grace in payment of all premiums after the first year.

Paid-up insurance or cash surrender value or extended insurance after two years' premiums have been paid.

Loans for the full cash surrender value.

Policy payable in one sum or in instalments for terms of years.

Policy incontestable, and no restrictions upon residence, travel and occupation, after the first policy year, except as to military or naval service in time of war.

Right of the insured to change the beneficiary.

Liberal re-instatement privileges.

Every effort has been made to make this new policy the very perfection in a life insurance contract.

For further information apply to
JOHN H. ROBINSON, General Agent
For New York and New Jersey,
Postal Building,
253 Broadway, NEW YORK.

THE HOME LIFE INSURANCE COMPANY OF AMERICA

Incorporated 1899.



THE COMPANY FOR THE AMBITIOUS AGENT who desires to sell "COMMON SENSE" insurance at LOWEST COST, and who seeks, through most liberal first year and guaranteed renewal commissions, to receive just recognition of service. All policies registered, signed and sealed by the Insurance Commissioner of the State of Delaware, making them truly

SAFE AS GOVERNMENT BONDS.

Address Executive Offices, 416-18-20 Walnut Street,
PHILADELPHIA, PA.

JOHN LANGHAM, Jr.,
President.

JOSEPH L. DURKIN,
Secretary.

GEORGE M. NETTLESHIP,
Manager of Agencies.

BONDS--CASUALTY

AGENTS { Can Command Bond or Casualty business
IF { Are seeking an Agency connection
YOU { Are not representing another like Company

ADDRESS, AGENCY DEPARTMENT,

The Empire State Surety Co.
NEW YORK

A FEW REMARKS ABOUT EXCISE BONDS.

Last week "The Chronicle" had something to say, supplementary to its several years' weekly sermons, on the folly of stockholders and directors in surety companies permitting their companies going on the bonds of liquor dealers in New York who deliberately, and with malice aforethought, violate the law. The remarks dealt particularly with an incident of the week wherein the secretary of one of them had given utterance to the following enlightening interview:

We have been writing excise bonds in New York and taking all we could get. We considered it good business, as it afforded an opportunity to retrieve losses incurred during the year 1907, when the agents of the excise law were active in New York. A year or so ago we needed money badly, and this looked like a good way to get it without much risk.

We know that it is "dirty money" and that we are in bad repute with the Association of Surety Companies for accepting such business, but after we found that a former New York agent had been writing bonds for places of the class mentioned and had incurred heavy losses through revocations not reported to the home office there seemed no other course to adopt but to go after every dollar in sight.

This created so much comment and so many inquiries from various sources concerning the practice and especially from powerful social organizations and State Insurance Departments that further elucidation of the comment seems in order.

New York State has a peculiar form of excise liquor law. Other States—a dozen or more—have an excise liquor law which is more or less pro forma and innocuous. The New York law is an active revenue producer, and is in potent operation. It therefore presents an individualistic feature that eliminates comparison. This fact has been ignored by the companies from other States operating in New York and provoked the comments referred to by "The Chronicle" in a long series of articles ranging from the moral phase of underwriting to the ultimate effect on the companies' securities.

How the Business Is Done.

Without going into the more than ten years pitiful story of excise bonding development and its record of broken manhood and wreck strewn shores it is sufficient for this purpose to state its status at the moment.

There are more than 30,000 liquor selling places in New York which obtain bonds from surety companies. A fair estimate of what may be termed respectable business, such as high class hotels, wholesale houses, drug stores, interstate steamship lines, etc., would be 30 per cent., the remaining 70 per cent. being the element that must depend upon protection in some

form for immunity from being "pinched."

The respectable business is written, as fire insurance is, by an underwriting agreement under which about the following ratio of division of premium and loss is observed:

American Surety	15
Fidelity & Casualty	13
United States Guarantee	12
Fidelity & Deposit	12
Bankers Surety	10
Federal Union	10
Illinois Surety	7
National Surety	7
U. S. Fidelity & Guaranty	7
American Bonding	5

An Instructive Study for Investors in Surety Stocks.

The percentages of the reinsurance companies affords food for reflection. The ratio of the companies with small resources to the big ones is amazing. The American Surety, for instance, could carry the entire business if it deemed it advisable to do so, but is content with a reasonable portion. The smaller ones seem bent on claiming a share disproportionate to their ability to weather even a moderate cold spell—and getting it.

The Excise Problem.

In order to bring the excise bonding problem down to date for the benefit of those readers of "The Chronicle" who seek underwriting information, it is well to quote the following from a report of the Excise Commissioner:

Statesmen and moralists in all civilized countries have long recognized the evils that are inseparably connected with the traffic in liquor. The enactment of more than four hundred and fifty excise statutes and ordinances in this State alone, and the repeal of all, following an unsatisfactory experience under each, emphasize the difficulties encountered in the attempted solution of the problem prior to the passage in 1896 of the Raines Liquor Tax Law.

In the absence of reliable statistics as to the working of former laws, public sentiment, guided, on the one hand, by hobby-riding agitators and the sporadic efforts of impractical reformers, who worked along emotional, rather than rational, lines, and, on the other, by demagogues and reckless legislators in sympathy with the liquor interests, who took advantage of the reaction resulting from the frequent failure of radical and extreme legislation, fluctuated between prohibition in 1854 and recommendations for free whiskey, as exemplified by the notorious Schaaf bill, which was presented to the Legislature in 1891 and only failed of passage because of the aroused indignation and combined opposition of the Christian churches of all denominations.

Under these conditions, it does not seem strange that the history of excise legislation in this State should reveal, in the main, a drifting, unsettled policy, in which emotionalism and blind impulse at times, and at others an almost brutal disregard of the moral interest involved, have been factors far too dominant to admit even of a moderate measure of success. It

seems never to have occurred to early excise agitators, or even to many of their modern successors, that laws can not and will not enforce themselves; that the amendment of an unenforced excise statute, or its repeal, and the enactment in its place of a new law furnish not the slightest guarantee of an improvement in excise conditions, unless the change has such a degree of support from public sentiment as will insure its better enforcement.

The proposition that, under popular government, the enforcement of all laws necessarily depends on public opinion, intelligently expressed in the selection of honest official servants who will faithfully perform their sworn duties in respect to such enforcement, is the simple truth that lies at the root of the whole matter. Frequent amendments and changes, except for the correction of proved defects, are in the large majority of cases, a hindrance rather than a help. Frequent alterations in the statute lead to confusion and misunderstanding in the public mind as to its actual provisions, and have a tendency to deprive a good law of the support of right-thinking citizens, which it would naturally receive if well understood, and without which the universal execution of any statute is practically impossible.

A careful reading of the Liquor Tax Law will disclose the fact that an adequate remedy is provided in that statute for every excise abuse. The conclusion inevitably follows that the continuance of excise abuses is due to the non-enforcement or the imperfect execution of remedies already provided, and not to any defect in the law itself, as is quite popularly supposed.

President Roosevelt, in writing of his experience as Police Commissioner of New York in the enforcement of the excise law, analyzes clearly the difficulties and needs of the excise problem when he says: "The one all-important element in good citizenship in our country is obedience to law, and nothing is more needed than the resolute enforcement of law."

For an example of what the sureties pay out annually on the forfeitures the report for 1908 is a fair average. It shows the expenses of the department as \$359,115, against which was an income from penalties of \$325,503, derived from 329 actions, of which 115 were in New York County (Manhattan Island). Of a total of \$320,000 penalties collected practically half was from Manhattan Island.

In 1900 the penalties collected from sureties amounted to \$32,594, an increase of 1000 per cent. in seven years.

Something to Think About.

These penalties were the work of about 60 inspectors, and the recent proposal to increase this number to 150, based upon the simple calculation that the income of the department would be increased 150 per cent., is significant. In simple terms, the excise business is an undeveloped field and an enticing prospect for the adventurous exploiter.

It is required of surety companies

(Continued on Page 14.)

WILL THE WESTERN UNION BE REORGANIZED.

A lull appears to have come in the speculation as to what the Continental is going to do in the West. The various questions and possibilities have been discussed so much that there is little new to talk about until somebody makes a move. The opinion is held in some quarters that no move may be made for some little time. When the stockholders of the Fidelity and of the Phenix confirm the merger agreed upon by the directors and the underwriters' agency, backed by one union and one non-union company is actually put into operation, it may force a situation that will require some action. Thoughtful men in the business are discussing seriously the probability of a new alignment of companies, either by amendment of the rules of the Western Union or by its dissolution and the formation of a new organization on a platform on which more company executives can stand.

AGENTS MUST TAKE IMMEDIATE ACTION.

Henry H. Putnam, secretary of the National Association of Local Fire Insurance Agents, has sent out a "bulletin" calling for a vigorous protest from local agents desiring to retain control of the insurance on the Bell telephone plants. He believes that a vigorous kick to all local managers of the telephone company will block the proposal to concentrate the control of all the insurance in the hands of a Philadelphia brokerage firm. He says:

This is a case where the interests of local agents are very widely affected, and a universal protest from all quarters against this proposal would have due effect upon the telephone company. Prominent local agents can handle this insurance just as advantageously for the Bell Company as a non-resident broker unfamiliar with the local conditions. Moreover, the friendship and good will of the local men is more important to the telephone company than the favor of some particular brokerage firm.

MEN OF ENERGY

ARE OFFERED

WORK OF MOMENT

In desirable localities representing a sixty-year old institution, with modern, liberal, law-conforming policies, and helpful Home office co-operation. Much good territory available. Many opportunities for advantageous positions. Inquire NOW.

UNION MUTUAL LIFE INSURANCE COMPANY PORTLAND, MAINE

FRED E. RICHARDS, President.

ALBERT E. AWDE,
Supt. Flatiron Building,
Watertown, N. Y.
THORNTON CHASE,
Supt., 405 Exch. Bldg.,
Los Angeles, Cal.

Address
either:

When you are investigating companies with a view to connecting with the one which will help you most in a practical way, write to **SECURITY MUTUAL LIFE, Binghamton, N. Y.**

C. H. Jackson,
Sup't of Agencies.

PAUL L. WOOLSTON,

Consulting Actuary,

214 Symes Bldg., DENVER, COL.

The UNION CENTRAL LIFE of Cincinnati

Has several good openings for first-class men. It is the Company of companies for the agent who will make an aggressive campaign for business, and who wants to win in competition.

The Union Central earns the highest rate of interest on its investments of all American companies.

THE BEST COMPANY For The Policyholder.

Address

JESSE R. CLARK, President, or
ALLAN WATERS, Sup't of Agents.

Life Ins. Co. of Virginia,

Home Office, Richmond, Virginia.

J. G. WALKER, President.
T. W. PEMBERTON, 1st Vice-President.
W. L. T. ROGERSON, Secretary.

The PIONEER Southern Industrial Life Insurance Company.
The OLDEST Southern Life Insurance Company.
The LARGEST Southern Life Insurance Company.

The Most Approved Forms of Life, Endowment and Industrial Policies Issued on Favorable Terms.

Assets, Dec. 31, 1908.....\$4,444,711.62
Insurance in Force, Dec. 31,
1908.....\$63,309,202.00
Payments to Policyholders
since Organization.....\$8,926,182.91

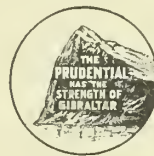
IF YOU ARE TIRED OF LOW WAGES

and small opportunities, step into a business into which all your ability will count.

There's money in selling

Life Insurance

Write NOW for particulars of an agency contract.



THE PRUDENTIAL

Insurance Company of America.

Incorpor'd as a Stock Company by the State of N. J.
JOHN F. DRYDEN, Home Office:
President. NEWARK, N. J.

Write for Agency.

The Employers' Liability

Assurance Corporation, Ltd.

LIABILITY, STEAM BOILER,
ACCIDENT, HEALTH, FIDELITY
and BURGLARY INSURANCE.

UNITED STATES BRANCH.

SAMUEL APPLETON, United States
Manager,
Employers' Liability Building,
33 BROAD STREET, BOSTON, MASS.

EDMUND DWIGHT,
Resident Manager for New York State
56 MAIDEN LANE, NEW YORK.

AGENTS WANTED.

BONDS OF SURETYSHIP.

The Guarantee Company of North America.

HEAD OFFICE, MONTREAL.

THE OLDEST AND LARGEST IN
AMERICA.

President, EDWARD RAWLINGS.
Sec'y and Treas., RICH'D B. SCOTT.

Paid-up Capital and Re-
sources.....\$1,817,612
Claims Paid to Employers.....\$2,165,964
No Claims in Suit.

BRANCH OFFICES:

NEW YORK: 111 Broadway,
D. J. TOMPKINS, Secretary.
BOSTON: 114 Milk Street,
W. A. HAMILTON, Agent & Att'y.
CHICAGO: Room 400, The Temple,
J. R. PRUYN, Resident Sec'y & Att'y.
PHILADELPHIA: 500 Arcade Bldg.,
W. H. JACKSON, Res. Sec'y.
PITTSBURGH: 1120 Farmers B'k Bldg.,
E. R. MUNRO, Resident Secretary.

ABOUT EXCISE BONDS.

(Continued from Page 12.)

to reserve one-half of the premiums on outstanding business. This is based on the general average of new business being written about as rapidly as the old expires.

Excise business is an exception to this rule because 90 per cent. of it is written in one month each year, the same proportion expiring twelve months later. As these bonds go into effect on October 1, it has been customary to treat as unearned on December 31 (date of reports) 75 per cent. of the premium received upon such business.

These premiums have been treated as fully earned with the termination of the life of the bond, thus making a large addition to surplus on September 30. As a matter of fact, it would not be difficult to estimate very closely at any date the amount of premium unearned.

Criticism and Suggestion.

Based upon the practice of the Excise Department with reference to action upon these bonds, such a course is mistaken. It is very exceptional for the Department to bring a bond action during the life of the license which is covered by the bond. By law, the department has three years from such a time in which to begin action upon the bond.

To meet this situation, and in fairness to the laws of average, a certain proportion of the earned premium should be held in a loss reserve. To do otherwise is to trust to the company to maintain a surplus equal to such a loss reserve.

Of the amount so credited in any one year there should be released

One year from the expiration of the license..	50 per cent.
Two years from the expiration of the license..	33 1-3 per cent.
Three years from the expiration of the license	16 2-3 per cent.

An Illustration.

If a surety company wrote \$50,000 of excise bond premiums on October 1, 1908, liability incurred (1,250 bonds of \$1,800 each) \$2,250,000, and its last annual statement showed:

Unearned premium reserve, nine-twelfths of whole, \$37,500; (a) loss reserve, one-half of three-twelfths, \$6,250; cost, agents' commissions and home office expense, \$25,000; total, \$68,750; surplus reduced to carry business, \$18,750.

This business would stand on the company's books on September 30, 1909, as follows:

(b) Loss reserve on 1908-9 business, \$25,000; costs, \$25,000,

In its report for December 31, 1909, the excise loss reserve would stand:

(c) On business of 1908-9, \$25,000, less three-twelfths of 50 per cent., \$3,125—\$21,875; on business of 1909-10 (see a), \$6,250—\$28,125.

In a report of December 31, 1910, the loss reserve would stand:

(d) On business of 1908-9, \$25,000, less (50 per cent. plus three-twelfths of 33 1/3 per cent.), \$14,075—\$10,925; on business of 1909-10 (see c), \$21,875; on business of 1910-11 (see a), \$6,250—\$39,900.

In a report for December 31, 1911, the loss reserve would stand:

(e) On business of 1908-9 (last entry), \$25,000, less (50 per cent. plus 33 1-3 per cent. plus three-twelfths of 16 2-3 per cent.), \$22,250—\$2,750; on business of 1909-10 (see d), \$10,925; on business of 1910-11 (see c), \$21,875; on business of 1911-12 (see a), \$6,250—\$41,800.

The Bankers Surety Case.

As the Bankers Surety is the center of interest in this connection, it is well to give it a word. When the remarks of Secretary Craig came to the office of "The Chronicle" President P. W. Harvey was immediately asked by wire for a confirmation or a denial of what was considered the most remarkable statement from an "underwriter" that had appeared in print in an age. He replied referring the matter to President George F. Seward, of the Fidelity and Casualty, as stated in the previous article.

Desirous of affording no reasonable opportunity for mistake, "The Chronicle" on Monday wired Hon. Harvey D. Goulder, chairman of the Bankers board, as follows:

Would be glad to have an expression from you of the Bankers Surety statement in last week's "Chronicle." Columns of "Chronicle" open for anything you desire to say. Mail answer to-day.

The reply to this is embodied in the following, which was immediately forwarded to Mr. Goulder, and to which no reply has yet been received:

We have just received your wire, and, it being too late to interview Mr. Seward to-day, I have addressed him the following note:

We are just in receipt of the following wire from Hon. Harvey D. Goulder, in response to a wire to him to-day, relative to the article in last week's "Chronicle," a copy of which we enclose you:

"I am not familiar with matter referred to in your telegram, but on inquiry am told Mr. Seward, president Fidelity and Casualty Company, is familiar with the matter throughout, and suggest you ask him."

We expect to have another article on the subject in this week's issue, and if there is anything that would be of interest from a news standpoint that we could bother you about I would be

very glad to come over to see you. I think you will appreciate that we realize that this is a matter about which we do not care to trouble you, and we have refrained from making a call on that account. However, if there is anything, I would appreciate it very much if you would kindly call me up on the phone to-morrow morning.

We wired Mr. Harvey the other day, and received from him an answer similar to yours, but did not deem it worth while to bother Mr. Seward with a matter in which I think you know he is not interested, so far as his company is concerned. If Mr. Seward responds to this request to-morrow morning, we will be very glad to use anything that he may say.

We feel that the matter deserves your official and personal attention, and toward that end our inquiry was directed. If your company and its officers cannot respond to our request, you must admit that it would be inadvisable on our part to consult with the officers of another company regarding your affairs, and therefore we must refrain from doing so, unless invited by Mr. Seward.

The Bankers New York Business.

The New York State Insurance Department's printed reports for 1908 and 1909 show two years' business of the Bankers Surety in the State, as the following figures set forth:

	Premiums.	Losses Paid.
1907.....	\$88,392	\$14,551
1908.....	139,540	81,694

The jump of the loss ratio from about 15 per cent. in 1907 to 60 per cent. in 1908 is phenomenal, but confirms the statement of Secretary Craig that "a year or so ago we needed money and went after it," or words to that effect.

A Bit of History.

The Bankers has held a unique position among surety companies from the day of its birth. (Perhaps "singular position" would be a better term.)

With an incomparable personnel of shareholders and directors, and the very highest grade of gilt-edged assets, which continue, it began life actively in 1902 with a thoroughly incompetent general management, which it tolerated patiently and with long suffering for several years and then made a change, swapping the devil for a witch.

At no stage of its existence has the Bankers had even a modicum of underwriting experience or surety knowledge at the helm. The directors have hired men to run things and hoped for results other than those which developed. One of its early ventures away from home was to New York, and it became an easy mark for the frenzied financiers, or at least one of them, Rothschild by name, who died in Sing Sing Prison a short time ago. To him the Bankers became surety as administrator or executor for some estate. He defaulted and earned a prison term, and the surety paid some-

thing like \$85,000 for one dose of "experience."

From this same Rothschild incident developed the suicide of the Bankers countersigning attorney in this city, Mathews, just before his trial on indictments which he evidently realized would send him to join Rothschild. The company also went in for excise business under about the same degree of surety intelligence that executed the bond for Rothschild. For some years it has been knocked about, swayed and buffeted in the excise currents, until the evident desperation implied and expressed in the confession attributed to Secretary Craig seems a perfectly natural and logical sequence.

How Stocks Are Effected.

During the past two years there have been at least two capable proposals put out for a merger between two or more of the drifting casualty and surety companies, based upon a recognition of the fact that there were assets worth saving from the stupidity of their caretakers. In each case the negotiations were brought right up to the subject of excise liability probabilities and there terminated abruptly. In one case one surety company was writing excise bonds and another was not. An appraisal of the shares of each was called for, and, while it was easy to approximate the cash value of one, it was found that an application of the simplest rule of "ratio and proportion" would soon impair and bankrupt the other, and all efforts were abandoned.

"The Chronicle" has warred against the writing of these bonds for Raines law hotels, first, because it is injurious to correct principles of insurance and has no place in underwriting; second, because it creates an unsanitary condition in which morality and bet-terment are constantly menaced.

For these reasons it has worked shoulder to shoulder with the uplift forces to impress upon the surety companies the folly of their practices in excise bonding and the inevitable near-at-hand disaster it entails.

"PERFECTION" POLICIES
are issued only by the

Continental Casualty Co.
CHICAGO, ILLINOIS.

When better accident and health policies can be written, we will write them.

Good Contracts in Good Territory
to Good Men. Producers address

H. G. B. ALEXANDER,
President and General Manager,
1208 Michigan Ave., Chicago, Illinois,

"The Leading Fire Insurance Company
of America."



WM. B. CLARK, President.
W. H. KING, Vice-President.
HENRY E. REES, Secretary.
Assistant Secretaries,
A. N. WILLIAMS, E. S. ALLEN,
E. J. SLOAN, GUY E. BEARDSLEY.

CUR

Course of Insurance Education.

Department for Furnishing
Prospects.

New "Model Policy"

Will Plough the Field and Assure
the Harvest for Good Agents.

Phoenix Mutual Life

INSURANCE COMPANY,
Hartford, Conn.

Write Home Office.

Pittsburgh Life & Trust Co.

W. C. BALDWIN, President

AGENCY CONTRACTS MADE DIRECT
WITH SOLICITORS

ASSETS\$23,549,229.15
Reserve on Outstanding Poli-
cies\$21,401,598.00
All Other Liabilities..... \$417,649.50
Assets in Excess of all Legal
Requirements \$1,729,981.65
Insurance in Force.....\$80,000,000.00

HOME OFFICE • PITTSBURGH, PA

The
Columbian National Life
INSURANCE COMPANY
OF BOSTON, MASS.

LIFE, ACCIDENT AND HEALTH
INSURANCE.

The Only Massachusetts
Non-Participating Company

The New Columbian Policies (Sept. '09)
are Unexcelled in Clearness and Liberality.

Good Contracts and Territory for
Good Producers.

ARTHUR E. CHILDS, President.

THE MUTUAL LIFE

Insurance Company of New York

OLDEST
IN
AMERICA

STRONGEST
IN THE
WORLD

Largest Margin of Assets in Ex-
cess of Legal Liabilities.

No Company More Economically
Managed to-day.

No other company has, by in-
creasing its scale of annual divi-
dends four years in succession—
1906, 1907, 1908, 1909—reduced
premium payments so rapidly.

For terms to producing agents address:

GEORGE T. DEXTER, 2nd Vice-President

34 Nassau Street,

New York, N. Y.

LIVERPOOL & LONDON & GLOBE

NEW YORK OFFICE, 45 WILLIAM STREET.
H. W. EATON, *Resident Manager.*
G. W. HOYT, *Deputy Manager.*
J. B. KREMER, JR., and T. A. WEED, *Agency Superintendents.*

NEW ENGLAND STATES, NEW YORK, NEW JERSEY, PENNSYLVANIA, MARYLAND, DELAWARE, DISTRICT OF COLUMBIA, VIRGINIA, W. VIRGINIA, NORTH CAROLINA, SOUTH CAROLINA, OHIO, INDIANA, KENTUCKY, TENNESSEE, ARKANSAS.

NEW ORLEANS OFFICE, COR. CARONDELET & COMMON STS.
CLARENCE F. LOW, *Resident Secretary.*
J. G. PEPPER, *Assistant Secretary.*
J. H. ANDERSON, *Deputy Asst. Sec.*

LOUISIANA, MISSISSIPPI, ALABAMA, TEXAS, FLORIDA, GEORGIA.

ILLINOIS, MICHIGAN, IOWA, WISCONSIN, MINNESOTA, MISSOURI, KANSAS, NEBRASKA, COLORADO, N. DAKOTA, S. DAKOTA, MONTANA, UTAH, WYOMING, NEW MEXICO, OKLAHOMA.

CHICAGO OFFICE, 205 LA SALLE STREET.
W. S. WARREN, *Resident Secretary.*
GEO. H. MOORE, *Assistant Secretary.*
HUGH R. LOUDON, *Deputy Asst. Sec.*

SAN FRANCISCO OFFICE, 444 CALIFORNIA ST.
CHARLES D. HAVEN, *Resident Secretary.*
C. MASON KINNE, *Assistant Secretary.*
JOHN W. GUNN, *Deputy Asst. Sec.*

CALIFORNIA, NEVADA, IDAHO, WASHINGTON, OREGON, ARIZONA, ALASKA.

INSURANCE COMPANY

Established 1836. Entered U. S. 1848.

The statement of the condition of the United States Branch on the 1st of January, 1909, in accordance with the laws of the State of New York, is as follows:

ASSETS \$13,212,749.70
LIABILITIES 8,238,870.50

SURPLUS \$4,973,879.20

As an illustration of the Company's practice in maintaining its Assets in the United States in years of excessive loss, the following figures may interest policyholders:

Year.	Assets at January 1.	Income.	Expenditure.	Excess of Expenditure.
1871	\$3,054,361	\$3,163,901	\$5,122,653	\$1,958,752
1872	3,640,450	3,733,101	4,484,999	751,898
1873	4,165,290			

THUS SHOWING EXCESS OF EXPENDITURE IN THE TWO YEARS OF \$2,710,650
AND INCREASE OF ASSETS IN THE SAME TIME OF 1,110,929

PROGRESS of the United States Branch: Net Fire Premiums—1848, \$4,519; 1858, \$471,998; 1868, \$1,739,620; 1878, \$2,422,126; 1888, \$3,028,010; 1898, \$4,079,422; 1908, \$7,427,617.63.

LOSSES—The amount paid in satisfaction of fire losses in the United States to the beginning of the present year was \$115,772,000. This large sum, in conjunction with the growth of the Company's business, evinces the confidence of the public and the faithfulness with which the Company's losses are adjusted and settled.

Hanover Fire

INSURANCE
COMPANY
of New York



Agencies
in all the Principal Places
in the United States.

The Star of Success

shines over the fields in which our
agents work.

Why? Popular company, policies
that cover public needs, low net cost,
literature that prospects read.

Now writing the largest business in
our history.

For agency information apply to

Massachusetts Mutual

Life Insurance Company

Springfield, Mass.
Incorporated 1851.



UNITED SURETY COMPANY

BALTIMORE, MD.

HENRY G. PENNIMAN PRES.

JOHN B. MURPHY,

Resident Vice-President.

84 WILLIAM STREET - - NEW YORK

Telephone, John 1770 - 1771.

Royal Exchange Assurance

OF LONDON.

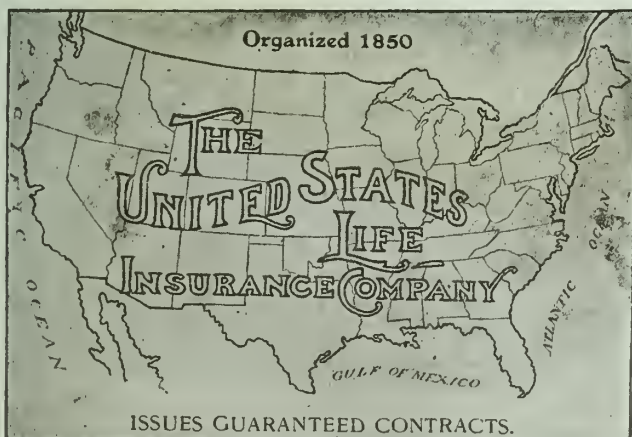
Incorporated by Royal Charter A.D. 1720.

UNITED STATES OFFICE:

92 William Street * * * New York City

UBERTO C. CROSBY, General Manager.

RICHARD D. HARVEY, Assistant General Manager.



JOHN P. MUNN, M.D.

PRESIDENT

FINANCE COMMITTEE

JAMES R. PLUM

Leather

CLARENCE H. KELSEY

Pres Title Guaranties and Trust Co

WILLIAM H. PORTER

Pres Chem. Nat Bank

Good men, whether experienced in life insurance or not, may make direct contracts with this company, for a limited territory if desired, and secure for themselves, in addition to first year's commission, a renewal interest insuring an income for the future. Address the Company at its Home Office, No. 277 Broadway, N. Y.

T H E

PROVIDENT

LIFE AND TRUST COMPANY

OF PHILADELPHIA

Insurance in Force, \$201,185,435.00
(Paid for Basis)

Assets \$67,324,334.35
(Market Value, Dec. 31, 1908)

Contingency Reserve . \$8,819,979.14

The NEW POLICIES of the Provident are unsurpassed for conciseness and simplicity of form and for adaptability and liberality in all essentials.

The Premium rates of the Provident are exceedingly low and are still further reduced by large annual dividends.

\$27,000,000**Insurance in Force****CITIZENS LIFE**

INSURANCE COMPANY

LOUISVILLE, KY.

W. H. GREGORY, President

**LEADING FIRE COMPANY
OF THE WORLD**

[of Liverpool,

England.]

CLAIMS PAID OVER \$11,300,000. CASH CAPITAL \$500,000.00. RESERVE—SURPLUS—POLICY HOLDERS OVER \$3,200,000.

All forms of Accident, Sickness, Industrial and Liability Insurance

THE STANDARD

Accident Insurance Co.

Detroit, OF Michigan.

Lem W. Bowen, Pres. E. A. Leonard Sec.

Metropolitan Department,
C. A. TIMEWELL, Manager,
92 William St., New York City.

The Northwestern Mutual Life Insurance Co. of Milwaukee

GEO. C. MARKHAM, President
A. S. HATHAWAY, Secretary



New Business Paid-For

1905		\$ 90,334,038
1906		93,563,452
1907		102,233,634
1908		109,773,709

Each year larger than any in the previous history of the Company.

Commenced Business 1858

INSURANCE MEN will note the significant increase in The Northwestern's new business during the past four years.

IMPORTANT FACTS relating to this business are shown by the following percentages:

	Expenses	Mortality	Interest
1905	12.15	67	4.73
1906	11.76	59	4.72
1907	11.81	58	4.76
1908	10.76	59	4.84

It is capable of easy demonstration that The Northwestern is the best Company to insure in.

See The Northwestern's policy contract with its Dividend Options, Paid-up and Endowment Options, Options of Settlement and the Premium Loan feature.

Issues Partnership and Corporation Insurance.

For further information or an Agency, address

H. F. NORRIS,
 Superintendent of Agencies.

The Chronicle.

1866

Published by THE CHRONICLE COMPANY, Ltd., 90 William St., New York City.

1910

VOLUME LXXXV.

New York, January 20, 1910.

NUMBER 3

OUR BOND—YOUR SECURITY.

T. J. FALVEY, President. JOHN T. BURNETT, Sec'y & Treasurer.



**Massachusetts
Bonding and
Insurance Co.**

Organized under
the Laws of the
Commonwealth of
Massachusetts.

Home Office, 77-81 State Street, Boston.

Capital\$500,000.00

Surplus\$250,000.00

SURETY BONDS and BURGLARY and
THEFT INSURANCE.

All securities valued as of Dec. 31, 1907.

FOUNDED 1792

116th ANNUAL STATEMENT

**INSURANCE COMPANY OF
NORTH AMERICA.**
OF PHILADELPHIA, PA.

Real Estate	January 1, 1908.
First Mortgages on Real Es- tate	\$ 399,138.75
New York, Boston, Montreal and other City and State Loans	467,983.48
Pennsylvania, Philadelphia and Erie, Lehigh Valley, and other Companies' Bonds and Stocks	784,346.99
Cash in Bank and Bankers' hands	7,268,881.40
Notes Receivable, and Un- settled Marine Premiums..	1,045,774.76
Net Cash Fire Premiums in course of Transmission ..	341,838.34
Accrued Interest, and all other Property	946,818.70
	35,338.

Total Assets\$11,290,121.11

LIABILITIES.

Capital Stock	\$ 3,000,000.00
Reserve for Re-Insurance ...	6,351,346.29
Reserve for Losses	777,100.00
All other Liabilities	71,717.15
Surplus over all Liabilities..	1,089,957.57

\$11,290,121.11

CHARLES PLATTPresident.
EUGENE L. ELLISON..Vice-President.
BENJAMIN RUSH...2nd Vice-President.
GREVILLE E. FRYER...Sec'y and Treas.
T. HOUDART WRIGHT.....Ass. Sec'y.
HENRY W. FARNUM.....Marine Sec'y.
JOHN O. PLATT.....Assistant Sec'y.

Agencies in all Prominent Cities & Towns.

Organized 1850

ISSUES GUARANTEED CONTRACTS.

JOHN P. MUNN, M.D.
PRESIDENT

FINANCE COMMITTEE
JAMES R. PLUM
Leather

CLARENCE H. KELSEY
Pres. Title Guarantee and Trust Co

WILLIAM H. PORTER
Pres. Chem. Nat Bank

Good men, whether experienced in life insurance or not, may make direct contracts with this company, for a limited territory if desired, and secure for themselves, in addition to first year's commission, a renewal interest insuring an income for the future. Address the Company at its Home Office, No. 277 Broadway, N. Y.

THE
American Credit-Indemnity Co.
OF NEW YORK.

CREDIT INSURANCE ONLY.

Insures Wholesalers and Manufacturers against Excessive Annual Loss through the Insolvency of their Customers.

We can always use a few high-grade solicitors.

ST. LOUIS, MO.

NEW YORK, N. Y.

Offices in All Principal Cities.

A. B. TREAT, General Agent,

302 Broadway, : : : : : New York.

SUMMARY OF 65th ANNUAL REPORT
OF THE
New York Life Insurance Company
346 Broadway, : New York
DARWIN P. KINGSLEY, President

NEW INSURANCE PAID FOR IN 1909

Exclusive of Revivals and Increase in Old Policies,

\$146,042,400

* Under the laws of New York anything in excess of \$150,000,000 would have made the officers of the Company liable to indictment. To keep within the law the Company closed a number of Branch Offices during 1909 and discharged a group of men who paid for over \$7,500,000 in the previous twelve months.

TOTAL ADMITTED ASSETS,

\$599,708,286

* Book values \$603,267,684.

TOTAL PAID FOR INSURANCE IN FORCE,

\$2,002,809,227

JANUARY 1, 1910

Balance Sheet, January 1, 1910

ASSETS

Real Estate	\$11,718,644.04
Loans on Mortgages.....	69,748,270.53
Loans on Policies	94,643,472.81
Bonds (market value Dec. 31, 1909).....	401,214,411.04
Cash	8,720,413.40
Renewal Premiums	7,066,659.68
Interest and Rents due and accrued.....	6,596,414.47
Total	\$599,708,285.97

LIABILITIES

Policy Reserve	\$496,931,152.00
Other Policy Liabilities	7,279,671.88
Premiums and Interest prepaid.....	2,953,080.10
Commissions, Salaries, etc.....	1,052,035.50
Dividends payable in 1910.....	8,844,108.89
Reserve for deferred Dividends.....	71,778,756.00
Reserves for other purposes.....	10,869,481.60
Total	\$599,708,285.97

INCOME, 1909

1. Premiums:	
2. On New Policies.....	\$5,949,283.41
3. On Renewed Policies....	71,746,110.75
4. Annuities, etc.....	929,633.54
	\$78,625,027.70
5. Real Estate Rentals.....	1,047,577.53
6. Interest on Mortgages.....	2,850,114.55
7. Interest on Policy Loans.....	4,752,689.63
8. Interest on Collateral Loans.....	30,000.00
9. Interest on Bonds.....	15,985,458.09
10. Interest on Bank Deposits.....	296,079.90
11. Other Interest	2,955.07
12. Increase by adjustment in Book Value of Ledger Assets.....	6,875,128.60
13. Other Income	560,311.49
Total	\$111,025,342.56

DISBURSMENTS, 1909

1. Payments to Policyholders:	
2. Death Losses.....	\$23,017,708.20
3. To Living Policyholders	28,972,513.18
	\$51,990,221.38
4. Installments, Dividends and Interest paid under supplementary contracts.....	215,396.09
5. Commissions on New Business.....	2,712,281.08
6. Renewal Commissions and Other Pay- ments to Agents.....	1,610,765.64
7. Medical Examination and Agency Super- vision	1,201,120.62
8. Branch Office Salaries.....	1,075,092.20
9. Home Office Salaries	1,483,863.47
10. Taxes, Licenses and Insurance Dept. Fees	943,357.64
11. Rent and Real Estate Taxes and Ex- penses	1,016,901.05
12. General Expenses and Profit and Loss...	774,511.93
13. Decrease by adjustment in Book Value of Ledger Assets	4,342,925.47
14. For Reserves to meet Policy Obligations	43,658,905.99
Total	\$111,025,342.56

The Chronicle

VOLUME LXXXV.

NEW YORK, THURSDAY, JANUARY 20, 1910.

NUMBER 3

ALFRED B. DAWSON, President.
R. B. Dawson, Treasurer. Chas. D. O'Brien, Secretary.
Emil Schwab, Manager New England Department,
178 Devonshire Street, Boston, Mass.

All communications should be addressed to and remittances should be made to The Chronicle Company, Limited.
Entered at the Post Office, New York, N. Y., as Second Class Mail Matter.

PUBLISHED EVERY THURSDAY BY
THE CHRONICLE COMPANY, Limited.
No. 90 WILLIAM ST., NEW YORK.
Phone "567 John." Cable Address, "Chronogram," New York.

Subscription Price:
Three Dollars a Year. Single Copies, Twenty-five Cents
Postage Prepaid in the United States and Canada.

Seeking Freedom From Intolerable Abuses.

The various meetings in Washington this week, including the conference under the auspices of the National Civic Federation upon uniform legislation, the meeting of the National Association of Life Insurance Presidents, the conference of Governors of States, and the conference upon Employers' Liability and Workmen's Compensation, have very especial significance, in view of the recent message of President Taft, recommending that provision be made in the Federal statutes for the organization of corporations with Federal charters, and of the bill which has been introduced in Congress to carry out this design.

There is little doubt that there is going to be a more active and thorough-going movement and agitation in favor of uniformity of laws throughout the country, and also in favor of freeing some businesses from almost intolerable interferences. The purposes of the Federal incorporation act are largely to obviate the existing difficulties of this nature.

"The Chronicle" does not have room for even a synopsis of what is proposed but the following is a necessarily brief statement of what the effect of the same may be upon insurance interests:

Federal Licenses.

If insurance companies accept the opportunity to reincorporate under the Federal laws, they will in many ways be freed from interference by State authorities, though by no means completely so. Thus, for instance, they will have the right to do business throughout the entire nation, and this right can only be denied because they fail to comply with the regulations of that business within a

given State. It is not probable that it could be denied, for instance, because they fail to comply with the requirements of the State otherwise. In other words, this legislation would, so far as these companies are concerned, have the effect of absolutely destroying the constantly increasing extension of the regulation by State departments beyond the boundaries of their own States.

Confine Abuses to One State.

Whether or not the State might set up certain arbitrary standards of solvency and enforce the same, even to Federal corporations, and as applying to their business, other than the business within the State, is perhaps a question; but that they will not have the right to enforce any sort of regulations, other than as to the business transacted within the individual State, is certain. The effect of this upon laws regulating the issuance of policies with deferred dividends in other States and upon similarly extra-territorial regulations is not hard to guess.

Real Publicity Requirements.

If coupled, as doubtless it will be, with the inauguration of a publicity bureau in connection with the Department of Commerce and Labor, the proposed legislation, if enacted, might have yet more far-reaching results, because presumably such publicity department would have the power to require all companies, without regard even to whether or not they were doing an interstate business to make full reports to it, precisely as it has been held that the National Government has the power to compel the giving of information, when taking the census. By such means the Federal Government could effectually inform all the people of the country who were inter-

ested, concerning the nature and volume of the business transacted, the receipts and disbursements and the financial condition of all insurance companies. Of course, the publicity requirements could go much further, likewise, and expose whatever shortcomings require to be corrected.

If this plan were adopted, the publicity bureau at Washington would come into direct competition with State departments; and, if its work were thorough, there would soon be a direct issue as to whether the meddling regulation, now at times practiced by State legislatures and departments, was actually being effective or whether the intelligent and thoroughgoing publicity at Washington was producing better results.

Publicity More Efficient Than Compulsion.

There would also be this advantage that the National Government as the Constitution now stands, could not go beyond publicity except as to Federal corporations, and even as to such, could not regulate their interstate business as such. In other words, the National Government would be confined strictly to publicity and if, as is believed by some of the leading experts on insurance, and as was urged by Emory McClintock and by their own actuary, Miles M. Dawson, upon the Armstrong Committee, publicity would accomplish all purposes far more efficiently than compulsion, there could scarcely fail to be a demonstration that such is the case.

The proceedings of the various meetings which have been taking place this week in Washington are succinctly summarized in other columns of this issue of "The Chronicle," so far as the proceedings had been re-

ported up to the time of going to press. The following is an account of what took place at the meeting of the National Association of Life Insurance Presidents:

Wednesday.

Over one hundred companies were represented at the third annual meeting of the association to-day. Thomas E. Drake, Superintendent of Insurance for the District of Columbia, presented "words of welcome," which were responded to by Robert Lynn Cox. Sylvester C. Dunham, president of the Travelers Insurance Company, presided.

The afternoon session was taken up by the address of Charles E. Hughes, Governor of New York, and a discussion of the topics of the morning session. When Governor Hughes left the conference of Governors to address the association many of them left with him to listen to the insurance discussions. The Governor said in part:

Legislative Corruption.

I hope the time is gone by when it will be thought at all necessary to protect the interests of life insurance policyholders by efforts to corrupt legislators. I hope that every desire to approach, in an indirect manner, those entrusted with administrative or legislative functions will be conspicuous in the future by its absence. Publicity, discussion, fair understanding of what you have in view and what is essential to the proper conduct of the life insurance business—those are your guarantees, and those are the securities of the policyholders that you represent.

There have been, from time to time in the past, secret combinations of interests for the purpose of affecting legislation throughout the country; sometimes with a good purpose, to prevent that which was deemed to be inimical; at other times, with a purpose which from no point of view could be commended.

Trust the People.

It is difficult for some to understand that in the insurance business, of all businesses, the fiduciary relationship is paramount. You are handling not your own moneys, but the savings of the people. You are not responsible for the legislation and you have no duty, in any way, by any method which will not stand full and public discussion, to thwart any attack that may be made upon the interests committed to your care. You can, I believe, trust the people if they understand the situation, much better than you can trust those who are purchasable, or run the risk in the future of reaping the harvest which must inevitably be reaped if there is sown in our legislative halls the seeds of bribery and corruption.

"No State Can Live Unto Itself."

Now, I am for the exercise of National power to the fullest extent where National functions are concerned. We shall have in the future, no doubt, a demand which must be met for an extension of national activities to meet the various demands of our increasing population and growing out of the intimacy of our

intercourse. But it must not be forgotten that as essential as are our national activities, even more important, because less recognized, is the maintenance of the system of Government in our States, so that democracy in this great country can be practicable and our ends may be achieved. The permanence in this country of the free institutions in which we take pride depends both upon the national activity and the activity of the States. But when we consider embarrassments growing out of conflicts, how are we to meet them? Well, we have got a little body upstairs of men who represent something in the different States—considering this very question. We are a very practical people, and the safest prophecy with regard to the future is that whatever the American people find to be essential for their welfare they are going to do; and it will be for the future to disclose in its entirety what may be essential to their prosperity. But I believe that no State can live unto itself. I believe that no State can practice a policy of hostility to legitimate enterprise and maintain the prosperity of its citizens. I believe that our relation is going to be so much closer in the future that without sacrifice of the advantages of our dual system, our State comity will be much more apparent in the activities of our several Legislatures. It seems to me quite within the bounds of reasonable prospect that we should be able to point out in our several States where action of State authority is not essential to any proper State interest, and where an agreeable accommodation to the end that we may have an increasing prosperity will be promoted by such modification of laws as will secure, if not absolute uniformity, a much greater agreement than now exists.

New York Laws.

Now, we have had some laws in New York recently, and I am not going to discuss them or analyze them. I have said many times what I think about them and you know as well as I do what my attitude has been regarding them. They are designed to promote publicity to insure economy and to have the business of life insurance transacted without undue interference of management according to the theory of the institution. Policyholders are the companies, not the managers; the policyholders are, in fact, those that provide the funds, not the managers. It is a very difficult thing, however, for the policyholders effectively to be represented. Our companies are so large—I am speaking of mutual companies—that it is almost impossible through any means to secure that form of representation which may be said to represent the actual wishes or the deliberation of such an immense body. But the existence of means for the expression of the wishes of the policyholders acts as a check, a check which any honorable man ought to be glad should exist, upon any attempt to cultivate a personal ambition which may be inimical to the interests of the policyholders at large. The best asset of a life insurance company is fine management that can stand the light of day, reduced expenses, increased returns, a budget sheet which needs no footnotes to explain dubious items, a fair representation of splendid business

ability devoted to what I believe to be one of the finest objects which American enterprise can seek. For I am a life insurance man from the bottom of my feet to the top of my head and there is no business that I more thoroughly believe in or that promises a finer field for ability well exercised.

The morning session was taken up by addresses by L. G. Fouse, George A. Noyes and John A. Hartigan, and follow in order.

Favors Harmony To Federal Supervision.

While he does not openly oppose Federal supervision, L. G. Fouse, president of the Fidelity Mutual Life, believes that uniformity in the requirements relating to life insurance and its administration can best be accomplished "through harmonizing of State laws and practices," and that the present time is most opportune for a concerted effort in that direction. He says:

It is a fact that cannot be controverted that the lack of harmony in laws and practices has been a detriment to the business. In recent years, however, we have been drifting toward uniformity and harmony, and there are many who believe that the laws of the various States can be made consistent and homogeneous, and that it would be better for all concerned that the business be conducted under such improved laws rather than under a centralized administration. Hence, if the uniformity hoped for can be accomplished there will be no need of national laws and supervision.

Real Publicity.

Mr. Fouse sees an opportunity where Congress can make amends for the recent enactment of the corporation tax law which places a burden on policyholders. If put into effect the amendment would render much assistance to the cause of uniformity of State laws and practices. He suggests that "by an appropriate law, Congress could establish in the Department of Commerce and Labor a bureau of insurance in which companies transacting business in more than one State would be required to annually file a report of the transactions of the previous year upon appropriate blanks which should and undoubtedly could be made uniform with the present Insurance Commissioners' blank. Such bureau could furnish to the several insurance departments all the information desired regarding any particular company, and could publish a synopsis annual report to be furnished to the companies and State insurance departments interested." This would still leave the supervision to the States, but would do away with the duplication of annual statements to forty-six different States, and it should necessarily follow that there would be conformity in State requirements.

Varying Provisions.

Among the problems that arise from the lack of uniformity and conflicting State laws and practices, that confront the management of an insurance company, the speaker thinks that the "principal obstacle to uniform policy provisions is the varying provisions of the laws regarding the application of dividends where the policyholder neglects to inform the company, after he has received notice of a dividend, how he desires such dividend applied." For, says he:

In one State the law requires that the policy shall provide that in such event the amount of the dividend will be held to the credit of the policy and be payable in cash at maturity, or withdrawable in cash at any anniversary of the policy. In eight other States the policy must provide that the dividend in that event will be paid in cash, and in five States the policy must provide that the dividend will be applied to the purchase of paid-up additions. There is no way of harmonizing these provisions; separate policy forms are necessary, and separate treatment of the policies in the records of the company, entailing extra labor and expense in the proper conduct of the business. As the prime object of the contract is life insurance, the laws should be uniform in this particular, and should provide in all cases for application of dividends to the purchase of paid-up additions to the policy.

Educate The People.

Mr. Fouse is willing to admit that some good has been accomplished in the line of uniformity by standard policy provisions, but finds them a "most fruitful source of annoyance." Therefore he asks that they be done away with and reasons thus:

The sole object of the standard provisions seems to be to avoid the necessity for thinking on the part of the people who purchase the contracts. They are supposed to make it easier for the people and to reduce the liability of mistakes on their part. It seems to me that far better results would be achieved through a general effort to educate the people on underlying principles of life insurance. This accomplished, it would not be necessary for legislators to attempt to do their thinking for them.

Favors Deferred Dividends.

The law of Minnesota, Massachusetts and New York, limiting the amount of surplus or "contingency reserve," Mr. Fouse believes is the "most illogical and dangerous innovation that has been made in the laws affecting life insurance." In other words, the amount of unapportioned surplus which a company ought to retain as a contingency reserve, should be left entirely to the discretion of its officers. To be brief, he is opposed to confining companies in all cases to annual dividends and favors deferred dividends in special cases, such as impaired lives. He de-

clares that the prohibition of deferred dividends has impaired a company's usefulness and the right of the insured each year to elect how his dividend shall be applied, "permits a selection against the company which will unquestionably result in great injury to the policyholders generally. So long as the insured life remains unimpaired, the dividends will be withdrawn in cash, but as soon as any unimpaired, the dividends will be applied to increase the insurance."

"The companies should be permitted," argues Mr. Fouse, "to require the insured to elect at the outset how the dividends shall be applied, and any change thereafter should be permitted only upon approval by the company in the same manner as new insurance is granted."

Legislators Unfair.

Mr. Fouse closed with an appeal that the companies be saved from further embarrassment and unwise legislation. He said:

The effort now being put forth in the interest of uniformity should deal with fundamentals; all matters of detail should be left to company management. The management of a company is expected to perpetuate its existence, to carry out its contracts, and to conduct its business in the interest and for the benefit of its policyholders. It is not fair to them that they should be handicapped and embarrassed in doing it. It is folly also for the legislators to imagine that they can do the thinking for the people.

If the laws are sufficiently stringent to punish abuses, to require publicity of what is done, and severe enough to render a wilful misstatement perjury, it is not necessary for the lawmakers, who of necessity are uninformed in the details of the business, to prescribe in detail what shall and what shall not be done. Uniformity is of the greatest importance, but second to it, for the proper development of the business, comes competition. This should be encouraged and not repressed. It is right and proper that the laws should, however, encourage fair competition only. All that is unfair in competition is readily discoverable and should be made punishable. Then co-operation, which is third in importance, may be expected.

Terse Suggestions.

Judge George H. Noyes, general counsel of the Northwestern Mutual Life, in his paper on "Uniformity Department Rulings," summarily closes his address with the following terse suggestions to Insurance Commissioners:

Recognize where you must the lines which divide the States; promote where you can the movement for uniformity of laws in the States; and adopt in all cases of interpretation the doctrines of stare decisis and of judicial comity.

Judge Noyes confined his paper principally to the rulings of the departments of insurance, and under the head of "The Nature of Official Acts" said:

The extensive and important powers given to commissioners and other heads of Insurance Departments have not as yet been clearly defined by the courts nor has the character of their official acts been fully determined and properly classified. Some of such official acts have been designated as purely ministerial; others have been denominated as administrative or executive; while still others have been considered judicial or quasi-judicial. As a general rule, however, where an official act has required the exercise of judgment and discretion on the part of the officer, it has been held to involve the exercise of the judicial function, and when so exercised the act of the official has been treated as final and conclusive. Such determination cannot be reviewed by the courts unless the statutes expressly provide for that remedy.

The Judge then sums up the existing statutes in the several States and the powers conferred on the heads of such departments, as follows:

(1) As to Licenses to Companies and Agents:

The Commissioners of Insurance in nearly all States are given the power on certain grounds to revoke the licenses given to companies and agents to transact business, and with but few exceptions their decisions are final, no provision being made in the statutes for an appeal or a review by the court.

(2) As to Policy Forms:

There are eighteen or more States

All agents should remember that man is made up of three elements, i. e., SELFISHNESS, EGOTISM and CURIOSITY. One of these characteristics predominates in every interview. The Philadelphia Life Insurance Company is now issuing a SPECIAL INSTALLMENT CONTRACT which gives the greatest amount of insurance for the least money, and which returns to the insured, if he lives, all the money he pays in with a profit, at the end of 20 years. THIS APPEALS TO HIS SELFISHNESS.

It gives him the largest amount of face value insurance and enables him to leave the largest possible estate for the money invested. THIS APPEALS TO HIS EGOTISM.

When you state to him that you can give him so much insurance for so little money you HAVE AROUSED HIS CURIOSITY.

Write Perry to-day for particulars.

whose laws provide by one method or another that policy forms shall be submitted to the Commissioner of Insurance for approval, and in case of disapproval shall not be used. In all save four of these States it is provided that the action of the commissioner shall be subject to review by a court as competent jurisdiction.

(3) As to Enforcement of other Statutory Requirements:

The statutes of but few of the States provide for an appeal from decisions made by Commissioners of Insurance in the enforcement of other statutory requirements. Such decisions, in all cases where these official acts are not purely ministerial, being by the courts held not subject to review by mandamus or other common-law judicial writ, become conclusive.

In a number of States where the Insurance Commissioner is expressly clothed with the full power of a court "to hear, try and determine" alleged breaches of the law and to enforce his judgments with costs, no appeal is allowed from his judgment. In one State, even where the commissioner is given the power to administer oaths, hear testimony, issue commissions to take depositions, tax costs and issue executions, "all to be done under the same rule as now provided by law for civil actions in the superior court," his decision is nevertheless final.

Under the statutes of many States no notice is required to be given the company or agent of any complaint or charge of violation of the laws nor is there any provision that a hearing of any kind shall be accorded the party against whom the charge is made. The authority of commissioners is under such statutes unconditional and absolute. To the credit, however, of these officials, it may be said that their administration of the statutes has, as a rule, been more just and equitable than the terms of the statutes. They have in practice supplied many things which rendered the enforcement of the statutory provisions less arbitrary and severe, and have thus given to their proceedings the fair and impartial character which is recognized and adopted by the courts.

Method Of Procedure.

Until these stringent and severe provisions are, as they should be remedied by the legislatures, a great service to companies and agents would be rendered if the Convention of Insurance Commissioners should adopt a uniform method of procedure in all cases, somewhat similar to the statutory method recently prescribed in one of the States in case of alleged rebating and in case of alleged misrepresentation. The statute requires that written charges and notice thereof shall be given to the company or agent against whom the complaint is made; the date and place of trial shall be fixed; written findings shall be filed; and, in case the charges shall be sustained, the penalty shall be operative until after an opportunity has been afforded the accused to review the proceedings in a court having jurisdiction of the matter.

Such a method of procedure would deprive the statutory provisions of their arbitrary and unnecessary severity, and would be more in keeping with the fairness which should accompany all hearings before an administrative or judicial tribunal.

A Commissioner's View.

In closing his address on "A Departmental View of Uniformity" the Hon. John A. Hartigan, Insurance Commissioner of Minnesota and president of the National Convention of Insurance Commissioners, very fittingly said:

"In considering laws that may be uniformly adopted, personal, selfish desires and ambitions must be eliminated. Only such laws can be generally enacted and retained as tend to the improvement of the business as a whole, and any law that will have this effect must receive the support of the companies, departments and policyholders."

While this may or may not be taken to heart by the companies doing business in New York, it nevertheless (from past legislative experience) applies directly in their case.

Criticises "My Company" Attitude.

In treating of the attitude of the average legislator who listens with unheeding ear to the arguments of the insurance company's officer or attorney, Mr. Hartigan explains the natural distrust, for, as he says, "officers too often adopt the attitude expressed by 'my company'—the attitude of the owners of a proprietary business." Distrusting his own grasp of so technical a subject, the legislator awaits the voice from home, the postal-card request from his constituents, which does not come. On the other hand, says Mr. Hartigan, "let a bill be introduced in any legislature thought to be inimical to fraternal societies and the legislatures are deluged with letters, telegrams and resolutions, calling upon them to oppose the bill," because the members have been taught that the society's interests are theirs.

Therefore, to obtain the best results "the policyholders must be impressed with the idea that everything that affects the company adversely, affects him in like manner," for, "before the voter will take his interest in the affairs of the company he must be convinced that it is his company."

Why They Failed.

Mr. Hartigan believes that the greatest accomplishment in the line of uniformity was the enactment in more than twenty States of the laws known as the "Committee of Fifteen Bills." The failure of the commissioners to accomplish all they desired he sums up as follows:

Attempting too much.

Lack of agreement between company representatives and supervising officials and consequent lack of cooperation.

Nature of legislatures.

Lack of interest and technical knowledge on the part of the policyholders.

In general, it would seem that the first efforts of the insurance commissioners were too ambitious; that if, instead of trying to secure the adoption of a uniform code, they had contented themselves with taking up one subject at a time, that one purpose could have been accomplished. Again, laws require the test of time and use to prove their efficiency, and correcting the errors in a single law, or laws covering one subject, is a much less serious matter than revising an entire code.

Another reason has been the inability of departments and companies to agree on what was desirable, and the consequent opposition of one or the other. This lack of agreement is not surprising when we consider that the companies cannot always agree among themselves.

No law can be enacted, no existing law can be amended, without causing inconvenience to some one. These petty annoyances must not be considered, and if the officials representing the departments and the companies will come together with the one purpose of framing the law for the best interests of all, such law can be framed. It is said that every law is a compromise. There is less reason for compromise here, except on minor points, than in any other case, as the interests of the companies and the interests of the policyholders are identical.

Favors Monthly Premiums.

Irrespective of the past unsuccessful attempts of old line companies to collect premiums on a monthly basis, the commissioner sees a demand for the same. He argues:

In its final analysis insurance is protection, and it must eventually meet the demands of every class and grade of citizen and furnish to each individual the particular thing that he desires in insurance.

Another line of potential development is the collection of premiums on a more flexible basis. Monthly payment of premiums has been popularized by the fraternal societies, and monthly installment purchases are profitable and practical in many lines of business. The urgent need of the salaried man of the not over-provident class calls for consideration.

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS is unsurpassed for net low cost and care of interests of all members.

**THE PENN MUTUAL
LIFE INSURANCE COMPANY
OF PHILADELPHIA**

On January 1, 1909, rates were reduced and values increased to full 3% reserve.

THURSDAY.**President Taft Speaks.**

The real event of the entire session centered in the address to-day of President Taft, and his utterances were characteristically clear-cut, sharp and definite. He left absolutely no doubt in the minds of his hearers that Federal control of insurance under existing constitutional powers was a settled issue in the negative for all time to come, at the same time expressing regret that the Supreme Court, in its wisdom, found it necessary to so decide.

The President pledged himself most unreservedly to a policy of uniform State laws as the next best and only available substitute. There was no chance for the slightest possible doubt as to his earnestness and fixedness of purpose on that score.

At the same time he pointed out in no uncertain words that there was a long, hard road ahead before the goal of uniform insurance legislation could be achieved, but bravely faced things as they are.

Again That "Model Code."

The President expressed the view that, following his intention to aid in every possible way, the adoption of a standard law of supervision of insurance for the District of Columbia, which would automatically operate as a model code for the States. Such a code was ordered prepared by President Roosevelt some three years ago, but Congress failed to make an appropriation for the work, and it has lagged, undoubtedly to final advantage, because the week of Washington conventions has concentrated thought and energy on the subject that cannot but result in infinitely better results.

Many of the strongest advocates who have labored long and diligently for Federal control will now undoubtedly turn their attention to bringing about the uniformity in the States.

The Morning Session.

At to-day's morning session George E. Ide, president of the Home Life Insurance Company and chairman of the Life Extension Committee, presented that report. He was followed by Walter Wyman, surgeon general of the Public Health and Marine Hospital Service of the United States who read a very interesting paper on the "Work of the Federal Government in the Matter of Health Conservation and What May Be Done to Supplement It."

The addresses of Drs. Rosenau and Dwight follow in order:

The State's Obligation.

"Preventive Medicine" is the watchword of the hour," said W. J. Rosenau, M.D., of Harvard, who has

charge of the organization of a public health bureau. He does not ask for a marching column of men in uniforms with microscopes and disinfectants, but calls for the enrollment of the services of all good citizens. He believes that since the Government now protects us from cholera, leprosy, yellow fever and other exotic plagues, that it will eventually be required to protect citizens against such preventable diseases as tuberculosis, pneumonia, typhoid fever, etc. In other words, just as the State holds employers liable for preventable accidents, those responsible should be held and prosecuted by law for not protecting the employee against infectious diseases. He cites the preventive measures adopted in Cuba, the Isthmus of Panama and the Philippines as triumphs applauded the world over. He believes it to be the duty, not only as citizens, but as trustees of large estates, and as the leader of responsible groups of men, of the presidents of the life insurance companies of this country to join the Public Health Bureau.

Needs The Help Of Every One.

Dr. Rosenau closes with the following strong appeal:

The fight is not a doctors' fight alone: that is why we need the help of a reserve force. No public health organization, whether fostered by all the power of the Federal Government, or all the resources of the individual States, could accomplish the best results without the sympathy of a public health militia. We need the help of every one. It is something for the preacher and the teacher. Organizations like life insurance companies with their legions of doctors, armies of agents, and hosts of patrons, could lend an effective and useful hand in this worthy warfare against disease. The life insurance officials, not only as organizations, but as individual citizens, could and should help in this campaign of education, and ought to foster fruitful and useful legislation of a public health character. In this way the influence of labor unions, railroads, corporations, trusts, philanthropic societies, as well as life insurance companies, would form a public health militia which would be invincible. Such a movement would be an irresistible force for good, and would result in saving many lives and preventing much sickness.

Expenditure Of Large Sums Unnecessary.

Edwin W. Dwight, medical director of the New England Mutual Life Insurance Company, followed Dr. Rosenau, and called attention to the great assistance the life insurance companies could lend to this most worthy cause. He said that "the life insurance companies are able to put into the field at almost an instant's notice a body of 100,000 men, thoroughly trained, and all of whom have at least one direct in-

terest in common—their work for life insurance, and indirectly through that interest, another—that is, public health." He also called attention to the fact that if these powers were to be utilized it was not to be through the expenditure of large sums of money, for, as he says, "the policyholders' money is not to be expended except for the direct benefit of the policyholder," even if the officers of the life companies had the will, the law would not allow it. "Fortunately," said he: "The expenditure of money is unnecessary. It is perfectly possible to make all of this material available and to furnish a properly controlled vehicle for its transmission to your forces in the field, and through them to the people in every portion of our country without an expenditure of one dollar of a policyholder's money."

An Absolute Necessity.

Dr. Dwight made a strong plea that the Government lend its full service to this just cause and showed conclusively the absolute necessity for the "National Health Bureau," as recommended by President Taft in his recent message to Congress, for, as he said in referring to the assistance that the life companies can give:

Even the best of forces is of little value if it be not properly officered, furnished with proper weapons and suitable ammunition. A hundred thousand chosen men, even if so carefully selected as ours, will accomplish little or nothing if they are working out of harmony; each man directed only by his own impressions and armed according to chance and individual opportunity.

One hundred leading Illinois agents of the Illinois Life attended the "fifty million" convention and banquet in the Hotel La Salle, Chicago. Among the guests of honor were Fred W. Potter, Insurance Superintendent of Illinois; O. B. Ryon, special attorney for the Illinois Insurance Department, and C. J. Doyle, attorney for the Illinois Insurance Department.

The Star of Success

shines over the fields in which our agents work.

Why? Popular company, policies that cover public needs, low net cost, literature that prospects read.

Now writing the largest business in our history.

For agency information apply to

Massachusetts Mutual
Life Insurance Company

Springfield, Mass.
Incorporated 1851.

LATE DEVELOPMENTS IN THE "QUEER DEAL."

On Tuesday last, by order of Justice Andrews of the Supreme Court, on application of the Attorney General, acting for the Insurance Department, Arthur F. Saxton was placed in possession of the assets of the People's Mutual Life Association and League.

Just what the insurance department intends to do with the association is a question. The court holds that "there may be various reasons why its continuance in business would be hazardous." One thing certain, however, is that the Insurance Department will bend every effort to recover \$150,000 of the company's assets that were placed on deposit in a bank in Toronto, just previous to the purchasing of the votes of the five directors for \$100,000, which sum was disbursed by Horace White at the direction of John Tevis.

Public Prosecutor Called In.

Action to recover the above-mentioned sum was begun by Attorney General O'Malley on Monday last. No statement has yet been made by Superintendent Hotchkiss concerning criminal prosecution.

John Tevis and W. R. Travers, manager of the Farmers' Bank of Toronto, Ont., were summoned by the District Attorney of Onondaga County and appeared before the Grand Jury there on Monday afternoon.

A peculiar coincidence in this case is that George H. Bond, the District Attorney, before taking that office was a law partner of Lieutenant-Governor White. So far Mr. White has not been asked to appear and perhaps will not be. It all depends upon circumstances.

Saturday's Developments.

The disclosure that Lieutenant Governor Horace White acted as official "bag-holder," in which capacity indirectly he paid himself \$20,000 out of the fund of \$150,000 raised for the purpose of purchasing the votes of five directors of a fraternal society, brought forth denials from Mr. White and his friends that the twenty thousand was for services rendered in the questionable deal. In fact, the interviews tended to give the impression that Tim Woodruff's representative had been duped.

Was He Duped?

It was admitted that White put up collateral to cover the loan that made the negotiations possible. Just how badly the Lieutenant Governor was duped will probably never be known. It is hard to say where the misleading commenced and where it ends, for, as the following statement

of the First National Bank of Syracuse on the 15th inst. proves, Horace White was not the only victim:

A special meeting of the board of directors of the First National Bank of Syracuse was held at the office of the bank at 11:30 A. M. on Saturday, January 1, 1910.

At this meeting the Hon. Horace White presented his resignation as a director of the First National Bank of Syracuse and the same was duly accepted by the board of directors.

The board of directors passed the following resolution:

"Whereas, On December 21, 1909, upon the direction of the president of the First National Bank of Syracuse, N. Y., the sum of \$150,000 was passed to the credit of Horace White, trustee, one of the directors, and by him used in connection with certain transactions of the People's Mutual Life Insurance Association & League of Syracuse, N. Y., said White having stated to the president that the transactions were legal and proper, and that the bank would be called upon to render valuable services in connection therewith.

"Now, upon consideration of the matter by the board of directors of this bank, it is hereby:

"Resolved, That the above action be, and is hereby disapproved. It is further

"Resolved, That the sum of \$5,000 received by this bank in connection therewith be held subject to the order of the person, corporation or association adjudged legally entitled thereto."

DOUBLE THE DIVIDENDS.

The preliminary report of the Northwestern National Life Insurance Company of Minneapolis, Minn., gives the company total admitted assets of \$5,941,520 and a surplus of \$253,000. The dividends paid to policyholders in 1909 are more than double those of 1908. All told nearly \$1,000,000 was paid to policyholders and beneficiaries last year. The steady and uninterrupted progress of the company under the able guidance of President Thompson and Vice-President William J. Graham and their associates is indeed gratifying and must be galling to the old management.

FRY LANDS HIS COMPANY.

R. F. Fry, of Milwaukee, Wis., has apparently landed his new life insurance company. Last week articles of incorporation were filed in Madison. Inasmuch as the Wisconsin law requires 50 per cent. of a corporation's stock issue to be subscribed and 20 per cent. paid in, it is to be assumed that over half a million of the total capital of \$1,000,000 has already been paid in.

Mr. Fry is president and general manager of the temporary organization, John E. Reilly is secretary, and M. A. Graetinger, cashier of the Merchants and Manufacturers' Bank, is treasurer. The company virtually has the backing of four of the largest banks of Milwaukee by the interest taken in the company by the officers and directors of these institutions.

MORE TROUBLE.

Senator Beaty, of Bowling Green, Ohio, announces that he will introduce in the coming session of the Legislature of that State a bill regulating insurance rates copied closely after the Kansas law, with anti-discrimination and anti-rebate features, and requiring the filing of schedules and permitting the Insurance Superintendent to require the filing of higher or lower rates when he regards them as necessary.

SUPERINTENDENT APPROVES.

Approval has been given by Superintendent of Insurance Hotchkiss of the application of the Metropolitan Life Insurance Company to purchase 250 acres of land in Westchester County, for the purpose of erecting a sanatorium for the treatment of tuberculosis among its employes. As announced in a previous issue of "The Chronicle," the Appellate Division of the Supreme Court ruled that section 20 of the insurance laws, which restricts the purchase of real estate by life insurance companies, does not in any way conflict with the worthy purpose of the Metropolitan.

THE FRANKFORT

MARINE, ACCIDENT
AND PLATE GLASS INSURANCE CO.
OF FRANKFORT-ON-THAINE - GERMANY
ESTABLISHED 1865.

United States Department, 100 William Street, New York, N. Y.

TRUSTEES:
RICHARD DELAFIELD, Pres. of National Park Bank
ERNST THALMANN, of Ladenburg, Thalmann & Co.
STUYVESANT FISH, 214 Broadway, New York City.
C. H. FRANKLIN, U. S. Mgr. and Attorney JNO. M. SMITH, Sec. U. S. Branch

INSURANCES TRANSACTED
LIABILITY— Employers, General, Vessel Owners, Burglary
Public, Landlords, Contingent, Workmen's Collective
Teams, Elevator, Druggists & Physicians. Individual Accident & Health
Industrial Accident & Health

AGENTS WANTED FOR UNOCCUPIED TERRITORY

STATE HAS "SINNED AGAINST NATURE."

President Kingsley, of New York Life, estimates that the company could have easily written at least \$300,000,000 of new business if it were not for the restriction of section 96. He believes that the State of New York has "sinned against nature" in enacting this statute, intending deliberately to stop the naturally sound and healthy growth of that company.

In his report which was submitted on January 12, to the board of directors, President Kingsley said that no fair-minded man, having reviewed the annual statement, could avoid the conclusion that energy, capacity and fidelity in administration "were not born yesterday in the New York Life."

"Any claim," he continued, "which we as trustees and officers may have to approval by the 750,000 families protected by this institution is made stronger by the willing admission, which we all make that our predecessors toiled both mightily and wisely."

An examination of the company's annual statement, which appears on the inside of the front cover of this week's issue, shows that irrespective of the handicap, as mentioned above, the company has made wonderful strides this past year. An analysis of this year's report in comparison with the exhibit of a year ago, shows the following:

Income.

1908	\$102,435,833
1909	111,025,343

Payments to Policyholders.

1908	\$49,191,258
1909	51,990,221

Assets (Dec. 31).

1908	\$557,286,671
1909	599,708,286

Insurance in Force (Dec. 31).

1908	\$1,993,558,601
1909	2,002,800,227

INCREASES CAPITAL STOCK.

The officers of the Southwestern Life Insurance Company, of Dallas, Tex., announce that the capital stock of that company has been increased to \$250,000. It is gratifying to all underwriters to know that no commission has ever been paid by this company for the sale of its stock and in this latest issue, as in previous issues, every dollar paid by original purchasers of stock has gone directly into the treasury of the company.

The company's admitted assets on December 31, 1909, exceeded one million dollars, and the legal reserve on all outstanding policy contracts is deposited in approved securities under the new registration and deposit law of Texas.

NOTHING BUT HIGH-CLASS BUSINESS FOR THE SECURITY.

The showing made by the Security Mutual Life Insurance Company of Binghamton, N. Y., is indeed most gratifying to the policyholders as well as the management.

During the past six months the company has greatly strengthened its agency force. As a result the new business submitted during the month of December largely exceeded that of any previous month, the amount submitted exceeding \$3,000,000.

The business for the new year is starting out magnificently, the amount approved so far this month being double that of the entire month of January, 1909. From present indications they confidently anticipate good gains each succeeding month over the corresponding months of last year.

President Jenkins reports that the total amount of assets on January 1, is \$5,444,047, with a surplus of \$544,000. The company has been able to materially increase the dividends for 1910 and still keep within the limits of conservatism. In a letter to the field representatives President Jenkins says:

In 1908 the new business paid for was \$5,489,555. In 1909 it was \$8,049,811, and I ask you to remember that this represents, every dollar of it, new business, all freshly selected, and does not include any business (so-called) reinsured from other moribund concerns.

THE A. O. U. W.

Following the report of the examination of the Ancient Order of United Workmen, Superintendent Hotchkiss has decided to permit the New York jurisdiction, although sadly in arrears in death payments, to continue in business on the ground that if the supreme lodge, which has brought suit against certain jurisdictions, received a verdict in its favor, the stronger of the different State bodies will be compelled to render aid to the New York jurisdiction.

A RECORD OF VALUABLE SERVICE.

As announced in last week's issue of "The Chronicle," a complete board of the old directors and officers of the Fidelity Mutual Life was unanimously re-elected.

This marks the thirty-second time that Mr. Fouse has been chosen to the presidency of the company, he being now, in point of service, one of the ranking life insurance presidents of the country.

The company's detailed annual report will not be ready for distribution until about February 1. A synopsis of the report shows substantial gains in all lines. For instance, there was a gain of 13.6 per cent. in ledger assets, this item now amounting approximately to \$20,000,000. The company issued in the year new business amounting to \$20,555,085; insurance in force December 21 amounting to \$124,666,815, or a net gain of approximately \$4,000,000.

A prominent visitor yesterday: "The Chronicle" is of value to us and we read it because it is so different from any other insurance journal. It treats things from other than the news standpoint. We can get the news from the daily papers."

The Employers' Liability

Assurance Corporation, Ltd.

LIABILITY, STEAM BOILER, ACCIDENT, HEALTH, FIDELITY and BURGLARY INSURANCE.

UNITED STATES BRANCH.

SAMUEL APPLETON, United States Manager,

Employers' Liability Building,
33 BROAD STREET, BOSTON, MASS.

EDMUND DWIGHT,
Resident Manager for New York State
66 MAIDEN LANE, NEW YORK.

AGENTS WANTED.

THE HOME LIFE INSURANCE COMPANY OF AMERICA

Incorporated 1899.



THE COMPANY FOR THE AMBITIOUS AGENT who desires to sell "COMMON SENSE" Insurance at LOWEST COST, and who seeks, through most liberal first year and guaranteed renewal commissions, to receive just recognition of service. All policies registered, signed and sealed by the Insurance Commissioner of the State of Delaware, making them truly

SAFE AS GOVERNMENT BONDS.

Address Executive Offices, 416-18-20 Walnut Street,
PHILADELPHIA, PA.

JOHN LANGHAM, Jr.,
President.

JOSEPH L. DURKIN,
Secretary.

GEORGE M. NETTLESHIP,
Manager of Agencies.

Washington's Most Notable Convention.

The National Capitol is having the most notable convention, or, rather, week of conventions, in its history, and probably in the world's history, all under the auspices of the National Civic Federation, of which former president of Columbia University, and ex-Mayor of New York, Seth Low, is president.

The formal opening occurred on Monday with Judge Alton B. Parker presiding, and with the President of the United States as the sponsor.

Among the organizations represented were the New York Chamber of Commerce, by David R. Francis, George F. Seward, George B. Cortel-you, Anton A. Raven, James G. Cannon and Sereno S. Pratt.

The Board of Trade, by W. McCarroll and ex-Judge A. J. Dittenhoefer, Lindsay Russell, Alonzo E. Lee and Ludwig Nissen.

The Merchants' Association, by Edward D. Page, George E. Armstrong, Marcus M. Marks, E. A. Dillenbeck, S. C. Mead and A. I. Elkins.

American Bankers' Association, by Lewis E. Pierson.

American Society of Mechanical Engineers.

National Association of Automobile Manufacturers, by Charles P. T. Terry.

American Institute of Electrical Engineers, by Lewis B. Stillwell.

National Association of Clothiers.

National Wholesale Drug Association, by W. Jay Schieffelin.

National Wholesale Grocers' Association, by W. C. Breed.

Association of Life Insurance Presidents, by John F. Dryden and Robert L. Cox.

American Association of Public Accountants, by J. E. Sterrett.

National Board of Fire Underwriters, by J. Montgomery Hare.

National Association of Credit Men, by Charles E. Meek, secretary.

National Wholesale Lumber Dealers' Association, by E. F. Terry.

The American Street & Interurban Railway Association, by James H. McGraw.

The American Federation of Labor, the National Grange, the Farmers' National Congress and the National Association of State Boards of Arbitration.

New York State Delegates.

The delegates nominated by Governor Hughes to represent New York State were Senator Elihu Root, Andrew Carnegie, Alton B. Parker, Seth Low, W. C. Brown, John Mitchell, James Speyer, Frank A. Vanderlip,

Isaac N. Seligman, George W. Perkins, President Nicholas Murray Butler, Henry Phipps, V. Everet Macy, Charles A. Moore, Otto M. Eidlitz, Timothy Healy, Henry R. Seager, J. M. Wainwright, Howard R. Bayne, J. W. Jenks, Jesse F. Phillips and W. R. Willcox.

Mr. Low introduced President Taft in a brief speech in which he gave the President all honors for the inspiration that caused him to suggest the "week of conventions" during the sessions of the National Civic Federation, the "House of Governors," the Association of Life Insurance Presidents and what is in composite effect, representatives of every important uplift and "for progress" organization in the Nation.

"This conference has been called to give an impulse to the movement for uniform legislation by the States as to matters upon which such legislation is desirable," said President Low. "The people of the whole Union have been growing together in their business relations, and in all the relations of life, without regard either to State lines or to constitutional theories. The result is that of late years the conviction has been steadily growing that uniform legislation by the States on many subjects is becoming, if it has not already become, essential to the welfare of the people of each State and of every State.

"Uniform legislation does not mean in every instance that every State should act on all subjects. In many cases, action by groups of States will be as effective as action by all. If uniform action by the States, in groups or as a whole, can become habitual as to matters affecting the common life of the people in whatever State they live, there is no reason why there may not be added to all the other advantages of our Federal system this new element of strength, that we may enjoy the advantage of legislation in common such as the common interest may demand, without forfeiting that individuality of legislation as to interests purely local which the Federal system aims to preserve."

The President's Opening Talk.

President Taft made an address that will be one of the most remarkable and epoch marking precedents ever established by any President of the United States. He declared that there were many latent powers and potentialities vested in the Federal Government that had not yet been set in motion or even considered. He ex-

pressed the view that the cry against the over-centralization of the Government would be hushed if the States worked in harmony with each other in their law-making, otherwise, as Senator Root predicted two years ago, Congress will be urged to enact for the whole country the laws which conditions demand and State statutes fail to supply.

In discussing the movement started by the Civic Federation for uniformity in State laws, President Taft said that it was the outgrowth of a demand on the part of good citizens to bring about better conditions in the social fabric. His definition of a constitutional lawyer as "a gentleman who has gone out of the practice of law and has gone into politics" called forth laughter and applause and cries of "Good, good."

The President said that there should be uniformity in judicial procedure. He declared with emphasis that if anything in the system deserved attack, it was the delay that could be secured by the wealthy under judicial proceedings, and he advocated changes in the form of Federal court proceedings which could be taken as an example by the States. He wanted court procedure simplified along the lines of English practice both in equity and criminal law.

President Dryden's Address.

In his address before the National Conference on Uniform Laws, John F. Dryden, president of the Prudential Insurance Company, very pointedly showed that the conflict and dissimilarity of State laws has resulted in a "condition properly described as interstate warfare unworthy of the civilization of the present day."

The brief history of the unproductive attempts toward attaining some real uniformity in the laws of the different States which he reviewed most interestingly is in part as follows:

The Connecticut Mutual

That means the best life insurance to have and the best to sell. If you can sell life insurance, you can sell more of it for the CONNECTICUT MUTUAL.

Men of Character and Ability are invited to apply.

**Conn. Mutual Life Ins. Co.,
Hartford, Conn.**

Please mention this paper.

Need of Uniformity in Departmental Practice.

Conditions like these must naturally suggest to earnest minds a deliberate attempt towards harmony and uniformity, and a number of such efforts have been made in the past, but all have practically been complete failures. Clearly distinguishing between the narrow domain of the law itself and of what falls within the wide sphere of departmental practice, it is in the latter that some excellent results have been achieved in the direction of uniformity, through the earnest and unceasing efforts of Insurance Commissioners annually in convention assembled for many years. Organized in 1871, for the purpose of establishing uniformity in law and departmental practice, it was not until 1894 that the first success was achieved in the adoption of a uniform blank for the use of the majority of States. The blank has been changed and modified from year to year, in conformity to changes in statutory requirements, and the complexity of the situation, even at the present time, is clearly brought out in the statement of the Superintendent of Insurance for the District of Columbia, that in 1907 some 569 changes were made in the annual blank. In 1908 some 197 additional changes were required to make the same conform to the recommendations of the committee in charge of the uniform blank of the National Convention of Insurance Commissioners. As the blank now stands, it constitutes a volume of information in detail regarding a single business enterprise which is without a parallel in the whole field of government or commercial accounting. No arbitrary or paternal government in the world demands of its insurance corporations so full and comprehensive an annual return as is required to be made at the present time by the life insurance companies of America. It is, therefore, of great value that at least some degree of uniformity in the annual reports has been attained and the special committee in charge of this admirable work for a number of years is entitled to the grateful appreciation of the life insurance companies and their policyholders.

First Attempt at Uniform Codification (1871).

In marked contrast to the success which has been achieved in the adoption of a uniform blank by the majority of States stands the failure of efforts to bring about uniformity in the statutory requirements governing the essentials of the business of insurance. In chronological order, the first important attempt to bring about uniformity of insurance law was made in 1871, when the first annual convention of Insurance Commissioners had a model insurance code prepared for general adoption, at least in its essential provisions, by the different States. The law had many features of intrinsic value, but it was not the result of extended deliberation and painstaking attention to matters of detail, which, by common consent, should govern in the codification of every branch of the law, and particularly in that of insurance. Having failed to make the proposed model insurance law conform to this re-

quirement, the attempt naturally failed, and not a single State adopted the model law recommended for the general use of the different States.

Second Attempt at Uniform Codification (1895).

Every year the subject of uniformity of law has received the consideration of the Insurance Commissioners' Convention, but it was not until 1895 that the second important attempt of this kind was made, when four States had under consideration a revision of their insurance laws and their proposed codification. It was suggested that the new laws of the four States should be made uniform and that one standard model code should be adopted, the provisions of which should ultimately become general throughout the United States. The effort, for reasons which have no bearing upon the present discussion, proved a complete failure.

Third Attempt at Uniform Codification (1906).

The third important attempt was made in 1906, when the President of the United States, acting upon the suggestion of the late Governor Johnson, of Minnesota, called a National Insurance Convention of Governors, Attorneys General and Insurance Commissioners, to consider the whole subject of uniformity of insurance legislation throughout the States and Territories. As the first step towards this purpose, President Roosevelt suggested the enactment by the Congress of the United States of a proposed insurance code for the District of Columbia, which might serve as a model for the different States. The proposed model did not, however, commend itself to the members of the convention, and no action was taken upon the suggestion. The convention, itself, resulted in nothing more than the adoption of a few resolutions concerning particular matters demanding general consideration and the appointment of a committee of fifteen to report upon uniform bills applicable to the needs of the different States.

Recommendations of the Committee of Fifteen.

The Committee of Fifteen held four sessions, and, finally, though not unanimously, agreed upon seventeen supposed-to-be model bills, designed to bring about uniformity in the es-

entials of insurance legislation throughout the United States. The bills as reported were not adopted in their entirety by a single State, and only certain provisions were adopted by a number of States. Of some bills only particular sections were adopted, while most of the bills, upon legislative deliberation, disclosed a wide degree of diversity of qualified opinion, which made their enactment seem either inexpedient or otherwise inadvisable.

Failure of the Work of the Committee of Fifteen.

The final results of the work of the Committee of Fifteen are summed up as follows by E. E. Rhodes, actu-

PROVIDENT

LIFE AND TRUST COMPANY
OF PHILADELPHIA

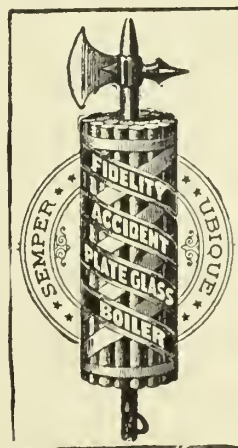
Insurance in Force, \$201,185,435.00
(Paid for Basis)

Assets \$67,324,334.35
(Market Value, Dec. 31, 1908)

Contingency Reserve . \$8,819,979.14

The NEW POLICIES of the Provident are unsurpassed for conciseness and simplicity of form and for adaptability and liberality in all essentials.

The Premium rates of the Provident are exceedingly low and are still further reduced by large annual dividends.



THE FIDELITY & CASUALTY COMPANY

97 TO 103 CEDAR ST., NEW YORK CITY.

ASSETS - \$8,649,885.66
Cap. & Surplus \$3,011,834.00
LOSSES PAID \$29,195,835.05
to Jan. 1, 1909,

This Company grants Insurances as follows:
Bonds of Suretyship for Persons in Positions of Trust, Fidelity Bonds, Burglary, Plate Glass, Steam Boiler, Fly Wheel, Employers, Public, Teams, Workmen's Collective, Elevator and General Liability; Personal Accident, Health and Physicians' Liability.

OFFICERS:

GEORGE F. SEWARD, President.

Robert J. Hillas, V.-P. & Sec'y. Henry Crossley, Ass't Sec'y.
Frank E. Law, 2d Ass't Sec'y. George W. Allen, 3d Ass't Sec'y.

ary of the Mutual Benefit Life Insurance Company, who actively participated in their proceedings: "The much-heralded conference of Governors, Attorneys General and Insurance Commissioners, which was held ostensibly to secure uniform legislation for the benefit of policyholders, met with failure. Instead of uniformity, there is confusion, and instead of legislation which will benefit policyholders there is a mass of laws which are not understood by their sponsors and an arbitrary enforcement of which must result in great harm."

Fourth Attempt at Uniform Codification (1906).

Coincident with the effort to secure uniform life insurance legislation, through the work of the Committee of Fifteen, a fourth and more ambitious attempt was made in 1906, by the introduction of a model code of insurance for the District of Columbia, by Butler Ames, a member of Congress for the State of Massachusetts. It, however, required no very extended consideration of the details of the bill by men having a practical knowledge of the business of insurance to prove its inherent defects and shortcomings, certain to defeat the end which it was proposed to attain. The bill was erroneously entitled, "A Bill to Provide Federal Regulation of Insurance," when the only object was the enactment of a model insurance law for the District of Columbia.

Fifth Attempt at Uniform Codification (1906).

The wide degree of divergence in qualified opinion as to what should constitute a model code of insurance for the District of Columbia is made evident by the publication, also in 1906, of a proposed model law, prepared by the National Board of Casualty Underwriters. This code was essentially different in its principal provisions from the various Ames bills, but only slight public consideration was given to the proposal, nor does it appear that the same was ever seriously considered by Congress. This fifth attempt on the part of a deliberate body to bring about uniformity in the law of insurance was also, therefore, a complete failure.

President Dryden can see no other alternative in view of the imperative need of expert codification, than for the life insurance companies to employ the requisite skill and trained experience to agree upon the essentials, if the Government will not bear the expense. He believes "the preparation of a really model code for the District of Columbia would aid materially the cause of uniform laws and legislation, and it is manifestly the duty of Congress to provide liberally for the necessary expense and the employment of the required skill, so that the code which may finally be agreed upon shall be a model one in fact and represent the best judgment of the times. If, however, Congress cannot be induced to authorize this work,

then it seems to me that it will be the duty of all American insurance companies to undertake this work and to bear their pro rata share of the expense of having such a code prepared in their own behalf.

Either Uniform Law or Federal Supervision.

"The task at best, will be an arduous one and it will be the better part of wisdom to make haste slowly. Widely conflicting views and opinions will require to be harmonized and upon some matters irreconcilable differences of opinion will make a departure from standard requirements seem advisable. I am firmly convinced that a uniform code governing the essentials both of the public and the private law on the subject of insurance can be framed and the past experience of every life insurance company transacting business in the different States makes it desirable and proper that such a code should be prepared. Failing in this, the only ultimate alternative will be the supervision and control of the interstate business of American insurance companies by the Federal Government."

Employers Liability.

The insurance feature of Tuesday's session centered in the subject of compensation to injured employes, or, as technically termed, employers' liability. The discussion was entered into by the most prominent leaders in America, representing both capital and labor, and was remarkable for the unanimity of conclusions.

President Gompers of the American Federation of Labor declared the European mine owner had a better conception of the care of his employes and the operation of his plant than the American mine owner. He laid down a hard and fast rule that the industry in which a man was employed should bear the burden of injuries sustained in the course of his work, as part of the cost of production, simply as a matter of justice as well as an economic principle by which poverty and alms houses can be abolished.

John Mitchell, vice-president of the National Civic Federation, followed in a similar strain.

"The workingmen of the country," said Mr. Mitchell, "are now asking that the laws be made uniform, for they are uniformly bad. What we are asking for is that you enact the laws now in force in Europe relative to compensation for accident.

"We want the money due to the injured man paid at the time of his accident and not after he is dead. We are killing more men in America in the mines than in any country in the

world, and reports show that the fatalities are increasing every year."

John Hays Hammond thought the number of fatal accidents in mines could be reduced more than 35 per cent. by raising the standards of safety. He said that there were mined in the United States in 1908 about five hundred million tons of coal at a cost of 2,450 human lives.

Belmont Endorses It.

August Belmont of New York declared that "labor will be attracted to the States affording it the fairest and safest protection, and the employer will hail this, too, as an advantage to himself." He advocated the passage by the States of laws compelling corporations to make adequate and definite provisions for the health, safety, and ultimate care of their employes, when injured or incapacitated. In his opinion this was the greatest question of the day.

"In it lies not only the solution of a great and unjust burden on labor," he said, "but an escape from the dangers of overburdening our National Government with duties it could never perform."

Professor Samuel McCune Lindsay, of Columbia University, spoke on industrial legislation as related to inter-

NOTEWORTHY ADVANCE.

The BERKSHIRE LIFE Insurance Company,

OF PITTSFIELD, MASSACHUSETTS, takes an advanced step in the interest of the policyholder by the adoption of the following liberal features in its new policy contract:

Low premium rates.
Large surrender values.
Dividends at the end of each policy year.

Thirty-one days of grace in payment of all premiums after the first year.

Paid-up insurance or cash surrender value or extended insurance after two years' premiums have been paid.

Loans for the full cash surrender value.

Policy payable in one sum or in installments for terms of years.

Policy incontestable, and no restrictions upon residence, travel and occupation, after the first policy year, except as to military or naval service in time of war.

Right of the insured to change the beneficiary.

Liberal re-instatement privileges.

Every effort has been made to make this new policy the very perfection in a life insurance contract.

For further information apply to
JOHN H. ROBINSON, General Agent
For New York and New Jersey,
Postal Building,
253 Broadway, NEW YORK.

state competition and the obvious necessity of uniformity. The divorce industry of Nevada and South Dakota was referred to as an illustration of what lengths of immorality a state will go to in the competitive race for dirty money. The competitive corporation laws of the "traitor" from their initiation by New Jersey, West Virginia, Delaware, Maine, Virginia and cactus covered Arizona clear down the list to the District of Columbia itself were reviewed, discussed and cussed. And this was probably the weightiest of all the arguments in favor of uniformity.

The Auto Has an Inning.

Hon. Chas. T. Terry, general counsel of the American Automobile Association, advocated uniform liability, speed and license laws for the rapidly developing industry already handicapped by lack of comprehensive legislation and practices.

The "Third" House of Congress.

What promises to afford American insurance interests in general, and various other commercial and financial developments in particular, relief from the present restrictive and leaden weighted heels impelled upon them by the confusing and utterly incomprehensible patchwork of forty-eight State regulations, is in the possible results of the third annual session of the Governors of the States now in session at the National Capitol.

Happily and conveniently termed the "Third House of Congress," its powers are inestimable. Freed of all conventional political restraint, this meeting becomes in reality a people's forum where absolute freedom of expression can be had without the inevitable "come back" that results from official political utterances. Here is afforded an opportunity for discussion and heart-to-heart talks, academic or otherwise, and the conception of the idea is the work of President Roosevelt crystalized in his calling the first session at the White House, and is the greatest of many great accomplishments of his remarkable administration.

The third annual session of the "House of Governors" opened on Tuesday with an address by President Taft and Governor Hughes, of New York.

President Taft's Speech.

President Taft said in part:

When you were here before Mr. Roosevelt extended to you the hospitality of the White House, and meetings were held here, but those meetings were so fully his, in the sense of being called by him, that it seemed entirely appropriate; whereas now, I hope, this is a movement among the

Governors to have some sort of a permanent arrangement that shall bring them here without suggestion from any one but the Governors themselves.

Importance of Movement.

You are here for the purpose of considering those subjects for laws in respect to which the legislation of the States ought to be uniform, and to take that course of making up for what some people point out as defects of the Federal Constitution. I regard this movement as of the utmost importance. The Federal Constitution has stood the test of more than 100 years in supplying the powers that have been needed to make the central government as strong as it ought to be, and with this movement toward uniform legislation and agreement between the States I do not see why the Constitution may not serve our purpose always. I speak to you as gentlemen who can influence legislation in the States, and who are in a sense responsible for it.

English System Better.

I have thought that the English system presents in certain respects a better system than ours, in view of inevitable responsibility of the executive for legislation. It seems to me, without ever hoping or suggesting that there can be any change in our system (for its rigidity has advantages), that still that system would present a good many opportunities that you and I would like to seize upon to argue out questions to the Legislature and to save them time by giving them considerable information on subjects in regard to which they are not advised. It shortens, I am sure, the course of legislation; but we haven't got that system; we haven't it in any State, and we are not going to have it, so there is no need of mourning over the fact that we cannot have it.

Governor Hughes' Speech.

Governor Hughes said in part:

A conference of Governors can be expected to accomplish much more

than conferences of legislative committees or of appointed commissioners. Accord between executives upon questions which they have carefully considered together cannot fail to be of enormous influence.

The scope of these conferences may be deemed to embrace at least three groups of questions: The first relates to uniform laws; the second relates to matters of State comity where, if absolute uniformity may not be expected, causes of friction may be avoided and the general welfare may be promoted by accommodating action; the third relates to matters which, though of local concern, can be better treated in the light of the experience of other States.

It will not be possible for Governors in conference to undertake the drafting of uniform laws, but their united consideration of their importance and of proposed statutes drafted by commissioners of their appointment, will bring these matters into deserved prominence and supply for the progress of uniform legislation a much-needed impetus.

Jealousies Now Forgotten.

The ancient jealousies that have divided us are now forgotten. The sentiment of national unity has overcome divisive prejudices and the people of this land are animated by a

IF YOU ARE TIRED OF LOW WAGES

and small opportunities, step into a business into which all your ability will count.

There's money in selling

Life Insurance

Write NOW for particulars of an agency contract.



THE PRUDENTIAL

Insurance Company of America.

Incorpor'd as a Stock Company by the State of N. J.

JOHN F. DRYDEN,

President.

Home Office:

NEWARK, N. J.

Write for Agency.

NATIONAL LIFE INSURANCE COMPANY

of the United States of America

CHICAGO

ESTABLISHED 1868



**RECORD
SIX YEARS**

ALBERT M. JOHNSON, President

ROBERT E. SACKETT, Vice-President

ROBERT D. LAY, Secretary

Increase in Surplus Funds, - - - - -	\$ 495,980.03
Increase in Yearly Income, - - - - -	1,167,464.28
Increase in Assets - - - - -	5,848,855.77
Increase in Insurance in Force - - - - -	23,968,070.00

EXCEPTIONAL OPPORTUNITIES FOR MEN OF ABILITY

common patriotic impulse and intense devotion to the common interest, against which sectionalism will direct its attacks in vain. This sentiment of national unity, which is the outgrowth of an increasing intimacy of relation and facility of communication, should enable us the more easily to maintain and perfect the essential instrumentalities of State Government, upon which, as well as upon our National activities the welfare of the people depends.

For Uniform Laws.

President Seth Low, who was accompanied to the conference by a committee of nine from the National Civic Federation Co-convention, was introduced. Mr. Low said he came to read the uniform laws act, drafted by the federation, which sanctioned the adoption of uniform laws on divorce, banking and insurance, taxes, negotiable paper, and "white slave" traffic.

Interesting Insurance Close.

At the closing session yesterday resolutions were adopted recommending to the Governors the adoption of uniform laws for the protection of children employed in industries; favoring a uniform insurance code for adoption by the several States, and uniform legislation on the gathering and preservation of vital statistics.

The conference further adopted a resolution recommending to the States that workmen's compensation acts be uniformly substituted for the present system of employers' liability for injuries received in and arising out of the course of employment.

The conference authorized the appointment of a committee of fifteen on reform in legal procedure for the purpose of co-operating with the committee of the American Bar Association to suggest remedies and formulate proposed laws to prevent unnecessary delay in litigation.

New York City Is Best.

"Never again," chorused the Governors of thirty-one States, "will we choose the National Capital as our meeting place."

This is the dictum of the special committee, consisting of Governors Hadley, of Missouri; Hughes, of New York; Ansel, of South Carolina; Comer, of Alabama, and Harmon, of Ohio, selected to choose the next meeting place.

In Washington the rights of the State, the dignity of the gubernatorial office and the prominence of the individual are dwarfed by the dominating Federal atmosphere. Hereafter the Governors will select one of the State capitol for their meeting place.

The meetings will be held annually and in a different city each year. It is likely that Springfield, Ill., Indianapolis, Ind., or Columbus, O., will be selected for the next session if New York is not chosen. There are many who favor it and curiously enough those most remote in point of time and distance. Everybody likes to have business here.

ONCE AGAIN.

It is next to impossible to hold some men down, they simply must be heard and written about. The full text of the resolutions calling for an investigation of fire insurance companies in New York State and appropriations of \$25,000 and \$20,000 respectively, introduced by Assemblyman Hoey, is as follows:

Whereas, It appears from the recent investigation by the State Superintendent of Insurance of the Phenix Insurance Company and other fire insurance companies that gross abuses exist in the conduct and administration of fire insurance companies doing business in the State of New York and

"Whereas, Numerous complaints have been made that the interests of policyholders and stockholders are not properly safeguarded by existing laws, and that unreasonable charges are exacted for fire insurance, and unlawful agreements and pools exist in various localities of the State, particularly in the city of New York, in the nature of monopolies, and

"Whereas, His Excellency the Governor in his annual message recommends the revision of the laws relative to fire insurance companies and co-operative fire insurance companies, and

"Whereas, The inquisitorial powers of the Superintendent of Insurance are limited to the examination of the officers and agents of the companies and their books, with reference to their business, and with a view to their solvency, chiefly, it is expedient that as a basis for legislation for the operations of such fire insurance companies they should be investigated as fully and as promptly as may be;

"Resolved, If the Senate concur, that a joint committee be appointed, consisting of three members of the Senate and five members of the Assembly, which committee shall, after the adjournment of the Legislature, proceed to investigate and examine into the business and affairs of fire insurance companies doing business in the State of New York, with reference to the investments of said companies, the relations of the officers thereof to such investments, the relation of such companies to subsidiary corporations, the Government and control of said companies, the contractual relations of said companies to their policyholders, the cost of fire insurance, the expenses of said companies, and any other phases of the fire insurance business deemed by the committee to be proper, for the purpose of drafting and reporting to

the next session of the Legislature such a revision of the laws regulating and relating to fire insurance in this State as said committee may deem proper, and be it further

"Resolved, That the said committee be and it hereby is authorized and empowered to require and enforce the attendance of witnesses, and the productions of books and papers, to administer oaths, and to employ counsel, stenographers, clerks and such other employes as may be necessary for the purpose of the investigation. And a sum not exceeding \$20,000 is hereby appropriated out of any moneys in the treasury, not otherwise appropriated, for the purposes of said committee."

Others Busy Too.

Another publicity producer is the bill introduced by Assemblyman Bates, of New York, amending the insurance law by requiring fire insurance companies, within five days after notice of loss or damage by fire, to deliver to the insured proper duplicate blanks for making proofs of loss. The blanks must contain printed instructions as to the manner in which the proof of loss is to be made, and when the proofs are made in substantial compliance with such instructions they shall be sufficient prima facie proof of loss if returned to the insured within the time limited for making the proof.

Service of the proofs of loss may be made upon the insurer or his accredited agent or any person in or connected with the office of the agent. Failure to furnish such blanks is to be considered a waiver on the part of the insurer of his right to demand proofs of loss.

Two bills amending the insurance law were introduced in the Legislature to-day by Assemblyman O'Conner, of Brooklyn. One bill strikes out the prohibitions against unsecured loans by insurance companies to their agents, and also the provision prohibiting from doing business in this State foreign life insurance companies which fail to comply with the limitation of expenses fixed in New York laws. The other bill includes industrial insurance policies in the law governing standard provisions. Under the present law such policies are excluded where premiums are payable weekly.

A shake-up in the Fire Department of New York is expected to follow the investigation now being carried on by Fire Commissioner Waldo. The new commissioner is positive he can prevent a great deal of the waste and extravagance that now seems to be pre-eminent without impairing the efficiency of the service.

CHICAGO'S FIRE RATES.

At the annual meeting of the Chicago Board of Underwriters held last Thursday, A. F. Shaw made his usual motion that preferred rates be reduced in Cook county, which motion was, as usual, voted down by a good majority. While this motion and its defeat are part of the routine business of annual meetings, they are mentioned at this time as this may be the last opportunity of giving recognition of this time-honored custom. Some of those who have followed most closely the proceedings of the Illinois Fire Insurance Commission are of the opinion that that body will make recommendations which will result in a reduction of preferred rates in Cook county, whether the Chicago board favors such action or not. This, of course, would result in the pleasing custom before mentioned falling into disuse.

Another factor tending in the same direction is the demand of the Illinois Insurance Department for a classification of business into four classes, with premiums and losses on each. One class being dwelling and contents, the figures are likely to show something of the profit on this class. While the best underwriters think this information valueless as a basis for rate making, if an excessive profit on preferred business is shown, it will furnish ammunition for those who are waging war on present preferred rates, and that class includes some men of the highest standing in the fire insurance business.

Early Preferred Reduction Unlikely.

The chances are that the Chicago board will not reduce preferred rates until the pressure in that direction becomes strong. It would be too high praise to attribute inactivity in this direction to Mr. Glidden's able argument that there are so many more tenants in Chicago than in outside towns that preferred rates ought to be higher, notwithstanding paid fire departments, electric alarms, ample water supplies and paved streets which Chicago and many suburban towns have in a greater degree than many lower rated outside towns. Chicago agents are like other agents. They are not as a body inclined to volunteer rate reductions for which there is no marked demand by the assured. Nor do they desire to take action which might necessitate advances on some other classes in order to give companies a profit, when they know that such an advance would mean a vast amount of complaint and hard work.

RECOMMENDATIONS GOOD AND BAD.

Insurance Commissioner Henry, of Mississippi, says that Mississippi is practically the only Southern State without a deposit law of some kind for fire companies, and, therefore, he urges the coming Legislature to place such a statute on the books. He believes the "privilege tax on insurance agents" in his State is excessive and recommends a reduction of the same.

Among other recommendations he says:

Several amendments are needed to the present law providing for investigating incendiary fires and especially the sections relating to the preliminary examinations. These should be amended so as to give the commissioner the right to employ counsel, not only in the preliminary examination, but in the Circuit and Supreme Courts as well, when deemed necessary. Companies having done business in any given locality through a resident agent, and having business at risk there should be required to keep an agent in that locality until the expiration of the same, for the purpose of issuing vacancy permits, and attending to other necessary details connected with the business.

LAW GOES TO CINCINNATI.

It is announced that Charles G. Law, of Chicago, will retire soon as Illinois State agent of the Royal to become associated with Major James L. Foley in the management of Law's Insurance Agency at Cincinnati. Mr. Law is a son of John H. Law, of Law Brothers, Western managers of the Royal, who went to Chicago from Cincinnati. Law's Insurance Agency has been in existence in that city for over half a century.

The statement of December 31, 1909, of the Continental Fire Insurance Company, shows gross assets of over \$22,000,000, and a net surplus of \$13,000,000. Last year was one of the most successful and profitable years the company has ever had.

PAUL L. WOOLSTON,

Consulting Actuary,

214 Symes Bldg., DENVER, COL.

NATIONAL LIFE

Insurance Company,

MONTPELIER, VERMONT.

Established in 1850.

Operating in 36 States.

JOSEPH A. DE BOER, President.

FRED A. HOWLAND, Vice-President

JAMES B. ESTEE, 2nd Vice-President

OSMAN D. CLARK, Secretary

H. M. CUTLER, Treasurer

A. B. BISBEE, Medical Director

C. E. MOULTON, Actuary

This Company held January 1, 1909, and gained during the past decade:

ASSETS . . .	\$44,026,069.73
GAIN, 173 PER CENT	
SURPLUS . . .	\$5,279,925.70
GAIN, 174 PER CENT	
INSURANCE .	\$155,755,039.00
GAIN, 93 PER CENT	

**Absolute Security and
Economy of
Management**

Royal Exchange Assurance

OF LONDON.

Incorporated by Royal Charter A.D. 1720.

UNITED STATES OFFICE:

92 William Street

New York City

UBERTO C. CROSBY, General Manager.

RICHARD D. HARVEY, Assistant General Manager.

IN NEW ENGLAND

President Grover's Address to the Exchange.

J. W. Grover, the newly elected president of the New England Insurance Exchange, in assuming the duties of that position last Saturday, addressed the members as follows:

In assuming the position to which you have elected me, I first want to thank you for the honor conferred, and in saying this I say it in the fullest meaning of the word. There is nothing higher can come to a man, in the field.

No body of men can show more loyalty or inspire greater confidence than you gentlemen have, in the recent past, when put to the test, and I am proud to be one of you, and more proud to be elected your president.

But even having done so much for me, you are not yet through. I ask more; I want your help. We are all prone to mistake, and I am no exception. I shall make mistakes, and I ask you to look on the intent rather than the fact, and help me to make this year's administration the equal of any in the past.

To do this, I ask suggestion and advice from each and every one of you. Don't hesitate, but speak or write just what you think, and though we know it to be impossible to follow the suggestions of all, and that disappointments await some, yet the ideas of all will be considered, and each play its part in our final action.

Some twenty-six years ago a small body of men gathered together in a little room, not far from here, and formed this New England Insurance Exchange. Very few of those men are with us to-day; the great majority have passed on to higher duties here, or there, but they have left us the benefit of their knowledge and experience; their places have been filled and added to, until we have grown from the original score to nearly eight score. In each year there have been added problems more difficult to meet, but they have been met, and, as a rule, successfully.

No one man did or could accomplish this, nor could any hundred men working, each independent of the other; but what has enabled us to do this has been the loyalty already referred to, and the honor, honesty and confidence between ourselves. Let this feeling grow and develop; with it we can accomplish much, without it nothing!

The matter of minimum rates for lumber, which was on the calendar of the exchange for action, was, at the request of the executive committee, left in its hands for further consideration.

Voluntary Saving Advised.

The report of the Massachusetts Commission on old age pensions, annuities and insurance, was filed at the State House on Beacon Hill last Saturday. The commission, which was appointed in 1907, on the prompting of

former Representative Bernard Ferber, is composed of M. W. Alexander, J. T. Buckley, Mrs. M. E. Hodder, A. M. Huddell and W. G. Chase, reports unanimously against the enactment of any general pension legislation at the present time. A summary of the report says that the British scheme of non-contributory pensions is vigorously criticised and rejected by the commission. It is also held to be inadvisable to enact any measure of compulsory insurance.

The commission offers several detailed recommendations, the main purpose of which is to promote the development of agencies for voluntary saving and provision against old age. The compulsory teaching of thrift in the public schools is recommended for this purpose.

Urge Contribution Plan.

The savings bank insurance system is commended to the attention of employers and wage-earners, and also enabling legislation to authorize employers and employes to form pension associations, supported by joint contributions is recommended.

The most important recommendations relate to the establishment of pension systems for public employes, including employes of cities, towns, counties and the State.

Bills are offered for this purpose, the scheme proposed being based on the contributory principle, with co-operative control by the two parties.

The general court is also advised to create a permanent commission on old age insurance and pensions. Its principal duty would be to promote the establishment of retirement systems by municipalities, corporations and employers of labor throughout the State.

There is no minority report, but Commissioners Buckley and Huddell submit dissenting statements in respect to some of the findings on non-contributory pensions and compulsory insurance.

Royal Arcanum Loses.

A press dispatch from Syracuse, N. Y., under date of the 12th inst., relates that, after a fight for more than three years in the courts, Mrs. Frank Z. Wilcox has won her suit against the Supreme Council of the Royal Arcanum, headquarters of which are in Boston. Justice William S. Andrews directed a verdict in her favor for the full amount of the insurance policies carried upon the life of her deceased husband, with interest. The outcome is of interest to thousands of members of the order.

Mr. Wilcox was expelled from the organization because of his attacks upon Supreme officers for the increase

of rates of insurance. He instituted proceedings for reinstatement but died before the termination of the action. The suit was continued by his widow, Mary C. Wilcox, who was given a verdict for \$3,217.50.

New England Brevities.

Despite the inclement weather of last Friday evening, nearly sixty members of the Insurance Library Association gathered at the Exchange Club to dine and listen to an interesting and valuable address by F. W. Brown, of Boston, whose theme was "Forms of Policies in Use in New England."

It seems to be settled that when Mayor-elect Fitzgerald, of Boston, takes office on February 7, the present Fire Commissioner, Samuel Parker, is to be superseded by a new appointee. Mr. Wells, who was fire commissioner during Fitzgerald's past term, was a Storrow supporter in the recent election, and is not considered to be in the running. Among those "mentioned" as "possibilities" are former Civic Commissioner Kennedy, former District Chief Keyes and former Election Commissioner Shaw.

At a special meeting of the stockholders of the Travelers of Hartford, held Wednesday of last week, the recommendation of the board of directors that the capital stock of the company be increased from \$2,000,000 to \$2,500,000 was approved. A special

Hanover Fire

INSURANCE
COMPANY
of New York



Agencies
in all the Principal Places
in the United States.

The UNION CENTRAL LIFE of Cincinnati

Has several good openings for first-class men. It is the Company of companies for the agent who will make an aggressive campaign for business, and who wants to win in competition.

The Union Central earns the highest rate of interest on its investments of all American companies.

THE BEST COMPANY For The Policyholder.

Address

JESSE R. CLARK, President, or
ALLAN WATERS, Sup't of Agents.

dividend of 25 per cent., covering the increase, was paid to the stockholders.

The building of the Boston Young Men's Christian Association was gutted by fire last Thursday morning. The property loss is about \$225,000; insurance on contents, total loss, aggregates \$13,108; on building, about 75 per cent. loss; \$132,192 insurance is involved. Messrs. Neiley, Bush, Adlard and Battilana are the committee on adjustment.

There is no sentiment about the fire fiend, else with St. Valentine's Day so near at hand, he should have spared the valentine factory of the George C. Whitney Co., at Worcester, Mass., which became a prey of the flames on Wednesday of last week. Total loss, about \$300,000; insurance on stock aggregates \$42,000.

The residents of the Juniper Point district in Salem, Mass., have petitioned the City Council for the installation of a salt water fire service, present supply being deemed insufficient to cope with the needs of the district.

The Central National Fire, of Chicago, has applied for admission to Massachusetts.

Following the demise of Horace Anderson, the surviving partner of the Anderson, Adams & Co. insurance agency, of Portland, Me., will carry on the business under the same firm name.

At Lynn, Mass., F. H. Vickery has been admitted to partnership in the insurance agency of Thomas H. Knight, which now is styled Thomas H. Knight & Co.

STRONGER THAN EVER.

The annual statement of the Niagara Fire Insurance Company is the best ever. It has total assets of \$6,122,659, representing an increase of nearly \$900,000, and a net surplus of \$2,294,309, being a gain of over \$700,000.

GOING INTO CASUALTY LINES.

Insurance Commissioner E. Myron Wolf, of California, has resigned his portfolio and will join President F. B. Lloyd in the developing of the new propaganda of the Pacific Surety company.

With a doubled capital and surplus, and with the new "power stations" on the "main lines," and electric equipment, there is no reason to doubt that the Pacific will be sure to quickly grasp the present opportunity for casualty and surety underwriting on safe and sane lines.

Incidentally, it is noted that Mr. Wolf is the first of the several State commissioners who have recently re-

signed to accept company berths and chosen casualty lines for the exercise of his acquired insurance experience. All others, with one exception, have gone into life insurance.

The casualty and surety field on the Coast offers an unusual opportunity for the Pacific, in fact, for several first-class home companies, and dynamoed as it will be by Lloyd and Wolf.

A CREDITABLE SHOWING.

The 118th annual statement of the Insurance Company of North America shows total assets of \$13,385,501.56. This includes \$3,000,000 capital, \$6,813,862.47 reinsurance reserve, and \$2,589,406.64 net surplus. The following remarkable gains are shown: In assets, \$1,371,438.93; in reinsurance reserve, \$349,934.71, and in net surplus, \$838,500.98.

The report of the results of experiments undertaken by the Government to determine the decomposition products of photographic films, the temperature at which decomposition is brought about, and the consequent storage hazard, will shortly be issued by the United States Geological Survey.

SAFETY FUND INSURANCE

NIAGARA*

Fire Insurance Company

—OF—

NEW YORK

OFFICE:

46 CEDAR STREET, CITY.

Philadelphia Casualty Co.

WALTER LE MAR TALBOT, Pres't.

Capital	\$500,000
Total Assets, April 1, 1909.....	\$1,427,564
Surplus (Policyholders).....	\$714,598

SAFE SUPERIOR POLICIES

Personal Accident, Health, Liability,
Automobile, Plate Glass and
Credit Insurance.

Agency Correspondence Solicited.

THE MUTUAL LIFE

Insurance Company of New York

OLDEST
IN
AMERICA

STRONGEST
IN THE
WORLD

Largest Margin of Assets in Excess of Legal Liabilities.

No Company More Economically Managed to-day.

No other company has, by increasing its scale of annual dividends four years in succession—1906, 1907, 1908, 1909—reduced premium payments so rapidly.

For terms to producing agents address:

GEORGE T. DEXTER, 2nd Vice-President

34 Nassau Street,

New York, N. Y.

FAILS TO RECOGNIZE THE HAZARD.

Governor Fort, of New Jersey, surely is not an insurance expert. In his message to the Legislature he strongly recommends that the State authorities establish their own insurance fund, taking the unique stand that because the State has suffered no severe conflagration in the last few years, there is every reason to believe that it probably never will. He forgets that a man died yesterday who never did it before.

One feature of the Governor's message, though, that is of interest to fire underwriters, is his plea for better fire protection facilities for State buildings. The Governor, however, forgets that the cities of the State of New Jersey are just as much the people's property as the State buildings, for he makes no plea for the elimination of the fire hazard generally. He says:

An inquiry into the insurance carried upon the various properties belonging to the State shows that the total amount, including that on the Capital, is \$3,892,725. This is a very large and, to my mind, a very excessive amount of insurance. The State seldom has a loss by fire, and when a fire does occur the damage is usually not great. The present method of each institution placing its own insurance is not a wise one. The insurance on the property of the State should be under general supervision, and should be placed after most careful consideration and at the lowest possible rates. Besides that, the time, in my judgment, has come when the State should begin to prepare to assume the insurance risk on its own property by raising a fund for that purpose. If the average amount of the premiums paid per annum for the next ten years were transferred to an insurance fund, we would have an abundance to make it reasonably safe to cease to insure the State's property.

In addition to this, there should be a proper supervisor of all buildings in the State, that they may be properly equipped for necessary fire protection, so that the limit of possible loss may be reached. Of course, on State property, there is no moral risk for the insurance company, as there can be no motive of personal gain to any one to cause the destruction of any property of the State. The rate which we are paying at the present time for insurance is too high. I suggest that the whole matter of the insurance of the property of the State be placed in the State House Commission, and that they be given power to engage a proper person to see that the buildings of the State are properly protected against fire, and that such person shall also keep the records as to the insurance upon and the necessity for renewal of insurance on the several buildings of the State.

The Fred L. Gray Agency, of Minneapolis, outranks all others outside of New York and Chicago with \$447,000 premiums for 1909.

STATE RATEMAKING HALTED.

When Oklahoma was granted statehood under the most remarkable constitution in all history and which practically provided for everything past, present, or to come, so that the work of a Legislature was merely perfunctory and innocuous, except for political campaign purposes (not omitting the financial consideration for the contributions to its dignity), it was inevitable that it would inspire the legislators of contiguous States with ambitions. Hardly had Oklahoma's guarantee of bank depositors gotten into operation, before Kansas, Texas, Nebraska, and others within the infected zone, developed the fatal symptoms and started for the flesh-pots of Egypt.

The peculiar mark of identification of the microbe is its phobia for insurance companies. This found expression in the enactment by half-a-dozen States of the most amazing collection of statutes—or supposed-to-be-statutes—that could be found since the blue law days of New England, when they burned a bewitchingly beautiful woman at the stake as a witch in reality, and arrested a man for kissing his wife on Sunday.

Among the phenomena developed was the fixing of the prices for commodities offered for sale. This reached concrete expression in Nebraska's fixing rates to be charged for bonds by surety companies, and in Kansas for fire companies policies. Some of the woollies even got a reflex expression in the Congress of the United States in seducing officials into a rating scheme which was quickly killed.

A WELL EARNED TRIBUTE.

The January meeting of the New York Insurance Exchange was held last week and following the usual routine the committee, consisting of Messrs. Affeld, Case, Driggs, Shallcross and Herrick, who were appointed at the last meeting to prepare resolutions respecting the resignation of Mr. Hess, made the following report:

Your committee to whom was referred the matter of preparing suitable resolutions relating to the resignation of Mr. Hess as manager of the exchange, beg leave to report as follows:

The members of the New York Fire Insurance Exchange desire to record their appreciation of the valuable services of Henry E. Hess, rendered to the exchange in the long period of years during which time he has so acceptably and successfully administered its affairs as manager.

With his known ability, ripe experience, and mature judgment, Mr. Hess brought to the position the native qualities of fairness, strength of conviction, and fidelity of purpose,

which so amply qualified him to successfully cope from the very beginning with the difficult problems that might well have discouraged a man less capable and less determined.

While the exchange in the greater degree has profited by his judicious management of its affairs, it is well recognized that the scope of its beneficial influence has extended to the entire business community. It is the desire of the members of the exchange to convey to Mr. Hess their best wishes for the full measure of success which must come to him in the administration of the important office which he has been selected to fill, and the assurance of their strong conviction that his record and achievements in the business of fire insurance have well prepared him to render distinguished service to those interests with which he has now become associated.

The report was seconded and unanimously adopted.

The National Surety is defending a suit for \$50,000 filed by the Western Pacific Railway to recover loss under the fidelity bond of its defaulting treasurer. The defense is based on three points, to wit: Failure to give reasonable notice, insufficient auditing of accounts and the rather remarkable one that the treasurer and not the railway company paid the premium. What next?

"The Leading Fire Insurance Company of America."



WM. B. CLARK, President.
W. H. KING, Vice-President.
HENRY E. REES, Secretary.
Assistant Secretaries,
A. N. WILLIAMS, E. S. ALLEN,
E. J. SLOAN, GUY E. BOWARDSLEY.

1860 49th YEAR 1909

HOME LIFE
Insurance Company of New York.
GEORGE E. IDE, President.

Assets	\$21,708,901.70
Liabilities	\$20,471,723.76
(Including Deferred Dividend Fund)	
Dividend Endowment Fund	
(Deferred Dividends).....	\$1,970,463.00
Net Surplus	\$1,237,177.94
Insurance in Force.....	\$88,368,244.00

The Record for 1908 shows the following GAINS:
Insurance in Force..... \$3,174,947.00
Assets

Assets	\$1,704,048.00
Deferred Dividend Reserve...	\$175,443.00
Contingency Reserve (Surplus)	\$467,742.51

SANCHO PANZA'S WINDMILL.

The opera bouffe statesmen down at Washington are determined to humble the haughty surety companies, according to private advices received by "The Chronicle." Congressman Tawney, who tacked that schedule of surety rates on the tail of the last appropriation bill, passionately proclaims his discovery of a conspiracy among surety companies to defeat him for re-election by the use of a fund they have created. That's his measure.

The fiasco of the attempt of two or three department clerks to "spank" the surety companies, which succeeded for a few days, has given their measure, and the matter is now up to the substantial men in Congress.

The latest efforts of these small fry to attract attention to their desirability as watch-dogs of public welfare is expressed the second presentation of a scheme for the Government to do its own bonding through a fund to be created for that purpose by assessment of the employees required to give bond. This is their original scheme amended in the hope of overcoming the prompt and overwhelming rejection which befell its first appearance.

At an expense totally out of proportion to any possible benefit derivable, the Government has had a corps of clerks working under direction of an able and high-priced actuary to ascertain what premium and loss experience surety companies have had on Federal business and with all due respect for the exact accuracy of the figures resulting it must be remembered that it is utterly impossible to reach even a remote conclusion that would be fair and just to the companies. This is because the actuary has no means of ascertaining the number of volumes of failing or struggling undertakings which the companies have bolstered up and matured. Neither can the cost of administering the suretyship be ascertained. To be just to the sureties the Government should carefully consider its own reasons for exacting bonds, and if not based on sound principles or accomplishing any results, abolish the requirement. It's the losses prevented and not the losses paid that would best tell the story.

Speaking of the proposed scheme a member of the House committee says:

"The plan will probably be to provide for the deduction from the salaries of each bonded employe a sufficient percentage to cover the estimated cost of bonding him as ascertained by the actuaries from their

tabulation of Government experience. This will then be paid direct into a joint fund, which will be set aside in trust for that purpose, and will be employed as occasion may require it to make good defalcations or other contemplated losses. This will obviate the objections which have been offered in some quarters that in the event the payment when made by the employes themselves would constitute a joint or mutual assurance fund on which the employes would have claims and a right to compensation from which would inhere in the Government, thus destroying possibly the right of the administration to prosecute employes for defalcation. By paying the sum necessitated for the premium directly into a fund of the kind described without passing it through the employes or officers' hands any such question will be avoided."

Administrative officers do not on the whole favor the taking over of the bonding insurance system by the Government itself, alleging that it will call for the establishment of another bureau with a staff of officials, etc., and that such an organization is not desirable unless the Government intends to go into the work of regulating and controlling the business of insurance to a much larger extent than heretofore. The Tawney legislation of last session has already entailed heavy work upon them and they are of the opinion that it has caused confusion.

There is sure to be a hard fight when the scheme is brought up, as opinion has crystalized much more definitely both for and against the plan than at any time in the past.

SHOWING THE FEET OF CLAY.

There is a clearly defined and rapidly growing impression that the Commercial Casualty Company, Newark's latest insurance proposition, is, after all showing unmistakable symptoms of being a mere promotion, much to the chagrin of those who have given it full credence.

The election of Feigenspann, a brewer of Newark, as president, and the reputed making of a twenty-year general agency contract with the organizers, covering the largest cities in the United States, and other matters, do not need a Sherlock Holmes to interpret. He who runs may read. And he who reads may run.

Rumors for some months have connected two or three notorious ex-officials and discredited casualty "promoters," with the Commercial, but in reply to all inquiries they have been vigorously denied. Now the feet of clay are visible.

WESTERN ASSURANCE Co.

HEAD OFFICE,
TORONTO, - - CANADA.

Incorporated 1851.

Hon. GEORGE A. COX.....President
W. R. BROCK and JOHN
HOSKIN, K. C. LL. D....Vice-Presidents
W. B. MEIKLE.....General Manager

United States Statement, Jan. 1, 1909.
Assets\$2,184,632.20
Surplus in United States..... 726,218.61

\$27,000,000

Insurance in Force



CITIZENS LIFE

INSURANCE COMPANY

LOUISVILLE, KY.

W. H. GREGORY, President

BONDS OF SURETYSHIP.

The Guarantee Company of North America.

HEAD OFFICE, MONTREAL.

THE OLDEST AND LARGEST IN
AMERICA.

President, EDWARD RAWLINGS.
Sec'y and Treas., RICH'D B. SCOTT.

Paid-up Capital and Re-
sources\$1,817,612
Claims Paid to Employers....\$2,165,964
No Claims in Suit.

BRANCH OFFICES:

NEW YORK: 111 Broadway,
D. J. TOMPKINS, Secretary.
BOSTON: 114 Milk Street,
W. A. HAMILTON, Agent & Att'y.
CHICAGO: Room 400, The Temple,
J. R. PRUYN, Resident Sec'y & Att'y.
PHILADELPHIA: 500 Arcade Bldg.,
W. H. JACKSON, Res. Sec'y.
PITTSBURGH: 1120 Farmers B'k Bldg.,
E. R. MUNRO, Resident Secretary.

AMERICAN SURETY FIGHTS.

In all this medley of folly there seemed no company of any class that dared tackle the microbe in its den until the State of Nebraska (which, it may be recalled, is the occasional home of the father of anti-insurance venom, William J. Bryan), undertook to fix bonding rates and got a prompt rise out of the American Surety Company, and the result of which is that the company has won a signal victory and one that enables it to smile even while casting up the costs of a defense to which it was unfairly and unnecessarily subjected, all through initial assinine and stupid politics.

The American Surety has rendered a distinct service to every insurance interest by its victory over the powers that prey. The decision of the United States Circuit Court at Lincoln last Saturday that the ratemaking statute of Nebraska was unconstitutional will have a powerfully deterrent effect on other budding statesmen and their products.

The Story of the Case.

The Nebraska State rating law took effect in July, 1909. It provided for the appointment of the Governor of the State, the Attorney General and the State Auditor as a board to fix the maximum rates of premiums to be charged by fidelity and surety companies operating in Nebraska on business situated in that commonwealth.

The American Surety on August 3, brought an action in the United States Circuit Court to restrain the enforcement of the provisions of the rating law. On the following day, August 4, the State authorities in retaliation brought two suits against the American Surety Company seeking to have it punished under the Junkin act of 1905 for failure to comply with the provisions of that statute in not filing certain statements and bond. The next day, August 5, the State commenced still another suit against the surety company. This was an action in equity to oust the company from the State.

This action in equity brought by the State to prevent the American Surety from transacting business in Nebraska was heard in the County Court of Lancaster County, Nebraska, and that court has just handed down a decision dismissing the action. With this case falls the other two suits and the retaliatory action by the State fails.

On Monday Judge T. C. Munger, of the United States Circuit Court, granted the injunction asked by the American Surety Company, restraining the State of Nebraska from enforcing the provisions of the recently enacted

State rating law, pending final action.

In deciding in favor of the American Surety the court took into consideration the contention of the attorneys for that company that the State rating law was unconstitutional.

The main features of the company's claim for a restraining order were in effect:

That the measure was unconstitutional because it violated the section which provided that "no bill shall contain more than one subject, and the same shall be clearly expressed in the title."

Because it assumes to fix the rates of premium on fidelity bonds covering the fidelity of Federal employes running to the Federal Government and to national banks, and is therefore interference by the State with matters solely within the jurisdiction of the Federal Government; that the statute is class legislation, and therefore repugnant to the provisions of the constitution of Nebraska and to the fourteenth amendment of the constitution of the United States; that the act is repugnant to the State constitution and the United States constitution because the act impairs the obligation of contracts between the State and surety companies doing business in the State pursuant to the prior and still existing laws; that it deprives surety companies of their property and their liberty of contract and therefore contravenes the provision of the fourteenth amendment of the United States constitution and also the State constitution:

That the said premium rate statute was not within the scope of the police power of the State.

It is fully conceded that the opinion will have a heavy bearing upon the whole subject of State ratemaking.

Where It May Lead.

The fire people who have been acquiring gray hairs under the Kansas mustard plaster application of the State ratemaking law, and spending much valuable time at the pink tea conferences on the question of "Shall We or Shall We?" and waiting to see what Evans was going to do, have been galvanized into a semblance of having a backbone. So terribly timid have they been that the American Surety's victory shocks them. But this is not the American's first stand against aggression. It has rendered valiant service to insurance in repelling former incursions of Rob Roy politicians, which proposed to exact tribute from all companies, that the faithful henchmen might exist in ease.

The galvanic effect is quite noticeable in the fire circles, and it is quite

probable the State rating laws of other States and the District of Columbia will be tested.

And just here it must not be forgotten that the Board of Casualty and Surety Underwriters is an effective organization, with an able executive committee in charge of legislation and with a chairman of that committee who is unparalleled. Perhaps the fire people can make a front. It is certainly up to them.

FIRE PREVENTION AND CREDITS.

It's money in the pocket of every business man of the country, if the present stupendous fire waste of the country is reduced and every man knows it can be reduced millions of dollars yearly if the problem receives due attention. This matter has to do largely with the credit side of commerce and for that reason the insurance committee of the National Association of Credit Men has been doing yeoman's service to arouse that widespread interest in fire insurance and prevention, which all agree is the first and highest necessity. The National office will gladly afford anyone interesting information regarding the campaign planned by the fire insurance committee.

PHENIX

Insurance Company

—OF—

BROOKLYN, N. Y.

NEW YORK OFFICE:

68 WILLIAM STREET

MEN OF ENERGY

ARE OFFERED

WORK OF MOMENT

In desirable localities representing a sixty-year old institution, with modern, liberal, law-conforming policies, and helpful Home office co-operation. Much good territory available. Many opportunities for advantageous positions. Inquire NOW.

UNION MUTUAL LIFE INSURANCE COMPANY

PORTLAND, MAINE

FRED E. RICHARDS, President.

ALBERT E. AWDE,
Supt. Flatiron Building,
Watertown, N. Y.

THORNTON CHASE,
Supt., 405 Exch. Bldg.,
Los Angeles, Cal.

Address
either:

FAR FROM A SETTLEMENT.

Nay, nay, Pauline, the Chicago committee of the Burglary Insurance Underwriters Association has not settled the Chicago situation, not by several degrees. Chicago local men see in the published draft of the proposed agreement the fine Italian hand of A. U. Quint, associate manager of the American Bonding, and that fact alone is enough to raise a riot. Mr. Quint was at the recent New York conference, and an official of an Eastern company, who was in Chicago since, told several people about what happened there, and that has confirmed any suspicions they may have entertained as to Mr. Quint's connection with the agreement.

One prominent general agent has intimated in most positive terms that his company never will consent to the proposed arrangement. Others expressed equally strong adverse opinions, although not always in a position to speak for their companies.

Will They Handle Their Agents?

Four companies have their general agencies in fire offices, and it is not within the range of probabilities that they are going to handicap their general agents by entering into an agreement under which they cannot pay brokers within 5 per cent. of what other general agents pay. A number of other companies, whose general agents or managers are not fire agents, have policy writing agencies in fire offices from which they secure the bulk of their burglary business, and it is not to be expected that they are going to tie those sub-agents down. This leaves a comparatively few companies which receive most of their business from general agents or managers who are engaged solely in the casualty or casualty and surety business. While this arrangement may look good to them their general agents are not all in favor of the 30 per cent. commissions on residence burglary which this arrangement would authorize them to pay.

Says Quint.

Mr. Quint says in effect to general agents who are in the fire business: "You pay whatever scale of commissions is agreed upon, and then some—to wit, fire insurance given in exchange, on which the fire agent will make an overwriting commission." The established general casualty agents say in reply: "You have the same chance as we have under a commission agreement. Go out and get sub-agents who are in the fire business and have business to give in exchange for burglary insurance. We have worked for years to develop good sub-agents, and we do not want

a differential in our favor nor will we consent to one in yours to put these men out of the running in competition. It is one of the handicaps of your youth that you have not yet established good sub-agency connections, and you must labor under it. We will not surrender the advantages gained by years of hard work."

Where the Shoe Pinches.

There are a few young offices situated much as the American Bonding is that probably sympathize with its efforts to get for the casualty offices a differential to offset the advantages the fire offices have, but they are only a few. The majority have their own fire agency connections. To most of the general agencies or branch offices burglary insurance is just a little side issue. The heads of these offices would rather do the little business most of them are doing, do it in peace and at a rate of commission that gives them a small profit, than to do a large business after a period of turmoil and make nothing on it. Considering Chicago's burglary loss ratio, some companies can look with considerable complacency upon the small volume of business they are getting. Burglary insurance is no side issue with Mr. Quint, it is his main business, on which alone he must make or fail to make a record with his company. That makes him impatient of any obstacles which impede his rapid progress, and in the position he has taken it is altogether likely his company stands behind him. It is evident that in Chicago there is a conflict of interests such as it will be very difficult to overcome. Compromise appears scarcely possible. The differences of opinion as to the rate of commissions are marked, but they could probably be harmonized. The position of the fire agent in the burglary business in Chicago is the big question, and there appears to be no middle ground on this. One side or the other must give in if there is to be an agreement, and nobody is talking of surrender.

Pittsburgh Life & Trust Co.

W. C. BALDWIN, President

AGENCY CONTRACTS MADE DIRECT WITH SOLICITORS

ASSETS	\$23,549,229.15
Reserve on Outstanding Policies	\$21,401,598.00
All Other Liabilities.....	\$417,649.50
Assets in Excess of all Legal Requirements	\$1,729,981.65
Insurance in Force.....	\$80,000,000.00

HOME OFFICE - PITTSBURGH, PA**Germania Fire****INSURANCE CO.,****NEW YORK.****ORGANIZED 1859.**

Cash Capital.....	\$1,000,000.00
Assets	\$5,874,016.00
Net Surplus.....	\$1,509,442.33
Surplus for Policyholders,	\$2,509,442.33

HEAD OFFICE:**Cor. William and Cedar Streets.****HARTFORD LIFE****INSURANCE COMPANY,
OF CONN.**

1909 Policies are Participating, or Non-participating, with Lower Rates and Values based on FULL RESERVE.

For Right Contracts,**Address, Second Vice-President.****Home Office, HARTFORD, CONN.****BONDS--CASUALTY****AGENTS
IF
YOU**

{ Can Command Bond or Casualty business
Are seeking an Agency connection
Are not representing another like Company

ADDRESS, AGENCY DEPARTMENT,**The Empire State Surety Co.
NEW YORK**

A STARTLING STATEMENT.

The first conference on the stamping out of that peculiar disease, which, for want of a name, is called "Hook-worm," and for which object John D. Rockefeller has donated a million dollars, closed its session in Atlanta yesterday. Dr. C. W. Stiles, discoverer of the microbe, was the Federal Government representative, and to the conservation of life advocates the report of the meeting will be of intense interest.

Dr. Stiles' Alarming Statement.

"The most serious infectious disease in the South to-day is that of the hook worm," declared Dr. Stiles in addressing the opening session. "While specimens of the hook worm have been found in New England, the Middle West and in the Northern Pacific States, the disease is primarily one of warm climates. The hook worm found here has been traced to the west coast of Africa and it undoubtedly was brought here by the negro."

"Twenty-five per cent. of the mill employes of the South are infected with the hook worm," said Dr. Stiles, who based the statement on personal visits made to 128 mills in Southern States.

Dr. H. F. Harris of Atlanta, to whom Dr. Stiles referred as the first man to recognize the hook worm in the United States, discussed the treatment of the disease and declared it to be easily susceptible to treatment.

"Excessive Waste of American Life" was the subject of an address by E. E. Rittenhouse of New York, president of the Provident Savings Life Assurance Society.

President Rittenhouse Speaks.

President E. E. Rittenhouse, of the Provident Savings Life of New York, spoke on "Excessive Waste of American Life," pursuant to the now fixed policy he has inaugurated for his company under which the care of policyholders' health and welfare and the conservation of their lives as an economic as well as a patriotic and philanthropic, aside from its profitable consideration, has been laid down as an elementary principle of business success.

"The Chronicle" hopes to favor its readers with this address in full in an early issue. It is exceedingly well timed, coming as it does at the moment when the National Civic Federation, the Association of Life Insurance Presidents, and the "House of Governors" are all in session and the whole country is aroused on the subject of conservation of life, limb and National energy.

Mr. Rittenhouse has made a signal mark on life insurance progress by

his advanced views already successfully demonstrated, as extended to the policyholder, and not confined solely to employes, as the Metropolitan has been doing for some years.

The subject is deep and wide and frequent with potentialities.

THE AMERICAN CREDIT INDEMNITY CO.

The American Credit Indemnity Company has safely passed the refining process of the crucible and emerges with the highest possible evidence of soundness and security.

During the period of its examination and subsequent reorganization, covering the past few months, the company has been the target for bitterest attacks from some competitors that were utterly reckless in mendacious energy.

But the company survived in good form and that fact is its best asset to-day. Few companies have ever weathered the fierce, biting blasts from which it has calmly emerged to a safe anchorage. The wolfishness of the pack toward its wounded is a sad commentary on insurance human nature.

In response to an inquiry Superintendent Hotchkiss has made the following ringing and patriotic official utterance concerning the attack on the company:

"The department is able to say that after an inquiry into its affairs which has been most exhaustive, it finds that even after a necessary reduction in the capital to \$350,000, there is a surplus to policyholders of \$360,000.

This department is informed that agents of rival companies are making statements not based upon facts for the purpose of twisting this company's business to their companies. In considering any such statements, you should consider the fact that this department has determined, after a most exhaustive examination, to permit the company to continue business, and that this would not have been done had it not felt that such continuance was entirely safe for present and future policyholders.

"In computing the reserves of this company we used a much higher ratio than ever before for credit insurance business, a basis which, it is confident, will be at all times sufficient to fully protect policyholders. The same rule of reserving will hereafter be applied to all credit insurance.

"Permit me to add that the election of E. M. Treat as president of this company, and the choice of Isaac H. Lionberger as chairman of its board of directors and finance committee, and thus its financial executive, has the approval of the department."

AETNA'S REORGANIZATION.

Secretary J. S. Rowe, of the Aetna, calls "The Chronicle's" personal attention "to three facts:"

That the resignation of William J. Gardner, formerly in charge of our New York branch, 46 Cedar street, has given us an opportunity to effect some very desirable changes in general methods and management of the office.

That the business of our New York branch is now being ably conducted under the direction of Walter A. Hughes, Charles H. Phelan, and Beverly W. Wrenn, Jr., aided by a corps of expert and courteous assistants.

That you will find our New York branch office pervaded by an atmosphere of welcome, and a spirit of helpful co-operation that will make you feel at home.

The American Bonding Company has appointed Frederick L. Cadogan, formerly an adjuster, to succeed Norman L. Moray as general burglary manager. Moray goes to the Great Eastern. It is quite a compliment to Cadogan to be selected after the company had gone through the burglary lists far and wide with a fine-tooth comb.

COMMERCIAL - UNION

ASSURANCE CO.,

(LIMITED)

OF LONDON.

OFFICE;

Cor. Pine & William Sts.

NEW YORK.

\$3,300,000.00

Of First Farm Mortgages.

Lowest Net Cost of Insurance
of Any Company in America.

THAT'S WHY WE GROW.

Bankers Life Ins. Co.,
Lincoln, Neb.

BOILER INSPECTIONS AND INSURANCE.

There is an intense degree of interest attaching to the coming battle of the giants when a suit of the Pabst Brewing Company, of Milwaukee, just filed for \$150,000 against the Hartford Steam Boiler Inspection & Insurance Company, comes to a hearing, because of the fighting prowess of both.

The suit was filed in the Federal Court of Milwaukee to recover \$150,000 under the defendant's policy of steam boiler explosion insurance covering six boilers in the plant of the plaintiff. This policy fixed a limit of \$50,000 liability for "any one explosion." On November 1 there was a boiler explosion and after the cyclone had passed and the dead removed, it was found that three of the boilers had joined the racket and deposited their atoms over a large area. The issue is: Was it one explosion or three? That is what the court is called on to determine. The company stands on the apparently reasonable, highly logical and quite tenable ground that it was a single explosion; that Pabst people contend that each boiler exploded separately.

The Commissioner's Findings.

J. D. Beck, commissioner of the Wisconsin labor and statistical bureau, made an official report on the explosion with which he has favored "The Chronicle," and from which the following is extracted:

There were eight boilers in the house, two of which were new, not having been fired. The other six were connected to the main steam pipe, forming a battery of 2,400 horse power, each being a 400 horse power boiler. The boilers were in a row, extending from east to west, and were numbered from one to eight in the same way. The first three exploded and the fourth was badly damaged so that it could not be repaired. Probably boiler No. 1 exploded first.

The boilers were regularly inspected, and were always reported as in substantially good condition. The Pabst company has always done everything suggested by this bureau or its inspectors, without sparing expense. Therefore, if the explosion was due to the defective character of the boilers, it cannot be said that the type was chosen from improper motives. Mr. Pabst was willing that a thorough investigation should be made, being anxious to have all the facts brought to light. The insurance company, on the other hand, declined to admit factory inspectors to its proceedings of inquiry.

There are a number of theories as to what caused this explosion:

(1) The main steam pipe may have given away. It is barely possible that some parts of the pipe had been so weakened by corrosion as to give way suddenly, so causing the explosion, but an examination of the piping did not furnish any confirmation of this.

(2) It was originally suggested that the firemen negligently allowed the water in the boiler to fall too low. Inspection, however, failed to show any signs of overheating. Moreover, the competence of the firemen would tend to clear them of any responsibility.

(3) There are some indications that the exploding boilers may have been overcrowded, but there are stronger reasons for ascribing the accident to

(4) The faulty design or construction of the boilers. This explanation is evidently more fundamental, at least, than the preceding, from the fact that all the exploding boilers failed at the same place—the rows of rivets which held the reinforcing strips to the bottoms of the drums. Here fractures were apparently caused by the alternating contraction and expansion of the drum plates. There were probably enough of these fractures to weaken the drums so that they could no longer withstand the working pressure. Before the explosion the seams had been excessively calked to prevent leaking.

(5) If there were fractures before the explosion they ought to have been discovered by a careful inspection. But there is ground for the suspicion that the last inspection had not been thorough. After the explosion, fractures were found in some plates which were not very badly damaged, and some employees and the boilermakers found fractures in unexploded boilers. The testimony at the coroner's inquest tended to show that the inspection had been carelessly performed.

This will probably be either a very short or a very long drawn out contest. In either event it will be interesting as it involves many principles of law and evidence never before subjected to severe strain or test.

Was it one explosion? If it was three, which went off first and misled the others, and which one created the liability?

The "pink slip" charge of 25 per cent. that has been attached to all insurance policies of the manufacturing and mercantile establishments of Rochester, N. Y., following the big fire there on April 12 last, has been removed.

INCORPORATED 1833.

British America
Assurance Company
HEAD OFFICE, TORONTO, CANADA
UNITED STATES BRANCH.
JANUARY, 1, 1909.

Assets	\$1,473,470.08
Liabilities	902,747.45
Surplus	\$570,722.63

Hon. GEORGE A. COX, President.
W. R. BROCK } Vice-Presidents
JOHN HOSKIN }
W. B. MEIKLE, General Mgr.

The
Columbian National Life
INSURANCE COMPANY
OF BOSTON, MASS.

LIFE, ACCIDENT AND HEALTH
INSURANCE.

The Only Massachusetts
Non-Participating Company

The New Columbian Policies (Sept. '09)
are Unexcelled in Clearness and Liberality.

Good Contracts and Territory for
Good Producers.

ARTHUR E. CHILDS, President.

JOHN C. PAIGE & CO.

INSURANCE

65 KILBY STREET

BOSTON

New England Mutual Life
Insurance Company

87 Milk Street, BOSTON, MASS.

ASSETS, Jan. 1, 1909.....	\$47,980,647.74
LIABILITIES	44,476,655.63
	\$3,503,992.06

All forms of Life and Endowment policies issued.
Cash distributions paid upon all policies.
Every policy has indorsed thereon the cash surrender and paid-up insurance values to which the insured is entitled by the Massachusetts Statute.
Pamphlets, rates and values for any age sent on application to the Company's Office.

ALFRED D. FOSTER, President.
D. F. APPEL, Vice-President.
JACOB A. BARBEY, Secretary.
WM. F. DAVIS, Asst. Sec'y.
J. G. WILMAN, Asst. Sec'y.
NEW YORK OFFICE:
St. Paul Building, 220 Broadway.
SETH H. WHITELEY, Manager.

CUR

Course of Insurance Education.

Department for Furnishing
Prospects.

New "Model Policy"

Will Plough the Field and Assure
the Harvest for Good Agents.

Phoenix Mutual Life

INSURANCE COMPANY,
Hartford, Conn.

Write Home Office.

AS TO BANK DEPOSIT INSURANCE.

"The Chronicle" has had no more critical and diligent reader of its bank depositors insurance articles than President John Schuette, of the Manitowoc (Wis.) Savings Bank. He has already contributed two interesting articles on the subject. He has two plans at his fingers tip. The preferred one is the Federal Government's extension of its power over the National banks. As an alternative he has another by private enterprise which was elucidated by him in an article in "The Chronicle" a year ago. This contemplates a "mutual" plan of the banks themselves with about ten "life saving stations" throughout the United States equipped with sufficient ready cash to reach any "vessel in distress" in short order.

Mr. Schuette is an old and successful banker and his opinions are full of vision for the newer trailers. Therefore the following communication just received from him will be read with unusual interest:

President Schuette's Letter.

My attention has been called to a article in the "Bankers and Investors Magazine," of New York, by J. A. Pondrom, who believes that he can annihilate deposit insurance with a stroke of the pen.

He says that the insurance of deposits can be reduced to one short sentence: "Hereafter, whenever a bank fails, all other banks shall be required to pay its debts."

This is not literally true, although it may have that effect.

The facts are that it is proposed that each bank shall be required to carry insurance equal to what it is due depositors.

To accomplish this each bank should be required to deposit with the Government, as insurance trustee, the amount of 1 per cent. of its average deposits. This should remain an asset the same as its capital, as if it were a regular insurance company to be returned when an unimpaired bank goes out of business. This aggregate "capital" would soon reach \$100,000,000. It would not really be needed, but it would at once inspire unbounded confidence in the safety of bank deposits.

Annual Levy.

Let annual dues be one mill on the average deposits, equivalent to \$1 on every \$1,000 deposited, which is nearly twice the sum it would have cost to pay all the losses sustained by depositors in National banks since they were organized 45 years ago.

These dues, of one mill annually, would be subject to reduction as the losses would allow. This then would be the limit of the bank's liability, and the Government would have no other liability than the supervision of the system, as it now has over National bank notes.

Therefore a bank is not, as Mr. Pondrom claims, in any event compelled to pay the debts of a failed

bank, except so far as concerns annual assessments, which would be more than ample.

To require a bank to keep its assets insured which incidentally insures its depositors, is only applying the same safeguard to the depositors that a bank applies to those of its customers who are largely in debt. We must keep in mind that the banks are the largest debtors of any class, many of them owing over ten times more than their capital. If a banker were to loan a customer who had a capital of \$10,000, the sum of \$100,000 or ten times more than his net worth, without security, or without being insured against loss, he would be considered a most reckless banker, and be held criminally liable.

All must admit that anybody owing ten times more than his net worth, without having his assets insured, may, with the most honest intention, though misfortune, not only lose his own capital, but what he owes his creditors besides.

Government insurance of deposits is not, as Mr. Pondrom asserts, unfair or unjust, but exactly the contrary; it is entirely fair and equitable.

He further claims that the insurance scheme is to "throw dust in the eyes of those who do not understand the subject. And on the theory that depositors are fools and all you have to do to assure them is to tell them that they are insured."

Will Inspire Confidence.

Let me assure him that, fools or no fools, the people, as soon as banks are insured under the proposed plan, supervised by the Government, will feel as safe over their bank deposit, as they now do as to bank notes. Bank runs could never again recur, and would become ancient history.

Again he says: "What bank would want a large capital and build up a surplus when all could be swept away by the acts of men he knows nothing about?"

It seems to me that he attempts to throw dust in the eyes of those who do not understand the subject as he charges those favoring government deposit insurance with doing. Now, let me enlighten him.

First, it is proposed to limit the deposits in proportion to the capital of a bank. Second, how can a bank's assets be swept away after they are insured? And why will they not be swept away if not insured? This is the conundrum which his argument presents. Can he mean that the in-

significant premium of one mill would sweep away the assets of the bank?

How absurd! Does the owner of a house, because he keeps it insured, regard his investment more unsafe than if he were not insured?

Not Paternalism.

He closes with the general assertion that it is "Socialistic Paternalism" run wild. As to this, I would remind him that banking was the very first institution the Government believed ought to be, and has been paternalized. And after witnessing and suffering the dire effects of recurring bank panics and the evident unwillingness or incapacity of the banks to remedy this curse, which they so easily could do, it is now proposed that it take another turn at "paternalism," as it is in duty bound by our Constitution, "to insure tranquillity, and promote the general welfare of the people."

This it is now proposed that it do in a limited way by safeguarding the people's money by the Postal Savings Banks plan, the scope at which may from time to time be extended.

When these are established, we will have deposits guaranteed by the Government. Logically, and as a matter of necessity, these will be followed by guarantee of deposits by the different States, by insurance companies, and by other means which may then be devised. Then, when too late, the bankers will regret not having supported a National deposit insurance law, which would in every way be so much more efficient.

Life Ins. Co. of Virginia,

Home Office, Richmond, Virginia.

J. G. WALKER, President.

T. W. PEMBERTON, 1st Vice-President.

W. L. T. ROGERSON, Secretary.

The PIONEER Southern Industrial Life Insurance Company.

The OLDEST Southern Life Insurance Company.

The LARGEST Southern Life Insurance Company.

The Most Approved Forms of Life, Endowment and Industrial Policies Issued on Favorable Terms.

Assets, Dec. 31, 1908.....\$4,444,711.62

Insurance in Force, Dec. 31, 1908.....\$63,301,212.00

Payments to Policyholders since Organization.....\$8,926,182.91

LEADING FIRE COMPANY OF THE WORLD



When you are investigating companies with a view to connecting with the one which will help you most in a practical way, write to SECURITY MUTUAL LIFE, Binghamton, N. Y.

C. H. Jackson,

Sup't of Agencies.

[of Liverpool,

England.]

THE HOUSE OF GOVERNORS.

The officials of the great life insurance companies have faith in the House of Governors. Lack of a uniform insurance code for the States is costly. The twenty-five billions of life insurance now in force, with accumulated assets of four billion of dollars, pay a toll annually of \$15,000,000 to \$20,000,000 because of this lack.

But in nine years 1,200 specific laws relating to life insurance have been passed, and these laws may not even be compiled because of the constant changes in them. Besides, the unwritten law must be interpreted in the complex light of 30,000 judicial decisions. The task of bringing uniformity by piecemeal legislation out of this mass of incoherence is well-nigh impossible, and would consume many, many years. Meanwhile the tens of millions of the policy holders' money are being wasted by the conflict. What is to be done?

A Federal insurance law would be unconstitutional. But from the meetings of the Civic Federation and the Governors the life insurance presidents have taken heart. They propose the drafting of a code. "Even a very considerable expense could be wisely incurred on the part of the companies in behalf of their policy holders if the end desired could be achieved," says President Dryden, and "that such achievement is possible I am fully convinced."

But how convince the different State Legislatures? The Governors, acting together in a reasonable spirit, may help. Armed by the "most thor-

ough, impartial, and qualified recommendations of experts of the highest standing," they may make such a code speedily acceptable to their Legislatures. That, at any rate, is the belief of the Association of Life Insurance Presidents, and on that belief they are prepared to act.—New York Times, Jan. 20, 1910.

DIS-UNITED.

Otto L. Van Laningham has gone West, clear out to California. According to one published announcement of this fact he has not severed his official connection with the United Insurance Company for the very excellent reason that he never had any such official connection. It seems that all this time Mr. Van Laningham has just been acting as a good fairy to the United. He has been only an adviser. Freely and without price he has been donating from the ripe store of his experience to the upbuilding of the giant institution. It is understood that he is still with the United in spirit. By telepathy or telegraphy or telephony he will still give his advice when it is desired, but he will no longer occupy the inner office and exercise that mysterious sway over the destinies of the mammoth infant which has caused so many people to believe he was "It" in United affairs.

A Handicap to Any Company.

Possibly the United people are not throwing ashes on their heads because he has sought new fields of endeavor. The bumps have been coming rather swiftly of late in the form of depart-

ment bulletins calling attention to the fact—real or alleged—that a chief factor in the promotion of the United was a man whose former exploits had been of an expensive character to the companies to which he had devoted his services. When the organization of the United was started the sentiment against promotions on a high commission basis was not of the same pronounced character as it is now. While Mr. Van Laningham is one of the most resourceful promoters that ever tackled the insurance field, his methods are not of the kind to call out anything but criticism at present, and, notwithstanding his energy and power as an organizer, it is readily conceivable that the linking of his name with that of a company would prove something of a handicap.

EMPLOYERS' LIABILITY INDEMNITY.

A bill was introduced at Albany yesterday to require every employer to provide an insurance policy for each of his employees. For personal injuries where the wages have been \$2,000 or less the indemnity shall be equal to the employee's earnings, and shall be continued through the term of disability. In case of death the full amount of the policy shall be paid, not exceeding \$20,000.

This is but one of many prospective plans which must inevitably crystallize from the nation-wide agitation of the subject of employers' liability and workmen's compensation. It is a healthy sign.

The Northwestern Mutual Life Insurance Co. of Milwaukee

GEO. C. MARKHAM, President
A. S. HATHAWAY, Secretary



New Business Paid-For

1905		\$ 90,334,038
1906		93,563,152
1907		102,233,634
1908		109,773,709

Each year larger than any in the previous history of the Company.

Commenced Business 1858

INSURANCE MEN will note the significant increase in The Northwestern's new business during the past four years.

IMPORTANT FACTS relating to this business are shown by the following percentages:

	Expenses	Mortality	Interest
1905	12.15	67	4.73
1906	11.76	59	4.72
1907	11.81	58	4.76
1908	10.76	59	4.84

It is capable of easy demonstration that The Northwestern is the best Company to insure in.

See The Northwestern's policy contract with its Dividend Options, Paid-up and Endowment Options, Options of Settlement and the Premium Loan feature.

Issues Partnership and Corporation Insurance.

For further information or an Agency, address

H. F. NORRIS,
Superintendent of Agencies.

LIVERPOOL & LONDON & GLOBE

INSURANCE COMPANY

NEW YORK OFFICE, 45 WILLIAM STREET.
H. W. EATON, *Resident Manager.*
G. W. HOYT, *Deputy Manager.*
J. B. KREMER, Jr., and T. A. WEED, *Agency Superintendents.*

NEW ENGLAND STATES, NEW YORK, NEW JERSEY, PENNSYLVANIA, MARYLAND, DELAWARE, DISTRICT OF COLUMBIA, VIRGINIA, W. VIRGINIA, NORTH CAROLINA, SOUTH CAROLINA, OHIO, INDIANA, KENTUCKY, TENNESSEE, ARKANSAS.

NEW ORLEANS OFFICE, COR. CARONDELET & COMMON STS.
CLARENCE F. LOW, *Resident Secretary.*
J. G. PEPPER, *Assistant Secretary.*
THOS. H. ANDERSON, *Deputy Asst. Sec.*

LOUISIANA, MISSISSIPPI, ALABAMA, TEXAS, FLORIDA, GEORGIA.

CHICAGO OFFICE, 205 LA SALLE STREET.
W. S. WARREN, *Resident Secretary.*
GEO. H. MOORE, *Assistant Secretary.*
HUGH R. LOUDON, *Deputy Asst. Sec.*

ILLINOIS, MICHIGAN, IOWA, WISCONSIN, MINNESOTA, MISSOURI, KANSAS, NEBRASKA, COLORADO, N. DAKOTA, S. DAKOTA, MONTANA, UTAH, WYOMING, NEW MEXICO, OKLAHOMA.

SAN FRANCISCO OFFICE, 44 CALIFORNIA ST.
CHARLES D. HAVEN, *Resident Secretary.*
C. MASON KINNE, *Assistant Secretary.*
JOHN W. GUNN, *Deputy Asst. Sec.*

CALIFORNIA, NEVADA, OREGON, WASHINGTON, IDAHO, ARIZONA, ALASKA.

Established 1836. **Entered U. S. 1848.**

The statement of the condition of the United States Branch on the 1st of January, 1909, in accordance with the laws of the State of New York, is as follows:

ASSETS	\$13,212,749.70
LIABILITIES	8,238,870.50
SURPLUS	\$4,973,879.20

As an illustration of the Company's practice in maintaining its Assets in the United States in years of excessive loss, the following figures may interest policyholders:

Year.	Assets at January 1.	Income.	Expenditure.	Excess of Expenditure.
1871	\$3,054,361	\$3,163,901	\$5,122,653	\$1,958,752
1872	3,640,450	3,733,101	4,484,999	751,898
1873	4,165,290			

THUS SHOWING EXCESS OF EXPENDITURE IN THE TWO YEARS OF \$2,710,650
AND INCREASE OF ASSETS IN THE SAME TIME OF 1,110,929

PROGRESS of the United States Branch: Net Fire Premiums—1848, \$4,519; 1858, \$471,998; 1868, \$1,739,620; 1878, \$2,422,126; 1888, \$3,028,010; 1898, \$4,079,422; 1908, \$7,427,617.63.

LOSSES—The amount paid in satisfaction of fire losses in the United States to the beginning of the present year was \$115,772,000. This large sum, in conjunction with the growth of the Company's business, evinces the confidence of the public and the faithfulness with which the Company's losses are adjusted and settled.

The Preferred
 ACCIDENT INSURANCE COMPANY
 of New York

SUPERIOR POLICIES

KIMBALL C. ATWOOD, President,
 290-292 Broadway, New York.

201st YEAR

SUN
 Insurance Office
 OF LONDON.

FOUNDED 1710.

UNITED STATES BRANCH:

54 PINE STREET, NEW YORK.

WESTERN DEPARTMENT:

171 LA SALLE ST., CHICAGO.

PACIFIC DEPARTMENT:

Sansome & Sacramento Sts.,
 SAN FRANCISCO, CAL.

AGENTS WANTED
 AT UNREPRESENTED POINTS.

The Best, Safest, Most Liberal and Most Equitable Forms of Policy Contracts
 are issued by the

JOHN HANCOCK MUTUAL LIFE
 INSURANCE CO. OF BOSTON, MASS.

ROLAND O. LAMB, President.

WALTON L. CROCKER, Secretary.

Issues the Most Perfect Forms of Life, Endowment, Instalment and Term
 Policies. Greatest Sellers in the Market.

LIBERAL CONTRACTS TO THE RIGHT MEN.

ROBERT K. EATON, Supt. of Agencies, Boston.

WILLIAM N. COMPTON, General Agent, Metropolitan District
 St. Paul Building

220 Broadway, New York

UNITED SURETY COMPANY
 BALTIMORE, MD.

HENRY G. PENNIMAN PRES.

JOHN B. MURPHY,

Resident Vice-President.

84 WILLIAM STREET - - NEW YORK

Telephone, John 1770 - 1771.

HOME OFFICE OF THE

Metropolitan Life Insurance Company

(INCORPORATED BY THE STATE OF NEW YORK, STOCK COMPANY)

The Company OF the People, BY the People, FOR the People

PROOF OF PUBLIC CONFIDENCE.

This company has more premium paying business in force in the United States than any other company, and for each of the last 15 years has had more New Insurances accepted and issued in America than any other company.

The number of Policies in force is greater than that of any other Company in America, greater than all the Regular Life Insurance Companies put together (less one), and can only be appreciated by comparison. It is a greater number than the Combined Population of Greater New York, Chicago, Philadelphia, Boston, St. Louis, Cleveland, Cincinnati, San Francisco, Pittsburg, Baltimore, New Orleans and Buffalo.

Assets.

United States, City and R.	
R. Bonds and Stocks.....	\$99,630,935.56
Bonds and Mortgages.....	90,795,319.02
Real Estate	22,444,627.78
Cash	4,775,988.79
Demand Loans on Collateral,	
Loans to Policyholders.....	2,192,702.00
Prem. deferred and in course	
of collection (net).....	5,200,922.97
Accrued Int., Rents, etc....	2,820,502.29
Total	\$236,927,361.19

Liabilities.

Reinsurance Fund and	
Special Reserves.....	\$208,134,891.00
All other Liabilities.....	6,669,563.07
Capital and Surplus.....	22,122,907.12
Total	\$236,927,361.19



Largest Office Building in the World—
 Madison Ave., Fourth Ave., 23d St.
 and 24th St., New York City.

THE DAILY AVERAGE OF THE COMPANY'S BUSINESS DURING 1908:

441 per day in number of Claims Paid.
 6,343 per day in number of Policies placed
 and paid for.
 \$1,202,352.87 per day in New Insurance
 placed and paid for.
 \$166,633.89 per day in Payments to Policy-
 holders and addition to Reserve.
 \$126,996.37 per day in Increase of Assets.

OFFICERS.

John R. Hegeman.....President
 Haley Fiske.....Vice-President
 George H. Gaston.....2nd Vice-President
 George B. Woodward.....3rd Vice-President
 Frank O. Ayres.....4th Vice-President
 James M. Craig.....Actuary
 Frederick H. Ecker.....Treasurer
 Walter Stabler.....Comptroller
 James S. Roberts.....Secretary
 John R. Hegeman, Jr.....Asst. Secretary
 J. J. Thompson.....Assistant Secretary
 T. R. Richardson.....Assistant Secretary
 F. F. Taylor.....Assistant Secretary
 Frederick A. Betts.....Assistant Secretary
 George C. Penhallow.....Assistant Secretary
 Stewart L. Woodford.....Counsel
 Thomas A. Willard, M. D.....Med. Director
 Augustus S. Knight, M. D.....Med. Director
 W. S. Manners, M. D.....Asst. Med. Director
 E. M. Holden, M. D.....Asst. Med. Director
 D. M. Gedge, M. D.....Asst. Med. Director
 I. J. Cahen.....Manager Ordinary Dept.
 Lee K. Frankel, Ph. D.....Mgr. Indus. Dept.
 Jacob Chadayne.....Mgr. Intermediate Dept.
 Chas. G. Reiter.....Asst. Actuary
 James C. Brown.....Asst. Actuary
 James D. Craig.....Asst. Actuary
 Raymond V. Carpenter.....Asst. Actuary

Paid to Policyholders since Organization, plus the Amount now invested for their Security, \$470,366,769.36.
 Number of Policies, in Force, Dec. 31, 1908, 9,960,106. Total Outstanding Insur. Placed and Paid For, Dec. 31, 1908, \$1,861,890,803.

In its Ordinary Department policies are issued for from \$1,000 to \$1,000,000 on individual lives, premiums payable annually, semi-annually and quarterly. In its Industrial Department policies are issued on all the insurable members of the family for weekly premiums.

Full particulars regarding the plans of the Metropolitan may be obtained at its Home Office, 1 Madison Avenue, New York City, or of its Agents in all the principal cities of the United States and Canada.

IN PRESS

Survivorship Annuity Tables

Net Premiums, Mean and Terminal Reserves

**American Experience Table,
LIFE OF NOMINATOR**

**Danish Survivorship Annuitants' Table,
LIFE OF ANNUITANT**

And 3 1-2 Per Cent. Interest

BY

MILES M. DAWSON,
Consulting Actuary

Ready for Delivery March 1, 1910

Advance Sheets (now ready for delivery) giving net premiums for all combinations of ages, above 20 for annuitant and above 20 and under 61 for nominator, will be sent to any purchaser whose order is received before publication of the book.

SEND ALL ORDERS TO

The Chronicle Co. (Ltd.)

No. 90 William St.

NEW YORK

The Chronicle.

1866

Published by THE CHRONICLE COMPANY, Ltd., 90 William St., New York City.

1910

VOLUME LXXXV.

New York, January 27, 1910.

NUMBER 4

60th ANNUAL STATEMENT OF THE National Life Insurance Company MONTPELIER, VERMONT JANUARY 1, 1910

CASH INCOME.		DISBURSEMENTS.	
Premiums	\$5,655,775.43	Death Claims	\$1,577,115.49
Interest and Rents	2,053,048.38	Dividends	530,213.19
Considerations for Annuities.....	708,960.22	Annuities	345,597.12
All other Sources	491.37	Matured Endowments	468,932.40
Total	\$8,418,275.40	Surrender Values	955,921.48
		Total to Policyholders	3,877,779.68
		All other disbursements.....	1,240,343.24
		Income Saved	\$3,300,152.48
		Total	\$8,418,275.40
ASSETS.		LIABILITIES.	
(Paid for Basis.)		(Paid for Basis.)	
U. S., State and Municipal Bonds.....	\$17,565,725.48	Insurance Reserves	\$36,662,825.00
Mortgages, First Liens	19,625,314.76	Annuity Reserves	3,618,375.00
Policy Loans and Premium Notes.....	7,466,191.17	Extra Reserves	189,285.27
Real Estate, Book Value	364,500.00	Trust Fund Reserves	96,663.00
Cash in Banks and Office.....	855,539.38	Policy Claims under adjustment.....	91,628.36
Interest and Rents due and accrued.....	951,623.79	Other Liabilities	78,812.84
Deferred and Unreported Premiums.....	659,962.48	Taxes payable in 1910.....	161,031.19
Due from Agents	2,141.92	Dividends payable in 1910.....	762,509.46
Total	\$47,490,998.98	Surplus	\$5,829,868.86
		Total	\$47,490,998.98
THE YEAR 1909 SHOWS:		DIVIDENDS 1910:	
Increase in Assets	\$3,464,929	Cash dividends payable.....	\$762,509.46
Increase in Surplus.....	549,943	Increase in deferred dividend credits.....	186,564.23
Increase in Insurance.....	5,040,034	Increase in general surplus.....	363,378.93
New Insurance paid for.....	16,861,778	Total	\$1,312,452.62
Insurance in Force	159,187,877		

OFFICERS:

JOSEPH A. De BOER, President.
FRED A. HOWLAND, Vice-President.
JAMES B. ESTEE, Second Vice-President.
Osman D. CLARK, Secretary.

HARRY M. CUTLER, Treasurer.
CLARENCE E. MOULTON, Actuary.
ARTHUR B. BISBEE, M.D., Medical Director,
E. A. COLTON, M.D., Assistant Medical Director.

MAKLEY & GSELLER, General Managers, 149 Broadway, New York, N. Y.
J. V. ALEXANDER, General Manager, 1134-6 Granite Building, Rochester, N. Y.
DAY L. ANDERSON, General Manager, 386 Ellicott Square, Buffalo, N. Y.
M. H. MULLENNEAUX, Manager, 119 State Street, Albany, N. Y.
WM. V. DONOVAN, Manager, 304 National State Bank Building, Troy, N. Y.

60th Annual Statement

OF THE

Aetna Life Insurance Company

HARTFORD, CONNECTICUT

MORGAN G. BULKELEY, President

Life, Accident, Health and Liability Insurance

JANUARY 1, 1910

ASSETS.		LIABILITIES.	
Real Estate acquired by foreclosure.....	\$108,832.63	Reserve on Life, Endowment and Term Policies	\$80,891,117.00
Office Building	500,000.00	Special Reserve, not included above.....	592,290.00
Cash on hand and in Banks.....	4,400,439.77	Premiums paid in advance, and other liabilities	511,955.60
Stocks and Bonds.....	30,559,665.78	Unearned Interest on Policy Loans	208,303.78
Mortgages secured by Real Estate.....	47,373,263.55	Accrued Taxes	484,173.98
Loans on Collateral	1,231,104.84	Surplus reserved for special class of Policies and dividends to Policyholders payable on Demand	979,906.54
Loans secured by policies of this company..	7,806,675.97	Losses and claims awaiting proof, and not yet due	457,693.44
Interest due and accrued December 31, 1909..	1,786,031.24	Unearned Premiums on Accident, Health and Liability Insurance	2,086,209.44
Premiums in course of collection and Deferred Premiums	1,446,485.72	Reserve for Liability claims.....	1,343,500.00
Market Value of Securities over cost, less Assets not admitted	2,015,108.49	Surplus to Policyholders	9,672,458.21
Total Assets	\$97,227,607.99	Total Liabilities	\$97,227,607.99
INCOME.		DISBURSEMENTS.	
Premiums	\$16,174,922.52	Payments to Policyholders.....	\$11,337,101.34
Interest, Rents, etc.....	4,412,333.08	Taxes	490,255.48
Total Income in 1909.....	\$20,587,255.60	All other Disbursements	4,556,139.18
Total Disbursements in 1909.....		Total Disbursements in 1909.....	\$16,383,496.00
GAINS DURING 1909.			
Increase in Premium Income.....	\$ 721,994.69	Increase in Life Insurance in Force.....	13,858,006.12
Increase in Total Income.....	1,307,615.20	Total Life Insurance in Force Dec. 31, 1909.	293,523,233.00
Increase in Surplus.....	1,903,257.17	Total paid policyholders since organization in 1850	194,440,420.28
Increase in Assets.....	5,102,983.29		

The Northwestern Mutual Life Insurance Co. of Milwaukee

GEO. C. MARKHAM, President
A. S. HATHAWAY, Secretary



New Business Paid-For

1905	\$ 90,334,038
1906	93,563,452
1907	102,233,631
1908	109,773,709

Each year larger than any in the previous history of the Company.

Commenced Business 1858

INSURANCE MEN will note the significant increase in The Northwestern's new business during the past four years.

IMPORTANT FACTS relating to this business are shown by the following percentages:

	Expenses	Mortality	Interest
1905	12.15	67	4.73
1906	11.76	59	4.72
1907	11.81	58	4.76
1908	10.76	59	4.84

It is capable of easy demonstration that The Northwestern is the best Company to insure in.

See The Northwestern's policy contract with its Dividend Options, Paid-up and Endowment Options, Options of Settlement and the Premium Loan feature. Issues Partnership and Corporation Insurance. For further information or an Agency, address

H. F. NORRIS,
Superintendent of Agencies.

The Chronicle

VOLUME LXXXV.

NEW YORK, THURSDAY, JANUARY 27, 1910.

NUMBER 4

ALFRED B. DAWSON, President.
R. B. Dawson, Treasurer. Chas. D. O'Brien, Secretary.
Emil Schwab, Manager New England Department,
178 Devonshire Street, Boston, Mass.

All communications should be addressed to and remittances should be made to The Chronicle Company, Limited.
Entered at the Post Office, New York, N. Y., as Second Class Mail Matter.

PUBLISHED EVERY THURSDAY BY
THE CHRONICLE COMPANY, Limited.
No. 90 WILLIAM ST., NEW YORK.
Phone "567 John." Cable Address, "Chronogram," New York.

Subscription Price:
Three Dollars a Year. Single Copies, Twenty-five Cents.
Postage Prepaid in the United States and Canada.

Court of Appeals Smashes Section 97.

The New York Court of Appeals, on the 25th inst., handed down a decision in the case of Travelers Insurance Co. vs. William H. Hotchkiss, as Superintendent of Insurance, affirming the decision of the Appellate Division, Third Department, to the effect that the "select and ultimate margins," which are to be counted as a part of the aggregate to which the cost of new business of life insurance companies doing business in New York is limited under section 97, is not the margin which, on the basis of the select and ultimate method, can actually be realized from the premiums actually paid or to be paid, but a purely theoretical amount, ascertained at the moment the policy is issued and not thereafter to be affected by any question as to whether the net premium is sufficient to enable this full margin to be realized or the policy actually continues in force beyond one month, three months, or six months.

Possible Effect of Decision.

The Insurance Department has so far adhered to its original ruling, which was that no more than could be realized from the net premiums, after providing for mortality for the year, as per the select and ultimate table, would in any case be available. This ruling, which was supported by two opinions of the Attorney General, was based upon a construction of the language "ascertained according to the select and ultimate method of valuation," which was held by the department to signify that the smallest value that could be charged as a reserve, would be a sum sufficient to cover the mortality on this minimum basis until the next premium or instalment of premium was paid.

Had the present decision been rendered in the year 1907 there is

little doubt that in view of the sentiment which was then generally cherished in respect to the limitation upon cost of new business, it would have destroyed the effectiveness of what is now conceded to have been the most important and beneficial provision of the Armstrong laws. At that time there was on foot active movements on the part of several leading companies to take advantage of what they were advised, were loopholes in the law, to enlarge their first year expenditures in one or more of the following ways:

First, by writing a great deal of term insurance upon which the theoretical margins were larger than were needed, and, taken together with the loading upon the net premiums were in some cases considerably more than the entire annual premiums, and to pay correspondingly larger commissions upon such policies, and, also, for instance, upon non-participating whole life policies at the younger ages, as to which the same phenomenon was found to exist.

Second, to increase the commissions upon these policies somewhat, although not nearly to as high a point as the theoretical margins would admit of, thus unduly stimulating the sale of term insurance and other low premium policies, and to utilize the remainder of the theoretical margins thus set free to increase commissions on other policies.

Third, to utilize the theoretical margins upon quarterly premium policies which lapse before the end of the calendar year in which they are issued, to increase the commissions on all or some of the policies issued.

That danger was that by some of these means, or all of them, a company could virtually evade the restrictions of section 97 as regards the

cost of new business, altogether; because by the sale of a large number of policies on cheap term plans, or even on the whole life plan in some cases and at some ages, such sales being entirely fictitious or rebated to the limit, a large apparent increase in the aggregate theoretical margins could be made, which would be available to cover any deficiency upon the transaction of the bona fide new business. There was also the fact that, by writing an excessive amount of low premium business and paying therefor more than could be paid and have the same be profitable, a company would be found to be falling behind in surplus on account of extravagance, while at the same time appearing to live within the restrictions which were intended to guard against extravagance.

It was thought that upon ten-year term premiums, if the entire amount of the extra and fictitious theoretical margins were applied to pay commissions upon the same, a commission of at least 75 per cent. could be paid; and it was also known that if any such commission were paid, there would be a large actual deficiency, and, in view of the impossibility of preventing rebating in case large commissions were paid, a large final loss upon such business.

The management of certain companies, however, reasoned it out as follows: "By writing about a certain proportion of our total business on the term plan, we can set free enough money to pay a commission on all other plans, equal to at least 5 per cent. on a whole life premium larger than the law appears to admit of."

The two great companies which write a very large amount of quarterly premium business, are under-

HORACE WHITE DEEPER IN THE MIRE.

In contradiction of the "bunk" which Lieutenant-Governor White has been handing the press regarding his connection with the People's Mutual Life Association and League scandal, comes the sworn testimony of President Iram C. Reed, who says that "White was in the whole deal from start to finish."

If it is true that the \$20,000 which Lieutenant Governor White paid himself from funds that belonged to the People's Mutual was to cancel a debt owed him by John Tevis for his services in connection with the "negotiations for the Provident Savings stock" and the "negotiations for the Washington Life," the further testimony of President Reed causes one to wonder what kind of deals were on in these two transactions. Mr. Reed swore that "Lieutenant Governor White said he had various transactions of this kind that he had handled before and that they had always gone through all right and never had any trouble from them in any way, shape or manner."

Sure of His Ground.

The New York "American" of the 24th inst. says that "it will be shown before the disclosures are completed that for years a cabal of powerful politicians of both the old parties has been preying upon small, weak insurance companies in this State, and that the members of the cabal have reaped enormous profits from their operations." If this is a fact, the testimony of Dr. Kinne, the medical director, who swore that White conveyed the impression that the deal "would be favorably received by the Insurance Department," is amusingly interesting. It shows the absolute confidence of White and his associates, that their past experiences were a guarantee that they could "get away with it" with the Insurance Department.

Only \$2,350 Actually Put Up by the Promoters.

The latest statement in this connection issued by the Insurance Department is in part as follows:

John Tevis, a promoter, whose specialty is the purchase of life insurance companies, seems by the expenditure of only \$2,350 to have rented from Moran & Co., of New York, 25,000 shares of the capital stock of the Big Vein Copper Mine Company, which he claims to be worth upward of \$150,000, and with such rented stock to have secured what he claims to have been a loan to him from the Farmers Bank of Canada of \$150,000, with which sum, after taking out \$10,000 for personal use, he paid certain of his obligations, and by a disbursement of \$110,000, acquired control of a fraternal beneficial society with liquid assets of practically \$3,000,000.

"Now You See It and Now You Don't."

The present transaction seems to have started with this alleged loan, the loan being represented by Canadian currency brought to Syracuse in a satchel by General Manager Travers, of the Farmers Bank, on the evening of December 18, and by him taken to the First National Bank of Syracuse on the morning of December 20, there counted in the presence of the cashier, placed again in the satchel, the satchel being locked and placed inside the door of the bank vault. There the satchel remained until the evening when it was opened, the existence of the currency inside noted, the satchel again locked, and taken by Mr. Travers back to Canada.

The claim is made by Mr. Travers that he brought the currency, expecting that he would be met in Syracuse by one Herd, of New York, who would give him a certified check for \$150,000 in exchange therefor. A credit on the books of the First National Bank was, however, necessary. Hence as part of the arrangement a resolution drawn, it is understood, by Lieutenant Governor White, was adopted by the directors of the People's Mutual on the morning of December 21, with the result that \$180,000 of its securities were purchased by the First National Bank and \$150,000 of this sum passed to the credit of Lieutenant Governor White as trustee, whereupon the certificate of deposit was delivered to the People's Mutual.

In the opinion of the department, therefore, if the Farmers Bank rightfully repudiates the certificate, the transaction narrows itself into a small compass of a sale by the People's Mutual of its own securities, that the avails of such securities might be distributed among the officers of the People's Mutual in consideration of their resignations.

A MONUMENT TO LOCAL ENTERPRISE.

The Portland "Evening Express" very fittingly says: "It is too late in the history of civilization for the life insurance idea to need defense or promotion in public journals. Its beneficiaries have been too numerous, its benefits have carried too far for any to be unfamiliar with the good it does. Our home company (the Union Mutual Life Insurance Company), offered and managed by our neighbors and friends, men of the highest rectitude, with whose daily lives we are all familiar, stands as a monument to local enterprise."

The 60th annual report of this company shows that it made more general advancement in 1909 than in any recent year. Under the guidance of President Fred E. Richards, the company has been noted for its conservatism. It closes the year with total assets of \$16,084,398 and surplus of \$1,337,628.

INSURANCE COMPANY SECURITIES.

The book containing the list of securities held by insurance companies with the valuations affixed as of December 31, 1909, prepared by the special committee of the National Convention of Insurance Commissioners, was completed this week.

A supplemental list containing stocks not in the present edition will be issued by February 1.

The valuations are, as far as possible, on a purchasing basis. In accordance with the requirements of the uniform statement blank adopted by the National Convention of Insurance Commissioners, values of bonds are given in every case not including accrued interest. Stocks have been valued on a flat basis, dividends declared and unpaid December 31, 1909, being included in the market value. In quoting the value of stocks the price per cent. (not per share) has in all cases been given.

For securities quoted only at long intervals, the most recent sale price was used, or in the absence of this, the most recent bid or asked price that could be obtained. Where, in the opinion of the expert employed in making the valuation, the quoted prices were merely nominal, the figures were adjusted according to his best judgment. Where there had been no sales or bids, it was necessary in valuing the securities to depend upon rates of dividends or interest paid, the book value of the security, subscription price, and in general the financial condition of the issuing company and the rates for similar securities.

The list is classified in groups and alphabetically arranged within each group.

The expert making the valuations was Marvyn Scudder, 55 Wall street, New York City, with whom a contract for the work was made by the special committee appointed by authority of the last Convention of Insurance Commissioners.

The UNION CENTRAL LIFE of Cincinnati

Has several good openings for first-class men. It is the Company of companies for the agent who will make an aggressive campaign for business, and who wants to win in competition.

The Union Central earns the highest rate of interest on its investments of all American companies.

THE BEST COMPANY For The Policyholder.

Address

JESSE R. CLARK, President, or
ALLAN WATERS, Sup't of Agents.

COURT OF APPEALS SMASHES SECTION 97.

(Continued from Page 1.)

stood to have discovered that, if they could utilize this method, they would obtain an additional theoretical margin, due to quarterly premium policies written and lapsing in the same calendar year sufficient to enable them to pay 10 per cent. of the ordinary life premium more on all plans.

Another company, doing a non-participating business exclusively, is understood to have come to the conclusion that it could increase its commissions at least by the equivalent of 5 per cent. on the ordinary rate plan, and possibly by the equivalent of 10 per cent., by taking into account the additional theoretical margins which would be set free on certain whole life policies and also on certain quarterly and semi-annual premium policies, written and lapsing in the same year.

What Will Be the Result Now?

There is little doubt that had all this been available in 1907 and 1908 when the general sentiment was unfavorable to this restriction, demoralization would have resulted. It is still possible for one or more companies to do something to destroy the work which has been accomplished; but it is not believed to be probable that most of the companies, or, indeed, many of them, would join in such a movement. In other words, the sentiment is now much more favorable to the restriction and to the principle involved in it and the practices of companies, having been brought to conform with the law as previously construed, are not likely to be widely altered.

At the same time, the decision undoubtedly emasculates section 97 and renders it susceptible of the gravest abuses. Instead of being a guide as to what can be profitably paid for new business, it is not unlikely that it will be a trap in this respect to some of the companies, the management of which may not yet be convinced of the merits of the standard, set up as a measure of profitable expenditure for new business.

Should Not Publicity Be Substituted?

This condition, which cannot be regarded as altogether satisfactory, must give rise to the question whether it would not be better to abandon the idea of restriction and to amend the law as regards publicity, so as to set up the standard as the statute was originally construed. It is not impossible that the value of the select and ultimate method as a measure of profitable expenditure would be greatly impaired if the statute as now con-

strued should hereafter be abused in any one of the manners to which it is now laid open. If restriction was necessary at the outset, it is not probable that its continuance, now that the practices of companies have been reformed, is so important that the opportunity should be offered of making the statute itself a laughing stock by reason of ready and ruinous evasions of the same.

Such would undoubtedly have been its fate, had the insurance department and the Attorney General held originally, as the Court of Appeals now holds; and, indeed, every preparation had been made to kill the statute by ridicule, when the Convention of the National Association of Life Underwriters opened at Toronto in 1907, which program was upset by the distribution at the opening of the session, of copies of "The Chronicle," showing that Hon. Otto Kelsey, Superintendent of Insurance, had so construed the law that the abuses and evasions by which it was believed that it could be rendered nugatory, could not be practiced.

Insurance Superintendent Burns, of Kansas, has issued his list of special hazards to which the recent rate reduction does not apply. There are comparatively few changes from the original list.

A FORTUNATE ILLNESS.

While Isaac Miller Hamilton, of Chicago, president of the Federal Life and of the American Life Convention, is not only respected by members of the last named organization, but has a warm place in their affections, nevertheless some of them are inclined to look upon a recent attack of illness that he suffered as in a sense providential. Last week Mr. Hamilton was to have addressed the Association of Life Insurance Presidents on the subject of reinsurance and mergers of life companies. Some of the members of the American Life Convention would much have preferred to have Mr. Hamilton decline the invitation to speak. Some others are sensitive on the subject of reinsurance and mergers. There have been entirely too many predictions that these will be common among companies of recent origin to make their discussion a pleasant subject. It is too much like telling a sick man stories about people who have died of his complaint. Therefore, when a visitation of providence prevented Mr. Hamilton both from mingling with the Eastern presidents and talking on a delicate subject, some of his friends, while deeply regretting the physical pain and personal disappointment he suffered, are said to have shown considerable complacency.

Fifty-Eighth Annual Statement of the Massachusetts Mutual Life Insurance Company Springfield, Mass. Year Ending December 31, 1909 On the basis of Paid-for Insurance

Income.	
Premiums	\$8,394,558
Net increase in book values of bonds, by adjustment for future amortization	445,587
Interest, rents, and all other income.....	2,582,324
Total Income	\$11,422,469
Disbursements.	
Death claims and matured endowments.....	\$2,756,838
Surplus returned to policyholders in dividends	1,335,353
Surrendered and canceled policies.....	1,114,095
Total payments to policyholders.....	\$5,206,286
All other disbursements	1,700,880
Total disbursements	\$6,907,166
Total Assets	\$55,164,772
Total Liabilities	50,649,050
Surplus, December 31, 1909.....	\$4,515,722
New Insurance paid for in 1909 under 12,358 policies.....	
Insurance in force (including paid-up additions) December 31, 1909, under 107,753 policies.....	
Gains.	
In assets	\$4,109,378
In surplus	645,437
In income, exclusive of adjustment of book values shown above.	804,896
In payments to policyholders.....	381,168
In new Insurance	7,559,734
In Insurance in force.....	18,028,895

NEW YORK CITY AGENCY,
1401 Empire Building, 71 Broadway.

FINE SHOWING OF THE AETNA LIFE.

Dating its organization back to the middle of the nineteenth century, the Aetna Life Insurance Company, of Hartford, Conn., not only can look back upon sixty years of beneficent and fruitful activity, but can also look forward to the continuance, indefinitely, of its good work. The showing of the Aetna Life's sixtieth annual statement, summarizing the income and disbursements of the company in 1909, and its condition, as of January 1, 1910, splendidly confirms its progressive strength, the ability of its administrative and its field forces, and the sterling quality of the protection it grants its policyholders in its various branches of life accident health and liability insurance. The Aetna Life entered the gates of 1910 possessed of well invested assets to the amount of \$97,227,607.99, whereof \$9,672,458.21 figures as surplus to policyholders. The company's income last year aggregated \$20,587,255.60, and it disbursed to policyholders the very substantial total of \$11,337,101.34. The Aetna Life last year also made notable gains in the elements that make for the strength and usefulness of an insurance company. There was an increase in premium income of \$721,994.69; in total income, of \$1,307,615.20; in surplus, of \$1,903,257.17; in assets, of \$5,102,983.29, and, of life insurance in force, \$13,858,006.12. The grand aggregate of life insurance in force in the company was \$293,523,233 at the end of last year, and, since its organization in 1850, the Aetna Life has paid its policyholders the tremendous sum of \$194,440,420.28. Surely, all that have the good fortune to be connected with the Aetna Life, either as officers, agents or policyholders, cannot fail to view its past achievements and its outlook for the future with the most profound satisfaction.

BETTER AND STRONGER THAN EVER.

The methods by which the former management of the Provident Savings Life Assurance Society permitted politicians and others to prey upon the society were a caution. So rotten were they that hardly had the Armstrong Investigating Committee completed its work before the president resigned. Even if bad, as he was charged with being, Scott should at least be given credit for getting the business that, with all its years of mismanagement, made the society's very continuance possible.

President Scott was succeeded in office by Timothy L. Woodruff. The abuses in his administration and the administration that followed, more or less under his domination, are too nu-

merous to be recounted here. The Knocks that the Provident Savings Life Assurance Society stood up under for four years would have toppled any bank over in twenty-four hours.

Fortunately the policyholders stood by **their** institution. They paid their premiums and permitted the grafters to kill themselves off. Still more fortunate was it that, though badgered and battered and barely in the ring, just one year ago, the society came into the hands of two real men, one now its largest stockholder, Judge Lockwood, and the other its president, Hon. E. E. Rittenhouse.

Few legal reserve life insurance companies have ever had the trials of the Provident Savings, and, under the conditions, none have ever recovered in the space of one year and attained such prestige and financial soundness as the society now enjoys. This should be appreciated by agents and policyholders alike.

The Provident Savings for the first time has an impetus worth while behind it. It has a conservative guiding hand at the helm. It has the right men in the right place. The following record of the first year, under the new management, proves this conclusively:

The present management took charge on January 1, 1909. The impairment was then \$133,000.

About the middle of 1909 the society asked the New York Insurance Department to make an examination with a view to issuing a certificate for the resumption of the writing of new business. A very searching examination was made which showed a surplus of \$70,000. The surplus at the close of the year was nearly \$155,000.

The company is now operating in nine States, and will enter three more within the next three weeks.

The assets of the society have increased during 1909 to the extent of \$356,000, and the surplus shows a net gain of about \$287,000.

THE PACIFIC'S FINE SHOWING.

The annual statement of the Pacific Mutual Life Insurance Company, of California, shows that 1909 was the most prosperous year that the company has ever had. Especially in the accident department did it make great gains. The increase in new business written in 1909 over that of 1908 is nearly \$3,000,000. The increase in the business in force is over \$7,000,000. The company was able to increase its assets over \$2,000,000, making a total of \$18,429,204, of which the surplus to policyholders is \$1,628,002, plus \$223,879, which has been set aside for future dividends. It is, indeed, a very creditable showing. President Cochran has good reason to congratulate his agency force.

AVAUNT! YE HOOKWORM.

He was a mournful looking wreck, with yellow face and scrawny neck, and weary eyes that looked as though they had monopoly of woe. Too tired to get his labors done, all day he loitered in the sun, and filled the air with yawns and moans, while people called him Lazybones. One day the doctor came and said: "Brace up, my friend! Hold up your head! The hookworm, deadly as an asp, has got you in its loathsome grasp! But I will break the hookworm loose, and cook its everlasting goose! Swing wide your mouth; and do not cringe—" and then he took his big syringe, and shot about a quart of dope, that tasted like a bar of soap, adown the patient's yawning throat—"I guess I got that hookworm's goat!" One gasping breath the patient drew, and bit a lightning rod in two, and vaulted over his cottage roof; and then, on nimble, joyous hoof, he sped across the windswept plain, and burned a school and robbed a train. The doctor watched his patient streak across the landscape sere and bleak, and said: "It makes my bosom warm! What wonders Science can perform!"—"Insurance Vindicator," New Orleans.

NOTEWORTHY ADVANCE.

The **BERKSHIRE LIFE** **Insurance Company,**

OF PITTSFIELD, MASSACHUSETTS,
takes an advanced step in the interest of the policyholder by the adoption of the following liberal features in its new policy contract:

Low premium rates.
Large surrender values.
Dividends at the end of each policy year.

Thirty-one days of grace in payment of all premiums after the first year.

Paid-up insurance or cash surrender value or extended insurance after two years' premiums have been paid.

Loans for the full cash surrender value.

Policy payable in one sum or in installments for terms of years.

Policy incontestable, and no restrictions upon residence, travel and occupation, after the first policy year, except as to military or naval service in time of war.

Right of the insured to change the beneficiary.

Liberal re-instatement privileges.

Every effort has been made to make this new policy the very perfection in a life insurance contract.

For further information apply to
JOHN H. ROBINSON, General Agent
For New York and New Jersey,
Postal Building,
253 Broadway, NEW YORK.

ANOTHER "QUEER DEAL."

On Sunday last Superintendent of Insurance of Ohio, Judge C. C. Lemert, applied to the Attorney General of that State for immediate action against the officers of the Bankers Reserve Fund Life Insurance Company of Cincinnati. Judge Lemert charges that the officers have deliberately attempted to loot the company by paying salaries wholly out of proportion to the business; that they have manipulated the assets of the concern, and have deceived the Insurance Department by padding the amount of insurance in force.

In his charges he refers to an alleged secret agreement between General Manager Ainsworth and the National Life and Accident Company, of South Dakota, by which Ainsworth was to receive \$50,000 when the proposed merger of the two companies was consummated.

Ainsworth had already received the sum of \$25,000 as part payment, but since the commissioner's action this has been paid back.

In this connection, T. A. Campbell, Chicago manager of the First National Life & Accident Company, who conducted the negotiations for the merger, was arrested in Cincinnati on Monday, charged with larceny.

\$500 Fee to an Ex-Official.

The reply of Vice-President Ainsworth practically denies all the charges of Commissioner Lemert, and is only interesting in the counter-charges which are, in part, as follows:

The view expressed by Superintendent Lemert is applicable to fraternal organizations only and not to companies conducted for profit. * * * The lapsing (by the Insurance Department) of a large number of policies in force and the charging out their reserve was a high-handed proceeding, reducing the company's volume of business as well as its credits of assets. The charging of dividends not earned or apportioned as a present liability is without precedent.

The railroading through the Ohio Department of the application of the Dakota company for a license, over the applications of other companies to do business in the State and the side-tracking of the same so as to give the South Dakota company the right of way was, to say the least, indecorous, but the stimulus of a \$500 fee to an ex-insurance superintendent was all potential regardless of the rights and privileges of the waiting companies.

NATIONAL PROSPERITY.

President DeBoer and his associates have reason to be proud of the 60th annual statement of the National Life Insurance Company, of Vermont. The company has on hand a surplus of \$5,829,869. Of this amount \$762,509 represents cash dividends payable in 1910, aside from which the increase in deferred dividend credits for the year

is \$186,564.23. Taken together with the increase of the general surplus this makes a total of \$1,312,453.

The cash income for the year 1909 amounted to \$8,418,275, while the total disbursement to policyholders was \$3,877,780.

Of its total assets of \$47,491,000, the officers of this company have invested \$45,000,000 in the very highest class of securities. In fact, this sum represents just three investments—municipal bonds, first lien mortgages and policy loans. The remaining \$2,000,000 is cash in banks and office, deferred and unreported premiums and a small real estate investment. In an institution of the size of the National this is a remarkable condition.

THE MASSACHUSETTS LIFE'S BEST YEAR.

The year 1909 was by far the most prosperous year in the history of the Massachusetts Mutual Life Insurance Company. Not only did the amount of new business paid for exceed that of any previous year, but the actual mortality was away below the expected, being less than 69 per cent. The total expenses for the year were only 18 per cent. of the premium receipts. This was made possible by the fact that this year, as in the past, no efforts were made by the home office to stimulate unduly the activity of the representatives in the field. The ability of the present field force can be testified to by the fact that, without any abnormal pressure whatsoever they furnished the company with \$34,000,000 worth of new business. During the year just closed the company distributed \$1,335,353 among its policyholders. This will greatly assist the agents to further the company's growth. In this connection, it is well to point out that President McClench and his associates are doing everything that they can to assist the agency force, for the constant purpose of the management is so to serve its present and future policyholders that all its contracts with them shall be

fully and faithfully carried out and the benefits intended for themselves and their dependents be completely realized.

As will be shown by the annual statement, which is published in this issue, the income for the year 1909 was \$11,422,469, and the company has total assets of \$55,164,772.

ELECTRIC STOCKS FORBIDDEN.

The Attorney General of Connecticut has held that investments in electric companies by life insurance companies is forbidden by section 3365 of the general statutes.

Insurance Commissioner MacDonald found that a number of life insurance companies in that State have a portion of their funds invested in electric and gas companies. The commissioner asked as to the legality of an investment by a life insurance company in the stocks or bonds "of a company whose business is the production and sale of electricity for light and power."

The opinion quotes several sections of the law forbidding investment in the stocks or bonds of mining or manufacturing concerns and holds that the business of the company in question is manufacturing.

The Connecticut Mutual

That means the best life insurance to have and the best to sell. If you can sell life insurance, you can sell more of it for the CONNECTICUT MUTUAL.

Men of Character and Ability are invited to apply.

**Conn. Mutual Life Ins. Co.,
Hartford, Conn.**

Please mention this paper.

Royal Exchange Assurance

OF LONDON.

Incorporated by Royal Charter A.D. 1720.

UNITED STATES OFFICE:

92 William Street * * * New York City

UBERTO C. CROSBY, General Manager.

RICHARD D. HARVEY, Assistant General Manager.

In Honor of the Great.

THE TOWER—THE COMPANY—THE MAN.

No one can gaze upon the Metropolitan tower and the great structure which it surmounts, that symbol of strength, accomplishment and progress, without at least some appreciation of the men that made that tower and structure possible.

Very fittingly the company gave a banquet last Saturday evening to celebrate the completion of the most remarkable structure of its kind in the world and as a testimonial of the successful consummation of the architects' years of labor.

All told, there were over nine hundred guests present in the magnificent new banquet hall of the Hotel Astor. Three hundred were connected with the company in the office or field. The majority represented the banking and leading commercial interests of the country.

President Hegeman presided, delivering a very happy opening address. There were also addresses by many, including Commander Robert E. Peary, Hon. James V. Barry, Insurance Commissioner of Michigan, and Hon. Alfred Hurrell, counsel of the New York Insurance Department, representing Superintendent Hotchkiss. Mr. Hurrell, speaking for the New York Insurance Department, said in part:

I very much appreciate, gentlemen, the remarks of the president of this company, especially as he tendered his appreciation and the company's appreciation to the men who had worked with him and builded this tower. If there is one thing that appeals to men, it is to know that other men for whom they have worked receive that gracious gratitude which this company has tendered to the builders of this building, tonight. I am sure that that again is typical of the Metropolitan Life Insurance Company. It is another attribute that stamps the company and its officers and managers as really great. I cannot help but think of this tower, the completion of which is commemorated here to-night as altogether typical of this company. It is solid, it is great, it is clean. * * *

Now this company, in my humble judgment, is one of the leaders in the insurance world. It is a company which has combined business and philanthropy, and in doing that it has led the way which in the course of time will be followed by other companies. * * *

Just one word more and I am through. I feel that this is an occasion in which it may properly be stated as the superintendent has stated it to me, that the City of New York is proud of a successful insurance company of this kind. This City of New York certainly ought to be, the State of New York ought to be, and the in-

surance department is, and what makes it? It is this, that the Insurance Department, without stretching the imagination or trying to say pleasant things, is pleased to acknowledge that in every matter in which the officers act, they seek to act strictly within the law and strictly within the wishes of the department. * * *

I want to say to you that I hope the tower will always be typical of the company, that it will be like a cloud by day, and a pillar of fire by night, inviting you by compelling force, to keep this company in the front ranks of insurance interests, to keep it high as its business standard, and to make it, as far as you can, completely useful to the people.

Eminent Guests Do Homage.

There were many lessons to be learned from such an assemblage on such an occasion. Pre-eminent was the array of distinguished men, high officials of States and municipalities, bankers, insurance officials, clergymen and leading professional men of the entire country, practically all of whom were there to do homage to the one man who, above all others, was mainly responsible for building the great company which became responsible for so great and beautiful a building.

The recognition and appreciation of the architectural perfection of the structure were the occasion for the banquet; but, as expressed by many of the prominent guests, they were there to take advantage of the opportunity thus given them to honor, by their personal attendance, the man who had done so much for the uplift of humanity, John R. Hegeman, the first secretary and now the head of the Metropolitan. This was heard upon all sides and was a spontaneous expression of a common sentiment of loyalty, confidence and admiration, on behalf of one who has by marvelous astuteness, unremitting application and the very essence of gentleness and unwillingness to injure, realized in his life and lifework more completely, perhaps, than any other of this age and nation, those words of Holy Writ: "Be ye as wise as serpents, but harmless as doves."

The President's Address.

The opening address of President Hegeman is at once brimming over with wit, sentiment and forcefulness. It appears in print in full for the first time, and is as follows:

Distinguished Guests, Fellow Officers, Comrades of the Field Staff—Gentlemen: No, I apologize; you are not all gentlemen; some of you are ladies. For (looking up at the boxes),

we must not forget that many of our blessings, like those from the gracious hand of Providence, come from above.

I have sat here for the last hour, or more, deploring the responsibilities of the presiding officer—for which I am so inadequately equipped—and feeling like the boy who got as near to the schoolroom as the doorsteps and there he lingered. The teacher finally went to him and said: "Johnny, why don't you come in?" And Johnny answered: "Teacher, that's what I've been thinkin' about for the last hour, and the more I think of it the sicker I git."

You recall an occurrence in the political history of one of the Western States, when a certain gentleman, running for gubernatorial honors, unwisely began his campaign with a speech. But he made only one, for his campaign manager immediately sent him a wire, more luminous than voluminous, saying, "Dear Colonel, don't talk." I wish that a round robin might be sent to me signed by every lady and every gentleman in this room, saying, "Dear Hegeman, don't talk," for then I would have two good things—some first-rate advice and a splendid collection of autograph signatures.

Had All the Diseases of Childhood.

But, to leave pleasantries of this nature, let me preface my remarks by saying that a very agreeable duty falls to me at the outset in giving sincere expression to the good feeling, the good fellowship, which, on behalf of the directors and officers of the company, I am authorized to extend to the distinguished guests whose presence honors our hospitality.

The invitations you were good enough to accept made reference, among other things, to the completion of the Company's Home Office Building, including what has come to be popularly known as the "Great Tower on Madison Square"; but perhaps I may trespass upon your politeness long enough to give a brief retrospect to some of the circumstances which antedated its erection.

Some years ago, as many of you will remember, we occupied two rooms at 319 Broadway, and, in the parlance of the day, had space to burn. The total marketable assets were then a few hundred thousand dollars—some-what less than the present average daily receipts. A little later we gave up boarding and went to housekeeping in our own home in the Wilson G. Hunt Building at Park Place and Church street. The company was young and weak. It had come into being with a host of others, born during the inflation years immediately following the Civil War, most of the others being long since in their graves. We had all the diseases incident to childhood, including fits—especially fits—when old Gen. Davis, the landlord, came in four times a year to collect the rent. It seemed as though he came in four times a month. Ah! it was a hard job to draw the check, a harder one to sign it and hardest of all to hand it over.

The Real Root of Evil.

The old and established companies were forging ahead—that is, forging for those days, ludicrous now—and the chasm was constantly widening between our accomplishments and their achievements.

It was a long, hard struggle for the right to live. We realized as never before the truth of the old proverb that the lack of money is the root of all evil.

I recall vividly an event during this period, akin to others of a like nature, when a claimant called to collect a death claim. I left him with the president, Mr. Knapp, of blessed memory, and while he consumed the time with cheerful observations on the state of trade, international complications, the binomial theorem and the differential calculus, I slipped down to the bank to borrow the money to take up the policy. We then paid ninety days after the filing of proofs. We often wished that the claimant was down in South Africa, shooting lions or otherwise engaged, so that the papers might be delayed—otherwise we tried hard to be prompt and not overrun the 50th second of the 24th hour of the 89th day; and occasionally we succeeded.

Examinations Became Fashionable.

Official examinations by insurance departments then became fashionable, and we fell into the fashion. One Commissioner had us down for a receivership and the receiver was decided upon—by him—though he did not know we knew it. It came to us by accident. At the first interview thereafter we led him aside and quoted Halleck's well-worn lines:

"One of the few, the immortal names,
That are not born to die."

With much indignation he asked what we meant and we told him "nothing"—only, it was good poetry and we always felt that Halleck had written it in anticipation of the Metropolitan's career. The receiver was not appointed.

Tribute to McCall.

Then came John A. McCall, of the New York Department, whose memory I cherish as that of an able and accomplished official and an honest and honorable man. His belt was hung with scalps. He had pronounced a requiem over half a dozen or more companies. He was of Celtic extraction and he had red hair and the combination was ominous. The first day, at noon, we asked him and his associate examiner if they would take lunch with us. He answered with as emphatic and eloquent a "No" as ever it was my painful pleasure to hear. The second day we repeated it, and the Noes again defeated the motion. On the third day, however, Mr. McCall voluntarily came forward and said, "We will go out to lunch with you to-day, and we will go every day we are here." Asked the reason for this sudden conversion, he said, "You may be small and you may be weak, but we have gone far enough to know that honest men are at the head of this institution, and you are going to live if it rests with us." He saw the lines we had laid down—he discerned the spirit that animated us—he perceived how things were developing—

and he gave credit for certain assets not expressed by the dollar mark.

State Supervision Better Than Ever.

Later on the doctors kept coming, but the patient survived—a tribute alike to inherent virtue and to State supervision. I may here add, parenthetically, that I have known most of the Superintendents and Commissioners of Insurance for the last forty years. There never was so many good and able men in those offices as there are to-day. And some of the very best of them are in this room to-night. They were not hesitant in accepting our hospitality because they and we know two facts—first, that there is not a thing in the world we want of them, not one; and, second, there is not a thing in the world they want of us; except—as to both sides—good will, mutual confidence and honest co-operation.

And now we have reached 1890. In that year, recognizing our limitations downtown, we came up and laid the corner-stone of 1 Madison avenue, occupying the building in 1893. From time to time we added to this structure until we secured the last of the block, Dr. Parkhurst's church, and with that the construction of the 700-foot campanile was begun.

What the Tower Represents.

Being completed we are now brought face to face with the Great Tower. To-night we give it dedication; and here and now, in holier words than mine, we dedicate it, and the great building of which it is the fitting climax, to "whatsoever things are honest; whatsoever things are just; whatsoever things are pure; whatsoever things are of good report," in the grand business for which it was conceived, designed and completed. May its whiteness be symbolic of the purity of every motive that shall guide the company's administration; may its massive steel and iron columns and beams and girders and braces typify the strength and solidity of the institution; and may the everlasting bed-rock upon which it rests be emblematic of the sure foundation upon which its business shall forever and forever stand.

Yea, for countless ages, may the earliest dawn of the morning sun illumine its golden summit and the parting rays of evening twilight linger upon its peak; but may he who beholds it see, not the mere structure itself, but the company behind it; and may the beneficent work of that company survive long, long after its marble tower shall have crumbled into dust.

What Made the Tower Possible.

But, if I am not trespassing too much upon your patience, may we not appropriately ask what really is behind the tower and briefly answer it. In the epigrammatic words of our good friend and neighbor, Dr. Parkhurst, let us "lift the lid" and look within. The gentlemen before me are keen observers of the rise and progress of the leading institutions of the city and country, but their knowledge, in the main, can only be general. At the company's annual convention of superintendents held this week the report for 1909 was presented, and if you will permit me I will mention in round numbers a few salient points.

The income for the year was \$85,000,000.

Of this amount \$16,000,000 were collected from 10,000,000 policyholders, the average collection being a little under 10 cents per week. These belong to our industrial department, whose thirtieth anniversary we celebrate to-night.

The claims, bonuses, dividends, etc., paid to policyholders, plus the amount set aside on their behalf, was \$56,000,000 for the year.

The assets were \$277,000.

The surplus we keep down to about 10 per cent. of the assets—giving the rest to policyholders in the form of bonuses.

The number of outstanding policies is 10,600,000.

The amount of outstanding insurance, the largest of any company in the world, is \$2,042,000,000.

The number of death claims paid in 1909 was 138,576; distributed over the business hours of the day this is about one per minute.

The bonuses to industrial policyholders, payable in 1910, over and above any and all obligations expressed or implied in their contracts, amount to \$5,250,000.

On a turnover of \$85,000,000, \$140,000 was paid to stockholders as a dividend, the rate being limited by their own voluntary act to 7 per cent. per annum, and the amount of said stockholders' dividend being less than one-tenth of the interest earned by the surplus.

The amount gratuitously given to the non-participating industrial policyholders, above all policy obligations, during the last seventeen years has been \$25,000,000.

Can Always Say More About Metropolitan.

I might go on with many more interesting facts, but I could hardly have said less than I have. Daniel Webster was once dining with a lady, when she said: "Mr. Webster, I suppose your appetite varies; sometimes you eat more and sometimes less"; to which the immortal Daniel replied: "No, madam; I often eat more, but I never eat less." So I repeat, when we come to talk about the Metropolitan we can always say more, but we can never say less.

And now, may I refer briefly to a few among various features, some peculiar to ourselves, connected with our operations and ambitions? As you perhaps know, we have a working force of more than 14,000—of whom over 11,000 devoted workers are on the field staff under the 400 trusty leaders who are with us to-night—and 3,000 faithful employees are on the home office staff. The latter are dined every day, of course, at the company's expense. Then there is a gymnasium, with an instructor, open to all the clerks. The girls have the use of the company's assembly room, a large hall, capable of seating 1,000 or more, for recreation purposes, and the male glee club, who have sung so finely for us this evening, likewise utilize it. The roof of the main building is also used for games and other forms of recreation. We are establishing a circulating library of many thousand volumes, for the sole use of our employees. Briefly, we are doing everything we can think of for the health, happiness and contentment of our employees.

"LIFE EXTENSION."

(Remarks made by John K. Gore, actuary of the Prudential Insurance Company, and president of the Actuarial Society of America, in leading the discussion on the subject of "Movement to Prolong Life," at the third annual meeting of the Association of Life Insurance Presidents at the New Willard Hotel, Washington, D. C., last Thursday.)

Mr. Chairman: We are indeed fortunate to have heard three such valuable addresses as have been delivered here this morning. The conservation of public health and the prolongation of human life are subjects of such vast importance and these addresses are so suggestive, so helpful and so practical that I trust they may have the widest circulation.

Results Achieved.

The results already achieved by the Public Health and Marine Hospital Service, as outlined by Surgeon General Wyman and referred to both by Dr. Rosenau and by Dr. Dwight, and the still greater work yet to be accomplished by this department directly and through its influence are revelations to most of us. Dr. Rosenau's paper is full of information and pregnant with the most valuable suggestions, and the fact that by his manner of presenting the subject he has made it so intensely interesting stamps the paper as one of the most important and effective yet written upon the conservation of public health. I wish its contents could be known to every citizen in the land. Dr. Dwight's paper reveals powers and possibilities now lying almost dormant in the life insurance companies that if properly and judiciously utilized could be made a more efficient agency for improved public health than any other single factor.

In addition to the papers presented here to-day this association still has before it Professor Fisher's able paper on the "Economic Aspect of Lengthening Human Life," and also Dr. Foster's plan for the free periodical medical examination of policyholders, which has already been adopted by at least one company.

A Limit To Company Activity.

Chairman Ide, of the committee appointed by the association to consider the suggestions of Professor Fisher and Dr. Foster, has made clear in his report that any extensive concerted action on the part of the life insurance companies involving the expenditure of large sums of money is improbable. The company's charters and the laws of many of the States seem to most executive offi-

cers to prohibit the carrying out of some of the suggestions that would apparently be most far-reaching in their results. As Mr. Ide told us, certain individual companies are already endeavoring to prolong their policyholders' lives. In addition to the companies referred to by him there are a number of others that have distributed to their policyholders valuable information and instructions regarding personal health and hygiene. One industrial company distributed years ago, among others, hundreds of thousands of copies of a pamphlet on the care of infants.

A Long Fight Ahead.

It is well to remember that the fight to conserve public health and to prolong human life is to be a long one—as long as time itself. It usually requires more money, more time and more intelligent effort to force a community death rate from twenty per thousand down to sixteen than to force it from fifty down to twenty. Moreover, we must realize that an apparent decrease in the rate of death from any one disease does not produce a corresponding decrease in the general rate. If the average death rate in a community is, say, twenty, and if one-fourth of all the deaths are caused by tuberculosis, it does not follow that the absolute eradication of that disease would reduce the general rate one-fourth. A large percentage of those who become victims of tuberculosis are constitutionally weak and would soon have succumbed to some other disease had tuberculosis been annihilated. In fact, the partial overcoming of any important cause of death brings other diseases not only into greater relative prominence but also to a certain extent into greater real prominence.

I would not for a moment minimize the magnificent work that is being accomplished nor utter a single discouraging word as to the plans now going forward for improved public health. The value of it all as a dominant influence in the future of our nation is almost beyond our comprehension. It will be only a hindrance to the development of the movement, however, if we are led to expect too great results within a limited time. The struggle is to be a hard one. Every little advantage gained must be fought for—lost perhaps and fought for again—but it is all worth while for it means eventually a happy, efficient people and the saving of thousands and thousands of lives to the family and to the State.

After listening to Dr. Dwight's paper one is led to the belief that the doctor has in mind some plan, the details of which would occupy more

time than he feels should be given to his subject in a meeting of this kind. If such is the case, I trust the executive committee of this association will endeavor in the very near future to learn Dr. Dwight's ideas and have them thoroughly considered.

Spreading The Gospel of Prevention.

The possibility of spreading the gospel of preventive medicine and good health by means of a body of trained men, very conservatively estimated as 100,000 in number, without the expenditure of a dollar of the policyholders' money—do you realize what a stupendous proposition that is? If suggestions are permissible I would recommend that this association appoint a committee from its members to confer with the committees of the Medical Directors Association and the Actuarial Society of America in regard to the investigation now being carried on by those two bodies to ascertain whether or not the results may be made available for the purpose outlined by Dr. Dwight. I also venture to suggest that these three committees be requested jointly to take up with Dr. Dwight the details of the plan he has in mind and to report to this association upon its feasibility.

Whatever may be the results of the deliberations of this joint committee, it or a similar committee would be well qualified to supervise the systematic distribution by this association through the companies of carefully chosen printed matter that would advance the cause of public health. The beneficial work that has been done by the life insurance companies individually and on their own initiative, is indeed important, but the moral and physical effect of all or of a great majority of the companies acting uniformly with a common purpose and with the same instrument would be tremendous.

INCORPORATED 1833.

British America
Assurance Company

HEAD OFFICE, TORONTO, CANADA

UNITED STATES BRANCH.

JANUARY, 1, 1909.

Assets	\$1,473,470.06
Liabilities	902,747.45
Surplus	\$570,722.61

Hon. GEORGE A. COX, President.
W. R. BROCK } Vice-Presidents
JOHN HOSKIN }
W. B. MEIKLE, General Mgr.

VANDERBILT AND OLD AGE PENSIONS.

At last a Vanderbilt of the fourth generation has entered the directorate of the New York Central, William K. Vanderbilt, Jr., having been chosen a few days ago to fill one of the vacancies recently occurring in that directorate. He is of the fourth generation from the creator of the New York Central system, and is considerably older than two of his uncles were when they entered the New York Central board.

He is understood to warmly approve the purpose of the New York Central management to provide a pension fund and system, so that superannuated employees may rest assured that when the time for their retirement comes they will be provided for. But it is the common belief that this purpose for which the Central management has as a beginning set apart nearly five hundred thousand dollars represents the earnest belief of President Brown, both in the expediency and in the justice of old age pensions, for employees of long service. The details of the plan were

worked out by President Brown; they resemble the plan adopted by the Pennsylvania Railroad, and are almost identical with the system recently approved by the Rock Island management. In some of its features the plan is similar to that established by James Stillman for the employees of the National City Bank.

Only One Tread.

The greater minds in our corporate managements are now convinced that pensions and an equitable opportunity for profit sharing, involving stock ownership, will ultimately be adopted by the great majority of American corporate bodies. The argument has never been better stated than by Geo. W. Perkins, who worked out in detail the plan by which profit sharing, based upon stock ownership, has brought large numbers of the employees of the United States Steel and the International Harvester Company into the relation of proprietorship to these associations.

A number of years ago Henry B. Plant, founder of the railway and express systems which bore his name, inaugurated the first profit sharing

plan among transportation employees and from this foresight great results have followed, the most prominent of which is that he never had a strike among his employees.

CRUELTY TO PROMOTERS.

Insurance Commissioner McComb, of Oklahoma, has ruled that no company will be licensed to do business in that State that has a contract with promoters for the further sale of capital stock. He will not permit a company to hold as a liability any contract that it may have had with a promoting organization. He insists that the further sale of capital stock of an insurance company that is writing business must be under the direct control of the company.

There were seven stock insurance companies chartered in 1909, four each of \$1,000,000 authorized capitalization and three of \$500,000 each. Only one of these companies has been granted a license by the Insurance Commissioner. The other six companies are chartered and are selling stock in large quantities, but have not obtained a permit to do insurance business.

The Pacific Mutual Life Insurance Co. of California

(CAPITAL, FULLY PAID UP, \$1,000,000.00)

GEORGE I. COCHRAN, President

GAIL B. JOHNSON, Vice-President

BALANCE SHEET AS OF DECEMBER 31, 1909

ASSETS

Loans on Real Estate.....	\$6,910,666.00
Amount of Loan does not exceed the statutory percentage of appraised value.	
Loans on Approved Collaterals.....	533,202.84
Loans to Policyholders.....	2,734,208.65
In no case does amount of Loan exceed the Reserve held by the Company.	
Bonds and Stocks Owned.....	5,369,411.81
Being bonds, \$4,966,952.68. of Municipalities, Railroads and other Quasi-Public Corporations, and Stocks, \$402,459.13, all valued as of December 31, 1909.	
Real Estate Owned	1,227,494.37
Los Angeles income property, including Home Office Building.	
Interest and Rent.....	186,381.16
Accrued but not due.	
Outstanding and Deferred Premiums	
Life Department	502,613.97
Accident Department	257,188.60
Net Amount, Reserve charged in Liabilities.	
Cash on Hand	708,036.88
Including Deposits bearing Interest.	

TOTAL ADMITTED ASSETS.....\$18,429,204.28

LIABILITIES

Reserve on Policies	\$16,138,615.19
Claims in Process of Adjustment.....	137,878.21
Being claims reported, but of which Proofs have not yet been received, or are incomplete.	
Premiums and Interest Paid in Advance....	94,800.87
Reserved for Taxes Payable 1910.....	58,000.00
Surplus Set Aside for Future Dividends to Policyholders	223,879.47
All Other Liabilities	148,028.47
Including \$12,961.25 set aside for Medical Fees and \$84,314.51 for Agents' Commissions in Accident Department.	
Total Liabilities	16,801,202.21
Capital Stock	1,000,000.00
Surplus, Unassigned	628,002.07

TOTAL\$18,429,204.28

New Life Business Written, 1909	\$22,287,279.00
Total Life Business in Force.....	111,539,785.00
Total Cash Income, 1909.....	6,164,528.42
Premium Income, Accident Dept., 1909.....	1,007,370.59
Total Paid Policyholders, 1909.....	1,986,628.67

Increase in Life Business in Force.....	\$7,136,906.00
Increase in Assets.....	2,329,130.57
Increase in Cash Income	531,404.19
Increase in Reserve.....	1,982,190.81
Increase in Surplus, Assigned and Unassigned	240,904.71

For Information as to Desirable Territory and Contracts, Write the Home Office at Los Angeles, Cal.

IN NEW ENGLAND

NEW ENGLAND MUTUAL LIFE HAS RECORD YEAR OF PROSPERITY.

At the annual meeting of the New England Mutual Life of Boston, held Monday last, Warren Sawyer, Henry Parkman, Wallace L. Pierce and Charles E. Cotting were elected directors for three years.

The sixty-ninth annual report of the directors for the year ended December 31, 1909, stated that the year therein reviewed "has been the most prosperous one in the history of the company, the net gain of insurance in force being twice that of the previous year; the death losses and surrenders of policies have decreased, notwithstanding the increase of the total amount at risk. The mortality of the past year has been 57 per cent. of the tabular expectation."

During the year 8,796 policies were issued to the amount \$23,427,325; terminations caused by death, maturity, surrender, lapse and expiration, \$10,848,411. The amount of insurance paid for and in force January 1 was \$197,492,772, an increase of \$12,578,914. Policyholders received from losses, matured endowments, surrender values, distribution of surplus, etc., \$4,710,055.93.

The gross assets of the company December 31, 1909, amounted to \$51,259,876.61; policy reserve and other liabilities, \$47,096,033.41. The net surplus over all liabilities of every name and nature is \$4,173,843.20.

At the directors' meeting Tuesday the board of administrative officers, headed by President Foster and Vice-President Appel, was re-elected for a continuance of its faithful and capable service.

Burton H. Wright Elected President State Mutual Life.

Following the voluntary retirement, after well matured consideration of Colonel A. G. Bullock from the presidency of the State Mutual Life of Worcester, Mass., that office has been conferred upon Burton H. Wright, a gentleman who has deserved well of the company by reason of 31 years of faithful and capable service, rising gradually from the position of clerk at the home office to his present eminence. President Wright will be seconded by the following gentlemen, elected at the annual meeting of the board of directors last week: Colonel Bullock, who continues in the company's service as first vice-president and chairman of the board of directors and the finance committee; vice-

presidents, H. M. Witter and George F. Blake; secretary, D. W. Carter; treasurer, G. W. Mackintire; general counsel, Chandler Bullock; actuary, C. R. Fitzgerald; medical director, Dr. Albert Wood; assistant medical director, Dr. Homer Gage; superintendent of agencies, Edgar C. Fowler. Mr. Carter's well deserved promotion from assistant secretary to secretary fills the vacancy caused by the advancement of Mr. Wright.

The State Mutual did exceedingly well in 1909, writing over \$16,579,000 of new business and gaining more than \$2,000,000 over the 1908 figure of its assets. A continuation of favorable results is assured under the capable care of the new administration.

Massachusetts Legislature.

Bills have been prepared and placed in the hands of the Massachusetts Legislative Insurance Committee, covering all the recommendations submitted by Insurance Commissioner Hardison (printed serialim in "The Chronicle" of January 13), except Nos. 1 and 10. Hearings have been held and completed on Nos. 6 and 11 of these recommendations; there will be a continued hearing February 8 on No. 4, and a hearing on February 15 on No. 3 of said recommendations.

Petitions have been presented in the Massachusetts House as follows:

Of Mayor Hibbard, of Boston, to authorize an appropriation of \$1,000,000 in the next six years for the installation of a high pressure fire service.

Of Mayor Hibbard, to authorize cities and towns of more than 5,000 inhabitants to establish homes or hospitals for consumptives.

Of George H. Ellis, to provide for the establishment of a State Insurance fund, to be used to reimburse and assist any State institution which suffers loss from fire.

Of Alonzo Rothschild, to require railroad companies to guard against the emission of fire and sparks from their locomotives.

Maine Insurance Company.

At the second annual meeting of the Maine (fire) Insurance Company these officers were elected: P. P. Gilmore, of Bucksport, president; David E. Moulton, Portland, treasurer; Horace Purinton, Waterville, and Nathan M. Jones, Bangor, secretaries. The company received in premiums for 1909 \$75,880, as against \$42,860 in 1908.

Massachusetts Bonding.

The Massachusetts Bonding & Insurance Company had an excellent year in 1909, as shown by the report

of President Falvey, at the annual meeting of the company, at which the old officers and directors were re-elected. Seldom has so young an institution so quickly acquired a substantial and well-founded prosperity as has the Massachusetts Bonding.

New England Briefities.

Colonel E. C. Benton, of John C. Paige & Co., Boston, and Mrs. Benton celebrated their silver wedding anniversary Monday evening at their spacious mansion on Oakley Road, Belmont, and received the congratulations of numerous friends.

A new combination fire auto has been received by the Boston fire department, and will be stationed at the Forest Hills fire house when that is completed. It is expected that it will give the Forest Hills district the long-needed additional protection.

J. W. Cottrell heretofore in the service of the National Fire, of Hartford, has become special agent for part of New England of the Hartford Fire, filling the vacancy caused by the acquisition of H. M. Fenton by the L. & L. & G.

The Brotherhood Health & Accident Company, capital \$100,000, has been licensed in Massachusetts. C. S. Powell is president and general manager of the company.

All securities valued as of Dec. 31, 1907.

FOUNDED 1792

116th ANNUAL STATEMENT

INSURANCE COMPANY OF NORTH AMERICA. OF PHILADELPHIA, PA.

	January 1, 1908.
Real Estate	\$ 399,138.75
First Mortgages on Real Estate	467,983.48
New York, Boston, Montreal and other City and State Loans	784,346.99
Pennsylvania, Philadelphia and Erie, Lehigh Valley, and other Companies' Bonds and Stocks	7,268,881.40
Cash in Bank and Bankers' hands	1,045,774.76
Notes Receivable, and Unsettled Marine Premiums ..	341,838.34
Net Cash Fire Premiums in course of Transmission ..	946,818.70
Accrued Interest, and all other Property	35,338.
Total Assets	\$11,290,121.11
LIABILITIES.	
Capital Stock	\$ 3,000,000.00
Reserve for Re-Insurance ..	6,351,346.29
Reserve for Losses	777,100.00
All other Liabilities	71,717.15
Surplus over all Liabilities ..	1,089,957.67
	\$11,290,121.11

CHARLES PLATTPresident.
EUGENE L. ELLISON...Vice-President.
BENJAMIN RUSH.....2nd Vice-President.
GREVILLE E. FRYER...Sec'y and Treas.
T. HOUARD WRIGHT.....Ass. Sec'y.
HENRY W. FARNUM.....Marine Sec'y.
JOHN O. PLATT.....Assistant Sec'y.

Agencies in all Prominent Cities & Towns.

FROM MISSOURI.

St. Louis, January 26 (Special).—A severe check to the operations of the wily promoter of insurance companies, in Missouri at least, is the ruling by Insurance Superintendent Blake that in future he will require the written consent of stockholders of new insurance companies to the payment of expenditures incurred by promoters.

He holds that several companies have been organized by men whose only interest was their commissions in the sale of stock and who were not careful as to representations made as to future profits, or the amount of surplus they left for the maintenance of the organization.

Copies Chicago Convivials.

St. Louis fire insurance agents have planned a series of monthly banquets on the order of the monthly luncheons of the Chicago Board of Underwriters. The first was held last week at the Jefferson Hotel with Charles L. Crane as toastmaster, who has named John R. Goodall to preside next month. Each toastmaster appoints his successor, who fixes the time, place and program of the function, an innovation which is most admirably designed as a preventive of the usual bickerings, a hitherto inevitable issue of these sodalities.

DECIDE TO INCREASE CAPITAL STOCK.

The fortieth annual meeting of stockholders of the New Hampshire Fire Insurance Company was held at the home office of the company Tuesday, at which meeting was presented the usual reports of the finance committee covering the transactions of the year ending December 31.

A resolution to increase the capital stock \$100,000 to \$1,200,000 was also presented and adopted. The names of Samuel K. Bell and George P. Crafts were added to the list of directors to fill vacancies of the old board, which together with the present staff of officers were re-elected.

The company's assets are now \$5,196,017, an increase of \$334,000, while the net surplus is increased \$101,000 to \$1,510,064. The contingent reserves now amount to \$350,000.

If the merger of the Fidelity Fire Insurance Company and the Phenix Insurance Company, of Brooklyn, had taken place on the first of January, instead of the day now set, the combined assets of the new company would have been \$14,081,389, and the surplus to policyholders \$5,031,951.

THIRTY-SEVEN YEARS OF CONTINUOUS GROWTH.

The sixtieth annual report of the "old and tried" Glens Falls Insurance Company, of which J. L. Cunningham is president, with its usual promptness, is at hand. The statement calls for little comment. For thirty-seven years this institution has been steadily increasing its net surplus from year to year until to-day the unearned premium fund on the New York standard is \$2,114,779, and the net surplus over all liabilities is \$2,433,826.

While President Cunningham has gained considerable fame for his witty and terse sayings, it must be said that his reputation as a competent and conservative underwriter, in view of the statement published in this issue, far exceeds all his other qualifications.

SEVENTY-FOURTH YEAR.

The seventy-third annual statement of the Westchester Fire Insurance Company, of which John R. Crawford is president, gives that well-tried institution total assets of \$4,462,134, with a surplus over all liabilities of \$1,431,780. An examination of the statement, as published in this issue, will soon satisfy any reader as to the impregnable security of the company.

ENDORSE THE KANSAS LAW.

The local agents of Kansas have adopted the following resolution endorsing the anti-discrimination law of that State:

We, the undersigned, local fire insurance agents in Kansas City, Kan., having experienced some six months' operation of the Kansas law for the regulation and control of insurance rates, believe as follows:

First—That its tendency is to straighten out friction between the assured and the insurance companies.

Second—That it eliminates objectionable underwriting practices and places the business on a basis where merit counts.

Third—That it gives a solid value and a staple price to every insurance policy issued in the State.

Fourth—That it assures the agent a just compensation for his services.

CREDIT MEN ACT.

John D. Russell, chairman of the fire committee of the National Association of Credit Men, has addressed a letter to the officers of all the affiliated branches, urging that vigorous efforts be put forth this year to assist in reducing the enormous fire waste of the country. He asks each local association to appoint a committee to grapple with the situation in their territory. He says it is their duty to insist that the fire-rating bureaus which the insurance companies maintain, be made a positive force for correcting dangerous conditions.

1837

1910

73rd ANNUAL STATEMENT**Westchester Fire Insurance Company
OF NEW YORK**

JANUARY 1, 1910.

ASSETS.

Real Estate and Real Estate Mortgages.....	\$202,464.31
State and City Bonds	351,500.00
Railroad and other Bonds.....	196,500.00
Railroad Stocks	3,064,510.00
Bank and Miscellaneous Stock.....	112,300.00
Agents' Balances	307,037.82
Cash in Banks and Offices	220,250.65
Interest Due and Accrued	7,571.28

Total Assets \$4,462,134.06

LIABILITIES.

Unearned Premiums	\$2,441,324.69
Unpaid Losses	229,029.11
All other claims	60,000.00

Total Liabilities \$2,730,353.80
Capital Stock \$300,000.00
Surplus over all Liabilities \$1,431,780.26

GEORGE R. CRAWFORD, President.

M. O. Brown, Vice-Pres. and Treas. **O. E. Schaefer, Ass't Secretary.**
John H. Kelly, Secretary. **Geo. B. Crawford, Ass't Secretary.**

Can Phenix Remain in Union?

EVANS SAYS IT WILL.

No time since the trying days following the San Francisco fire has seen as much unrest and foreboding in the West as the present. As the weeks roll by since the first disclosures about the Phenix of Brooklyn and nobody is able to give any definite information on several subjects of great importance to many people, the tension is growing severe. At first some agents were scared, but assurances from headquarters that the company was solvent and that it would not retire from the Western Union quickly satisfied most of them. Other managers forebore to take advantage of the unfortunate situation in which the company found itself, mostly because of their strong feeling of friendship for J. H. Lenehan, the Western manager. Field men, with similar feelings for the field men of the Phenix, also resisted temptation to gain advantages at their expense. Business continued to come in and there was little to indicate that anything unusual had happened.

Neither Flesh Nor Fowl.

But uncertainty cannot exist indefinitely without having some effect. There have been authentic reports of the coming merger of the Phenix and the non-union Fidelity, of the coming organization of the Fidelity Underwriters, backed by the Continental and the Fidelity-Phenix, a peculiar union and non-union combination, such as never has existed before and perhaps cannot exist under union rules. Local agents want to know a number of things. They propound to their special agents many questions, which they are utterly unable to answer. To the agents this situation is very trying. They are mostly conducting union agencies. Should conditions arise which would force the retirement of the Phenix from the union, very many of the agents will have to give the company up. They do not want to do this unless it is necessary, as no company is more popular with the agents than is the Phenix. At the same time, they do not want to keep putting business into it if they are going to lose the company and have their expirations exposed to another agent. Many of them find themselves in a serious quandary and unable to get any light which will help them out of it.

Managers Also at Sea.

Managers are watching the situation with even more interest than are the local agents. While they are show-

ing great forbearance, they are preparing for trouble. It is currently reported in Chicago that one company has secured a list of the agents of the Phenix, got as much information about each as possible and placed this information in the hands of its field men with instructions not to use it unless they get telegraphic orders, and then to get busy.

Of course, the managers have been discussing all the possibilities of the situation among themselves, and from the unanimity with which they express certain opinions there is every reason to believe they are getting a definite plan of action mapped out.

Will Evans Be President?

Aside from the question of the status of the Fidelity Underwriters, there is the larger question of what will happen if Henry Evans becomes president of the Fidelity-Phenix. Unless he should apply for union membership, which would imply the Continental's becoming a union company, a situation would be produced which could not last more than a very short time. The presidency of a union company held by the president of the strongest non-union company is almost unthinkable. Should such a situation arise, there apparently would be nothing for the union to do but to ask Mr. Lenehan as the Fidelity-Phenix representative in the union to resign his membership, unless he should save the union the embarrassment of such action by resigning voluntarily. It is not likely that Mr. Lenehan has been telling people what he would do under circumstances which might arise, but those who know the man best are sure that he will not embarrass his friends.

Evans Holds a Strong Hand.

There are those who have volunteered the opinion that Mr. Evans is shaping things so that the union will have to throw the Phenix out or stultify itself, and it is not likely to do the latter. To have the company thrown out would place him in the position of one who had come to the rescue of a union company in trouble, had done it and the business generally a great service and had been rewarded by having the company expelled and its field arrangements upset. That would sound good to many people and create considerable feeling against the union. This is mere conjecture, as nobody but Mr. Evans knows his motives; but if such were his plans, Mr. Lenehan's voluntary retirement from

the union would interfere seriously with them. Then the Fidelity-Phenix would have to stay out of the union of its own accord or some other representative of it would have to apply for union membership. Such an application would imply acceptance of union rules and, if Mr. Evans were president of both companies, the rules would probably be construed to require the membership of representatives of both companies or of neither.

If Evans Embraces the Union?

There appears to be a disposition on the part of union managers to grant unusual concessions, should Mr. Evans see fit to seek them as the price of his becoming a member of the union. They would doubtless give him time to rearrange the Continental's agency plant and help him as much as possible, but they do not talk as if they would surrender any union principles. They do not see why they should. They do not appear at all inclined to concede that one man is wiser than all who have combined to work out the present union scheme, that they have been wrong all these years and the Continental right. There probably is not a union manager who has not the highest admiration for the Continental as a great well managed company and of Mr. Evans as a great executive; but the union has gotten along without him a long time, and done pretty well, and its members do not see why it will not continue to do so, regardless of what course Mr. Evans may pursue. Union managers would hate to part company with the Phenix, but there have been partings before and the union has not gone to pieces.

Some Prophecies.

Of course such a company as the Phenix added to the non-union ranks

1860 49th YEAR 1909

HOME LIFE

Insurance Company of New York.

GEORGE E. IDE, President.

Assets	\$21,708,901.70
Liabilities	\$20,471,723.76
(Including Deferred Dividend Fund)	
Dividend Endowment Fund	\$1,704,463.00
(Deferred Dividends)	\$1,970,463.00
Net Surplus	\$1,237,177.94
Insurance in Force	\$38,368,244.00

The Record for 1908 shows the following GAINS:

Insurance in Force	\$2,174,947.00
Assets	\$1,704,048.00
Deferred Dividend Reserve	\$175,443.00
Contingency Reserve (Surplus)	\$467,742.51

would increase the capacity of non-union agencies, but its retirement from the union would leave a better place in many an agency for other union companies and it would crowd into second place many non-union companies that now hold first place in agencies. Union managers intimate that it is for managers of non-union companies, not for them, to worry. If the Continental should come into the union, union managers recognize that it would crowd their companies in many places, but it would cause the unionization of many non-union agencies because a number of leading non-union companies would be thrown out of agencies when they unionized. On the other hand it is not likely that if the Phenix should go out of the union it would result in many important agencies becoming mixed or non-union. The Phenix is a splendid agency company, but it is only one among many in its class, while the Continental and the companies which will follow it constitute a large part of the non-union companies which are really liberal writers and help agents to carry their large lines.

Will Evans "Go It Alone?"

Some of the union managers feel that if a struggle should come, they would act together as a fairly compact body. On the other side would be Henry Evans alone, for there is no concert of action among non-union companies. Furthermore, the non-union companies have felt the heavy hand of the giant of their class as it has forced its way to the front, and they are not unanimous in the opinion that its interest and theirs are identical.

To the onlooker who has no interests at stake this is the most interesting situation that has developed in the West in many a year. Whether there is to be the greatest fight of a decade or the greatest movement toward co-operation, nobody can tell. But anybody who knows even a little about the business can see that the next few months are going to leave their mark on fire insurance in the West.

ITS ONE HUNDRED AND EIGHTEENTH ANNUAL STATEMENT.

Total assets of \$27,307,672.28, including a reinsurance reserve of \$10,244,415 and a net surplus of \$11,182,836.96 are shown in the impressive annual statement of the Home Insurance Company, of New York. The Home has made striking gains during the past year and the exhibit made will still further increase its popularity with property owners and agents.

THE DISORDERLY BURGLARY SET.

To the very hour of convention of burglary underwriters in New York last Friday gentle white winged peace was on her throne, every prospect was pleasing and only man was vile.

Then came the frost and the blighting blast and the tender buds of that confidence plant of such desperately slow growth were nipped and killed and now the faithful few can only gird up their faith anew and await for the passing of the assyrians.

There are members in the association with whom hope springs eternal. There are others who stay simply because they don't like the imputation of quitters, based upon a pretty well verified number of incidents that have given rise to what may be called a conclusive conviction that God hates and punishes a quitter. And so the organization goes rambling along. It has done good work, in a measure, but its piloting has been largely directed by dictatorial and dominating influences that is keenly and consciencelessly alert to private and individual advantage. It can do good work in future if the community principle of building enduringly is recognized and nailed fast and hard to the lintels of its doorways.

Comparisons are "odorous," but sometimes illuminative. For the purpose of acquiring an abstract as well as an academic idea of the situation the burglary returns in the annual statements of the companies, under frequent changes for several years past, is urgently commended. Then of you know how to apply knowledge acquired so as to extract the toxins of wisdom, you may see and understand the source of all this absurd and ridiculous cheap bidding for press agents' notoriety.

Chicago Rumbling.

Chicago is particularly incensed over the association's failure to conclude the unsettled rate and commission conditions existing there. Here is the way one of the best informed men in the Chicago "street" expresses his views:

"Just learned action of Burglary Insurance Underwriters Association on Chicago. I don't think it will satisfy anybody here. Few, if any, want to pay 30 per cent. to class 1 agents on residence burglary. Even the proposal last summer to pay them 25 per cent. was unsatisfactory. Some general agents don't want to pay over 20 per cent. Naturally this don't suit Quint, as it gives him no differential against fire agents. I think the companies will hear something from Chicago."

And thus the destructive internecine warfare goes on and the end is not even approximable.

With the entry of at least three new companies in the burglary field in the near future the situation will be further complicated and only the strong firm hand of an effective organization can "spank" the unruly youngsters into being on their good behavior.

Unruliness is an incident of youth that the older heads must take into consideration. Hazing may never be abolished, and perhaps is a healthy part of the unwritten curriculum of the college of underwriting.

At the special meeting of the stockholders of the Phenix Insurance Company, held at the home office of the company, 16 Court street, Brooklyn, on Monday last, the proposed merger of that company with the Fidelity Fire Insurance Company was approved by a vote of over 26,000 shares out of a total of 30,000 shares outstanding.

1849

"OLD AND TRIED"

1910

Glens Falls Insurance Co.

Glens Falls, New York

Abstract from 60th Annual Statement.

CASH ASSETS	\$5,105,505.96
LIABILITIES.	
Capital Stock	\$ 200,000.00
Unearned Premium Fund. New York Standard	2,114,778.65
Unpaid Losses, December 31, 1909	120,211.31
All other Liabilities, and for Dividend	236,690.21
NET SURPLUS OVER ALL LIABILITIES	\$2,433,825.79

T. Y. BROWN & Co., Agents

77 William St.,

New York

LIABILITY PROBLEMS AND POVERTY.

By Dr. Edward T. Devine, Editor
"The Survey."

Lack of employment is probably in America the least important of all the recognized chronic causes of dependence. Well nigh the most important of these causes, on the other hand, is the destruction of life and undermining of health for which industry is primarily responsible. The demand for labor, skilled and unskilled, is active and persistent and tends under modern industrial developments to become less seasonal and more dependable. We have made less headway in reducing the injuries and risks which industry imposes on industrial workers.

In holding industry responsible for the injurious effects of the employment of children and women; for the accidents which cripple and kill, leaving women and children dependent upon charity; for employment of young people in "dead-end" occupations, robbing them of the fruitful years of preparation for a suitable lifelong occupation, for the congestion of population in cities where employment is to be had, and in the most crowded parts of those cities, and thus indirectly for the major part of the evil effects of bad living conditions, as well as for those of bad working conditions—in holding industry responsible for these really potent causes of dependence—we are but recognizing facts as they are, placing responsibility where alone effective control actually resides. We are rightly accustomed to acknowledge, in this country, the domination of captains of industry. They have had and have power, influence, opportunity, pecuniary rewards, all but unrestricted control of the destinies of the industrial population. They have given a good account of their stewardship so far as product is concerned. Is there any one who will claim as much for the results of their social control?

The Human Equation Inevitable.

When we take up questions relating to the employment of labor we are prone to appeal to economic forces and the demands of industry as if these were strictly impersonal, almost supernatural things, beyond human control, and scarcely suitable subjects even for human inquiry. What we overlook is that each factory is in turn put up by individual human beings acting for themselves or as agents for stockholders; that some one selects the site and is thus responsible for putting it where labor is abundant and therefore probably "congested," or elsewhere; that some one

decides how to equip the factory, what ventilation and light are to be provided, and finally whether men, women or children are to be employed, and even what particular persons. This selection of labor and the process of coming to terms with those to whom employment is offered, may indeed be turned over as one of the less important items of administration to subordinate superintendents but the officers and directors, the owners and stockholders, are none the less responsible ultimately because they choose to act through agents. Unless business men wish to put themselves in the position of being willing to exploit weakness and ignorance for their own gain it is incumbent on them to conduct their enterprises in such a way that the health, strength and character of their employes are conserved and not destroyed. They must refuse to employ children even if they are cheap. They must refuse to employ women at tasks for which they are physically unfit. They must not permit overwork of men or women. They must refuse to employ women immediately before or immediately after childbirth. They must limit the speed of machines when the point is reached at which speeding is directly injurious. They must not permit "accidents"—often only a misnomer for the clearly foreseeable results of neglect to provide well known safeguards. They must minimize the risks of dangerous occupations. They must pay living wages. In a word, they must take into account in all their plans the social welfare of their employes, as well as their own financial welfare.

Natural High Instinct vs. Stupid Greed.

Many employers have always done these things, not from external compulsion, but from a more or less clear recognition of their own natural obligations. On the face of it, there is nothing inherently unreasonable in expecting employers to establish and maintain such conditions in their establishments as would bear the searching scrutiny of disinterested students of social conditions. Certainly many men have always felt that if they could not carry on an industry without exploitation they would have nothing to do with it. Just there is the rub. They may stoop to the level of men of low ideals or they may retire, and sometimes these appear to be the only alternatives, and neither alternative provides for employment under good conditions. The elaborate series of labor laws which we now have in every industrial country appear at first sight to be based on the assumption that the captains and lieutenants of industry

cannot be trusted to attend to their own affairs, to fulfill their natural and obvious obligations. Why should the State find it necessary to prescribe so many of the conditions of the wage contract, to specify how workers shall be protected from particular dangers, and to maintain a staff of inspectors to see that these regulations are enforced and that some kinds of obviously unsuitable labor, as for example that of young children, are not employed? The situation in this respect is in no wise different from that which has always justified State interference in private affairs.

The Fierce Blight of Over-Competition.

Gresham's law in currency, that base coin invariably drives out good coin if both are legal tender, has an analogy in the principle that industry tends always to sink to the level of the lowest standards which any group of employers are grasping or careless enough to maintain. As long as the burden of replacing worn-out labor by fresh, vigorous labor does not fall upon the employer there is profit in using up laborers instead of conserving and increasing their strength. In the long run the community suffers irretrievably from this policy, but dividends may be cleared up in the short run, and the losses may be thrown upon the charities and upon the families of the disabled. Ninety industries in which conditions are or might be ideal may be lowered to a lamentable degree by ten reckless industries with whose price and products the ninety must compete.

State interference is therefore necessary to establish minimum standards. The assumption which underlies the factory laws is not that all manufacturers require restraint, but that some do, and that those who are ready to carry on their industries above the level at which physical and moral welfare is threatened should not be subjected to unfair competition from those who are not.

Life Ins. Co. of Virginia, Home Office, Richmond, Virginia.

J. G. WALKER, President.

T. W. PEMBERTON, 1st Vice-President.
W. L. T. ROGERSON, Secretary.

The PIONEER Southern Industrial Life Insurance Company.

The OLDEST Southern Life Insurance Company.

The LARGEST Southern Life Insurance Company.

The Most Approved Forms of Life, Endowment and Industrial Policies Issued on Favorable Terms.

Assets, Dec. 31, 1908.....\$4,444,711.62
Insurance in Force, Dec. 31,
1908\$63,309,202.00
Payments to Policyholders
since Organization\$8,926,182.91

A LUCKY HALT.

Some several weeks since the Columbus Casualty Company, of Ohio, launched its frail bark of 100 tons (thousand) capital and no ballast (reserve) on the choppy sea of insurance, to the accompaniment of the usual social functions, etc., etc. Glowing announcements of the treasure trove of casualty underwriting were convincing and a hundred thousand good sound dollars were invested—or at least the Ohio insurance department licensed it as owner of that much good bullion. Everything was lovely and the fires on the hearths of hope in the executive offices burned and sparkled cheerily. It had only to open office and the flow of the great flood of gold—or a satisfactory portion of it—would find its way in.

Now comes disillusion, and those who were supernormally prompt at the cashier's office on pay day—including the whole list on the payroll—are wondering why they did not first see the coming of the hard-hearted Lemert, the cruel head of the insurance department, who rudely closed the doors under a warrant charging more than a twenty-five per cent. impairment of the capital, or in figures, alleging that the purported capital of \$100,000 was shy just \$26,000.

The stockholders are lucky. At this unchecked rate they would soon have been assessed to pay officers' salaries. As it is they can save something or go down in their jeans and make up the deficit in capital and provide a working surplus.

Fools Rush In, Etc.

The lesson of this incident is that so few people know or will learn the fundamental rules of underwriting, or can comprehend the law of averages, and in their stupid ignorance, stumble into a course that is a straight chute to the toboggan. It seems impossible to impress upon the insurance organizing enthusiast that capital is merely a nest egg for the old hen to measure by, and that surplus is the working capital. Also that the more surplus the more business can be accepted over the counters and "reserved." And these same people know even less about insurance reserves than they do about the necessity for an adequate surplus.

The wise management of a new company sees only the surplus; the capital needs no watching. As an illustration, a company now in process of formation, proposes one million capital and four million surplus, a wise beginning, because it guarantees it against conflagrations or epidemics or conflagrations, at least so far as

history makes any record, or the law of average runs.

And so the Columbus Casualty Company is to be felicitated upon this early halt in its premature start upon an underwriting career that was an air-line to disaster. Perhaps it may serve as a warning and restraint for the innocent and unwary victims of the cocky promoter and another object lesson for the office boys of insurance who suddenly develop the microbe of managerial and presidential abilities in their ambitious breasts.

Henry E. Rawlings, who, for the past fifteen years, has been associated with the United States Guarantee Company, at its New York office, and, latterly, a director and one of its vice-presidents, has been appointed assistant manager of the Guarantee Company of North America, at its head office in Montreal, where he has taken up his residence.

JOHN C. PAIGE & CO.**INSURANCE****65 KILBY STREET****BOSTON**

Three hundred firms, representing the prominent mercantile interests of Canada, signed a petition opposing the resolution now before the Canadian Parliament, which prohibits the placing of insurance with unlicensed underwriters by imposing a heavy tax.

OUR BOND—YOUR SECURITY.

T. J. FALVEY,
President.

JOHN T. BURNETT,
Sec'y & Treasurer.

**Massachusetts Bonding and Insurance Co.**

Organized under the Laws of the Commonwealth of Massachusetts.

Home Office, 77-81 State Street, Boston.

Capital\$500,000.00
Surplus\$250,000.00

SURETY BONDS and BURGLARY and THEFT INSURANCE.

LEADING FIRE COMPANY OF THE WORLD**[of Liverpool,****England.]****OLDEST
IN
AMERICA****STRONGEST
IN THE
WORLD****THE MUTUAL LIFE Insurance Company of New York**

**Mutual Life Agents Make Most Money
Because Mutual Life Policies Sell Most Freely**

For terms to producing agents, address

GEORGE T. DEXTER**2nd Vice-President****34 Nassau Street****New York, N. Y.**

THE PRESIDENT'S ADDRESS.

(Continued from Page 7.)

Establishment of the Savings Fund.

Then we have a free medical service for any employe taken ill during business hours—and they not infrequently run to a score or more a day—and special arrangements are made with physicians and hospitals for the care of those seriously ill. Among this great number not a few develop tuberculous tendencies and other troubles, for which a change sometimes works remarkable cures. So we have sent them from time to time to the Adirondacks, and to Colorado, and to California, and across the ocean. But of this I will speak later.

Beyond this we have an admirable system of savings—under the name of the Metropolitan staff savings fund. In that any of the company's employes earning not over a specified sum may deposit a part of his earnings, to be used in ease of incapacity by age or ill health—or at death. The company adds 50 per cent. to their deposits, invests the funds, credits to the persistent members all beyond the deposit and actual interest earnings of such as withdraw from the company, and we conduct its operations at no expense to the contributors. The contributors number about 6,000—the funds are nearly a million dollars and the credits to individual accounts run as high as 250 per cent. of their deposits.

Obligations to Employes.

In addition to this you are all more or less familiar with our welfare work. We believe we have a mission beyond collecting premiums and paying death claims. We have told you what we did with our employes of consumptive diathesis. Instead of sending one here and another there, it was thought we could best take care of them in a sanatorium of our own—and at the same time contribute to the world's knowledge of treatment and cure. We therefore sought the right to build a sanatorium with our own money for our own people. At the time we made the application we had 48 cases of consumption among our own employes. Our effort did not at first meet with the support of the Insurance Department, on the ground that such use of our money was not in consonance with insurance law. The Appellate Division decided that the project was within the discretion of the superintendent, and he thereupon granted the application. We now purpose going on with the work. Meantime, while the matter was pending, we were not idle, but sent out three and a half millions of illustrated magazines prepared by our own experts, to our policyholders, telling them how to prevent and how to cure the scourge, and we are in touch with all the institutions and all the movements throughout the country laboring with the same end in view.

Another branch of welfare work in which we are experimenting is that of nursing—in having bed-ridden policyholders in numerous large cities visited by trained nurses. These visits have run up into the tens of thousands. The justification for this is the saving in mortality. The reports re-

ceived show that we have saved human lives and restored to activity many that seemed doomed. Oh, that you might read some of the letters of gratitude that have poured into the home office! They would move your hearts. How far this may go the future must determine, but if the facts warrant it, we would like a Metropolitan Life Saving Station in every considerable city in the United States and Canada.

"Welfare Work" Natural Corollaries.

Nearing now the conclusion of my remarks, I would say that these various forms of welfare work—and others in our minds, not yet unfolded—seem to be the natural corollaries of our business. We propose to rise to the height of our opportunity, going as far as our charter rights, the means at our disposal and our own best judgment will warrant. We were the pioneers in these movements and we propose to maintain the leadership.

Since our efforts along these lines began, another life company has established a health bureau for the benefit of its policyholders; still another has taken steps toward the prevention of industrial accidents, having in view the safety of life and limb to the mass of workers in the leading industries; yet another large company has joined in the crusade against consumption; and to these we may add the recent action of a Southern Chamber of Commerce, which, recognizing the fact that this mass of agents and policyholders constitutes a ready medium for the ascertainment of facts and the dissemination of remedial information, invited the companies doing business in the State to co-operate with them in cradicate diseases peculiar to their section; and 14 of such companies gave assurance of their disposition to so co-operate—and thus we see that the grand work of humanitarianism, heretofore unknown among corporations of our nature, and largely inspired by our example, is moving forward with mighty strides.

Gives \$100,000 to the Cause.

A very pleasing incident has happened within a few days. An old and most estimable friend came to me and said: "Mr. Hegeman, I notice you are having some trouble in your sanatorium project. If the law is finally construed against you, as it ought not to be, and if your hands are tied, I tell you what I will do. I have a plot of nearly a hundred acres, within 50 miles or so of New York, finely adapted, as to elevation, etc., to the purposes you have in view, and I will turn that property over to you with my check for one hundred thousand dollars to be used for the purposes of a sanatorium." After the legal decision had been rendered conceding our right to go ahead with our own money, I called upon him to report the fact, to re-express our gratitude for the munificence of his offer, and to have him tell me that he was sorry that the opportunity of co-operating with us was lost. Did he tell me this? No. After thinking awhile he said: "See here; as between your plot and mine, build on whichever location you think the better adapted to the end in view. If on mine, do it entirely in accordance with your own plans and call on me for the amount promised to put

up the sanatorium."

He fully intended to be here this evening, but the last message I have received, here at this table, is one expressing regret that sickness confines him to his home. I wish I could mention his name. There is not a man in the room who does not know him, or know of him; but I am under pledge. He knows that he has our abiding gratitude—a cloud of witnesses yet to come will revere his name and memory—and he needs no assurance of the admiration felt for his noble generosity by every gentleman in this room.

Honor to Messrs. Le Brun.

And now, my friends—greatly to your pleasure, I know—we have reached what to all of us is a very interesting part of our banquet. Most, if not all, of you have had the pleasure of taking by the hand our estimable friends, the Messrs. Le Brun. They have been the company's architects for 34 years—a full generation. We first joined hands in 1876, when the company bought and reconstructed the Wilson G. Hunt Building in Park Place. The head of the firm was Napoleon Le Brun, the distinguished father of the two gentlemen whose presence honors us this evening. He was a man whom to know was to admire and to revere. When we think of him, there come to our mind the familiar words of Shakespeare: "His life was gentle, and the elements so mixed in him."

That Nature might stand up and say to all the world, "This was a man."

When the important work in Madison Square was determined upon they were commissioned to do it and they have done it faultlessly. Shortly after the completion of the first building the lamented senior died, and the company's work since, including the great tower and embracing various office buildings throughout the country, has been done by the sons. They are both ten-talent men. More than this, they are men of genius. Nothing I might say could add to their just renown.

In relinquishing their profession, after a lifetime of notable service, we have deemed the occasion an appropriate one on which to publicly express the debt of gratitude we feel for their great faithfulness and untiring devotion to the company's welfare. And as a mark of the esteem in which they are held, we have the pleasure of proffering them a modest tribute to

The Employers' Liability

Assurance Corporation, Ltd.

LIABILITY, STEAM BOILER,
ACCIDENT, HEALTH, FIDELITY
and BURGLARY INSURANCE.

UNITED STATES BRANCH.

SAMUEL APPLETON, United States
Manager,

Employers' Liability Building,
33 BROAD STREET, BOSTON, MASS.

EDMUND DWIGHT,
Resident Manager for New York State
56 MAIDEN LANE, NEW YORK.

AGENTS WANTED.

commemorate the completion of their work, and to convey with it every good wish that one mortal may invoke upon another. (Here was presented a replica of the tower, made by Tiffany, in sterling silver, three feet in height, with a working clock, dials and chimes, to correspond with the original.)

These gentlemen have warned us that they would rather build five towers than make one speech, so in place of the latter I have been handed this evening a communication from Mr. Pierre Le Brun, on behalf of himself and his brother, which it will give me much pleasure to read. (Hereupon Mr. Hegeman read a letter expressing the grateful thanks of the Messrs. Le Brun for the rare compliment paid them in the reception and banquet; for the noble act of the company in giving such generous acknowledgment to the work which it had been their privilege to perform; their sense of obligation to the contractors, engineers, and all who had rendered such intelligent and effective co-operation, and to the officers and directors of the company, whose encouragement from the outset had been their inspiration.)

Little remains for me now but to apologize to this distinguished body of friends for having inflicted upon them remarks which, save as to the Messrs. Le Brun, must have been more or less uninteresting. Were the truth told I fear that some, if not many, have wished that I was in the condition of a certain man at a campmeeting. The presiding elder had set aside an afternoon for a married men's service. The place was packed, and the moderator opened the services by saying, "All the married men in this room who are in trouble will please stand up." Thereupon every mother's son of them arose, save one. The leader said in wonderment: "My friend, you're a marvel; you are one man in ten thousand." And the man responded: "No, Mr. Moderator, 'taint that, but I'm paralyzed—I can't git up." But whatever wishes you may have had in that direction I will now dispel by silence. If I have trespassed too much upon your generosity, it is because I have been allured by the fruitfulness of my theme and emboldened by your boundless patience and politeness. And for the latter I proffer you the assurance of my most grateful thanks.

MEN OF ENERGY ARE OFFERED WORK OF MOMENT

In desirable localities representing a sixty-year old institution, with modern, liberal, law-conforming policies, and helpful Home office co-operation. Much good territory available. Many opportunities for advantageous positions. Inquire NOW.

UNION MUTUAL LIFE INSURANCE COMPANY PORTLAND, MAINE

FRED E. RICHARDS, President.

ALBERT E. AWDE,
Supt. Flatiron Bldg.,
Watertown, N. Y.
THORNTON CHASE,
Supt., 405 Exch. Bldg.,
Los Angeles, Cal.

Address
either:

THE FIRST FAKE BURGLARY CONVICTION.

Superintendent F. M. Sporrer, of the burglary department of the American Bonding Company, furnishes the following interesting details of the first conviction on record for a fake burglary claim.

Ever since burglary insurance was invented it has gradually been replacing the fake fire as an immeasurably superior substitute by reason of not imperiling or destroying the lives or property of others. The firebug runs a big chance of figuring in a hanging if convicted of arson. As an amateur burglar he don't risk his neck, only his liberty.

It is extremely difficult to disprove a burglary claim on the ground of fraud, even when obvious. Hence the American Bonding has rendered the whole burglary underwriting profession a distinct and lasting service in establishing a precedent that may have a strong bearing on future fake burglaries. The facts of the case as furnished by Superintendent Sporrer, are as follows:

Last May the defendant made application for a \$2,000 burglary insurance policy to Allmond, Bird & Co., Wilmington, Del., agents for the American Bonding Company, of Baltimore. The policy was issued and on May 17 the assured, E. W. Luff, gave notice that he had been robbed and made a sworn statement of his loss. Among the articles claimed lost were two valuable oil paintings, which were afterward found in the loft of the stable on the Luff property. Luff also claimed to have lost \$1,150 in

cash, which was taken from a pocket-book in a bureau drawer. The list included a gold watch, two suits of clothes, one overcoat, a double-barrel breech-loading gun and other minor articles.

Notwithstanding the positive evidence presented the jury deliberated nearly twenty-four hours before reaching a verdict of guilty and recommendation for mercy, in recognition of which the court passed sentence of six months and fine equal to the costs of the prosecution.

While "The Chronicle" congratulates the company on the successful prosecution of this swindler, it is difficult to refrain from smiling at some of the circumstances connected with the case, particularly the issuance of a residence burglary policy on "oil paintings" in the cabin of a journeyman carpenter in an outlying district, which art works proved to be cheap litho chromos.

PHENIX

Insurance Company

—OF—

BROOKLYN, N. Y.

NEW YORK OFFICE:

68 WILLIAM STREET

THE American Credit-Indemnity Co. OF NEW YORK.

CREDIT INSURANCE ONLY.

Insures Wholesalers and Manufacturers against Excessive Annual Loss through the Insolvency of their Customers.

We can always use a few high-grade solicitors.

ST. LOUIS, MO.

NEW YORK, N. Y.

Offices in All Principal Cities.

A. B. TREAT, General Agent,

302 Broadway, : : : : : New York.

THE OUNCE OF PREVENTION BETTER THAN THE POUND OF COMPENSATION.

(Secretary Walter G. Cowles, of the Travelers Insurance Company, before the National Civic Federation.)

The subject suggested to me for discussion is somewhat differently but no more forcibly stated in one of the working texts of the insurance company with which I have the honor to be connected. We assert that "**An injury prevented is a benefaction; an injury compensated an apology.**"

All accidents due to occupation may with much propriety be called "industrial accidents," but I wish to limit the meaning of that expression for the purpose of this paper to those accidents due to creative, productive and constructive industries which have particularly come under my observation to the extent of many hundred thousand.

Exact information as to the number of industrial accidents in the United States is not obtainable. The number of fatal industrial accidents has been variously stated at from 20,000 to 50,000 in a year. I have no personal conception of the accuracy of either extreme. The number of non-fatal industrial accidents for the same period has been customarily stated as two million or more. It is sufficient to say that these accidents of whatever number are startlingly frequent, many of them startlingly serious and all carry with them a vast amount of human suffering not limited to the injured and a vast amount of economic loss which reaches in many directions and affects many interests. The problems presented by those who rightfully condemn the present legal conditions as unsuitable for relieving suffering or distributing loss, are receiving the serious attention of a growing number of the most able and most intelligent of our American men and women. Solutions of these problems cannot be reached by sensational methods which appeal more largely to passion than to judgment. The extensive publication of incomplete and misleading statistics accompanied by sensational comment is doing more harm than good to the cause which these ill considered efforts profess to espouse. The tendency toward error will be strong enough without misleading influences. It will be much easier to reach the wrong than the right conclusion as respects many of the details involved in a suitable scheme of compensation for accidents. It will require the cool, dispassionate judgment of many well informed persons after mature deliberation, exten-

sive inquiry, and many consultations to even approach a partial solution. We have the obvious mistakes of many other countries to guide us somewhat, but thoughtful investigation soon leads us into the field of speculation and pure conjecture where we must proceed without landmark toward an unknown destination.

Prevention Easily Attainable.

While awaiting some solution of these problems we may with much profit and much hope direct our attention to the prevention of accidents which, as stated in the subject, is more important than compensation and we may safely add more desirable than compensation.

Can industrial accidents be prevented and, if so, how?

The first part of the question is easily and confidently answerable in the affirmative. Nor is it necessary that this answer should remain an unsupported assertion. Confirmative evidence is within the knowledge of all well informed persons and confirmation by actual examples in real every day life could be brought forward in sufficient numbers to consume the time of all your sessions in the telling. I pause to select one general but striking example from the large number constantly passing under my observation.

Stupid Judgment.

A coal prospect was developed by a small private corporation, one of those close organizations of the family sort. The substantial owners did not live at or anywhere near the mines. They placed a very competent superintendent in charge and paid him what he was really worth. Year after year he developed and operated that mine without accidents of any moment. There were a few trifling mishaps without which rugged manual labor is scarcely possible. There was no loss of life or limb and yet the mine possessed many inherent and some unusual dangers. Finally it was sold to one of the large industrial concerns engaged in gathering in a number of such properties. I do not know that the new owners mined any more coal than their predecessors, but they doubtless mined it at less expense, and, as the price of coal did not go down, we may assume that the profits of the owners were increased. The superintendent did not appear to fit this new organization very well, perhaps he was considered too expensive, perhaps his methods were not approved, at any rate he severed his connection with the mine. With startling suddenness the scene changes. Many of the old miners left and their places were filled by a less desirable

class of workmen. Serious accidents began to happen and these were followed by still more serious explosions. There is more to the story. I wish I could tell it all, but this answers our present purpose. Comment is unnecessary, the moral is obvious. Fortunately there are many such superintendents not only in mines but in other industries; unfortunately there are more who are not such.

There is usually coupled with this branch of the question an inquiry as to the percentage of accidents which are preventable. Some say 10 per cent., others say 50 per cent. or more. That feature of the inquiry concerns vs little. It may be assigned to the field of hope rather than prophecy. There is said to be joy in heaven over one sinner that repenteth; there may well be joy on earth over one industrial calamity of this kind which is averted.

How Prevent?

We must pass along rapidly to the second element of our question which is, "How may industrial accidents be prevented?" For the purpose and within the limits of this paper we must confine our discussion to the general moral and physical conditions which result in accidents. These conditions might be subdivided to an almost infinite extent if time permitted. We have already had an example of the effect of moral conditions upon accident. Within the moral conditions come management, superintendence, envir-

SAFETY FUND INSURANCE

NIAGARA*

Fire Insurance Company

—OF—

NEW YORK

OFFICE:

46 CEDAR STREET, CITY.

HARTFORD LIFE

INSURANCE COMPANY,
OF CONN.

1909 Policies are Participating, or Non-participating, with Lower Rates and Values based on FULL RESERVE.

For Right Contracts,
Address, Second Vice-President.
Home Office, HARTFORD, CONN.

onments, character of labor employed and the general relations between employer and employed. Within the physical conditions come room, light, sanitation, every practical device or provision in the interest of safety and unceasing vigilance in the effort to keep the plant as a whole with every machine or moving thing, every appliance and every tool in the best possible condition.

Entirely Practical.

Perhaps some one has made the mental criticism at this point that to reach this high plane of excellence in moral and physical conditions is ideal rather than practical. With this conclusion I shall promptly differ, and I regret that time will not permit me to proceed with this feature to the point of absolute conviction. I shall ask you to believe that I am not an idealist. I believe in the ideal as the thing for which we should strive. It is far better to work toward a high ideal than to work beyond a lower one.

An insurance company is a commercial institution maintained for what we assert to be the beneficent purpose of equitable distribution of loss. Insurance companies hope to make profits, and they should. A test of the practicability of prevention can be found in the efforts of at least some of the companies (I wish I could say all) in this direction. I can speak with more certainty of the efforts and aims of my own company than of any other. Many years ago we undertook carefully considered plans for the prevention of industrial accidents. We established and are now maintaining an extensive and intelligent system of inspection, and into that service we are putting thousands upon thousands of dollars every year. All this finds its way into the reported expenses of the company, those so-called wasteful expenses upon which the sensationalists have offered so many unkind and untrue comments. Do you think we are putting our money year after year into a lost or hopeless cause? The most unkind critic of insurance companies could hardly claim that it would be out of tune with the customary assertion that insurance companies are diverting all possible income to profit.

Not Eleemosynary.

Nor do we claim that this is done for purely humanitarian reasons. It is all in the interest of humanity certainly, and the fact that it helps and protects our business can hardly be urged as an objection. Its benefits accrue to the company, they must result from the prevention of accidents which otherwise might become claims. Are we

THE ORIGINAL COMPANY IN AMERICA MAKES BEST RECORD.

The annual meeting of the shareholders of the Guarantee Company of North America was held at its head office, in Montreal, January 20. The president, Edward Rawlings, in the chair.

The report showed the following results: Total income for the year, \$320,565; total amount of risks in force (less reinsured), \$62,131,741; total amount of claims paid and provided for, \$2,235,342; surplus as regards shareholders, \$1,041,423; surplus as regards policyholders, \$1,346,023; total resources, \$1,919,892, an increase of nearly half a million over the preceding year.

The following directors were elected for the ensuing year: Sir Edward S. Clouston, Bart.; Henry W. Cannon, New York City; James B. Forgan, Chicago; George Hague, Hartland S. MacDougall, Edward Rawlings, William Wainwright, Henry E. Rawlings and the Hon. E. C. Smith, St. Albans, Vt.

At a subsequent meeting of the board, Edward Rawlings was re-elected president and managing director, and Hartland S. MacDougall, vice-president for the ensuing year. Henry E. Rawlings was appointed assistant manager, and Richard B. Scott re-appointed secretary and treasurer.

Philadelphia Casualty Co.

WALTER LE MAR TALBOT, Pres't.

Capital \$500,000
Total Assets, April 1, 1909.....\$1,427,564
Surplus (Policyholders)..... \$714,598

SAFE SUPERIOR POLICIES SATISFACTORY

Personal Accident, Health, Liability,
Automobile, Plate Glass and
Credit Insurance.

Agency Correspondence Solicited.

NATIONAL LIFE INSURANCE COMPANY of the United States of America CHICAGO

ESTABLISHED 1868

ALBERT M. JOHNSON, President
ROBERT E. SACKETT, Vice-President
ROBERT D. LAY, Secretary

**RECORD
SIX YEARS**

Increase in Surplus Funds, - - - - \$ 495,980.03
Increase in Yearly Income, - - - - 1,167,464.28
Increase in Assets - - - - - 5,848,855.77
Increase in Insurance in Force - - - 23,968,070.00

EXCEPTIONAL OPPORTUNITIES FOR MEN OF ABILITY

Pittsburgh Life & Trust Co.

W. C. BALDWIN, President

AGENCY CONTRACTS MADE DIRECT
WITH SOLICITORS

ASSETS\$23,549,229.15
Reserve on Outstanding Policies\$21,401,598.00
All Other Liabilities..... \$417,649.50
Assets in Excess of all Legal Requirements \$1,729,981.65
Insurance in Force.....\$80,000,000.00

HOME OFFICE - PITTSBURGH, PA

The Columbian National Life INSURANCE COMPANY OF BOSTON, MASS.

LIFE, ACCIDENT AND HEALTH
INSURANCE.

The Only Massachusetts
Non-Participating Company

The New Columbian Policies (Sept. '09)
are Unexcelled in Clearness and Liberality.

Good Contracts and Territory for
Good Producers.

ARTHUR E. CHILDS, President.

Germania Fire INSURANCE CO.,

NEW YORK.

ORGANIZED 1850.

Cash Capital.....\$1,000,000.00
Assets\$5,874,016.00
Net Surplus.....\$1,509,442.33
Surplus for Policyholders, \$2,509,442.33

HEAD OFFICE:
Cor. William and Cedar Streets.



(Continued on Page 20.)

THE OUNCE OF PREVENTION BETTER THAN THE POUND OF COMPENSATION.

Continued from Page 19.)

preventing accidents by our system of inspection? We certainly believe we are and for that reason we are constantly strengthening and improving the service in every direction. What are we doing? We certainly know the conditions which cause accidents, and we can equip our inspectors with a broad and comprehensive knowledge of the moral and physical causes which no individual or corporate employer of labor has equal opportunity to acquire. Our inspectors bring to their work all this vast fund of information. They apply it to the plant under inspection. Dangerous conditions more or less obscure or not appreciated are thus brought to light. Our recommendations and suggestions are of course purely advisory, they cannot be mandatory. Some receive them thankfully and act upon them immediately. Others are indifferent. Some absolutely rejected our suggestion. Our only remedy in the latter case is the cancelation of our insurance. Unfortunately other companies may be found whose inspection requirements, if any, are less exact, and protection thus obtained against conditions which should be uninsurable. Of course all our efforts are not effective but we go right on with the application of our inflexible rule that we will not knowingly provide indemnity against preventable accidents. Human foresight is fallible, preventable accidents will continue, but they will grow less in number just as rapidly and extensively as the effectiveness of this kind of service is increased.

The Moral Side Considered.

Into this service we put constant study and the best obtainable skill. We encourage our inspectors to devise guards suitable for every condition they encounter. We grant rewards to those who devise meritorious appliances. We seek publicity for our devices by frequent exhibits. The service is entirely free from all commercialism. We have no devices for sale. We support associations and societies engaged in the development of safe work places. We consider carefully the moral as well as the physical condition likely to produce accidents. The shortcomings of careless or brutal superintendents or foremen are brought to the attention of their superiors. We strive for light, for space, for cleanliness and general sani-

tation. We prescribe remedies of a practical character for existing dangers. We bring conditions by photographs or other vivid means right to the desks of those highest in authority, many things they have never seen and of the existence of which they never dreamed. Many other companies are doing valiant service in the same direction, but in sharp and discordant contrast comes the public announcement credited to one insurance manager that he "doesn't give a whoop for inspections" and by fair inference of course he "doesn't give a whoop" for injuries.

The State factory inspectors are faithfully doing their part. A large majority of the State inspectors welcome the work of the insurance inspectors to supplement their own efforts. There are a few exceptions, and the reasons which govern these are hard to understand. We are all after the same thing, we all have our limitations, but our hopes for the future are great.

Practical Prevention.

It seems then that the practicability of prevention has been demonstrated. Of course we cannot enumerate the accidents which have been prevented. We can conclusively demonstrate actual prevention by comparison of results preceding and following effective inspection in many risks. We can say that we have a method of practical prevention at hand and in actual service. It is not complete nor perfect by any means, but it is well and effectively started. Time and experience will enlarge and vastly improve it. It answers the requirement of practicability, and all that remains is to make it universal and effective. Is that also possible? It ought to be possible to bring every plant in this country up to a reasonable inspection standard. How can it be done? Not by the inspectors alone. The owners and

"The Leading Fire Insurance Company of America."



WM. B. CLARK, President.
W. H. KING, Vice-President.
HENRY E. REES, Secretary.
Assistant Secretaries,
A. N. WILLIAMS, E. S. ALLEN,
E. J. SLOAN, GUY E. BOWDLEW.

NATIONAL LIFE Insurance Company, MONTPELIER, VERMONT.

Established in 1850.
Operating in 36 States.

JOSEPH A. DE BOER, President.

FRED A. HOWLAND, Vice-President
JAMES B. ESTEE, 2nd Vice-President
OSMAN D. CLARK, Secretary
H. M. CUTLER, Treasurer
A. B. BISBEE, Medical Director
C. E. MOULTON, Actuary

This Company held January 1, 1909, and gained during the past decade:

ASSETS . . .	\$44,026,069.73
GAIN, 173 PER CENT	
SURPLUS . . .	\$5,279,925.70
GAIN, 174 PER CENT.	
INSURANCE .	\$155,755,039.00
GAIN, 93 PER CENT	

Absolute Security and Economy of Management

THE FIDELITY & CASUALTY COMPANY

97 TO 103 CEDAR ST., NEW YORK CITY.

ASSETS - \$8,649,885.66
Cap. & Surplus \$3,011,834.00
LOSSES PAID
to Jan. 1, 1909, \$29,195,835.85

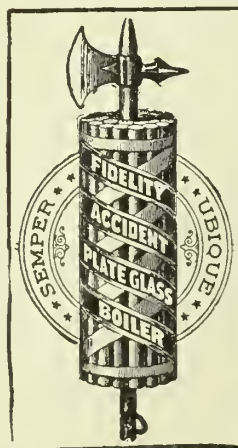
This Company grants Insurances as follows:

Bonds of Suretyship for Persons in Positions of Trust, Fidelity Bonds, Burglary, Plate Glass, Steam Boiler, Fly Wheel, Employers, Public, Teams, Workmen's Collective, Elevator and General Liability; Personal Accident, Health and Physicians' Liability.

OFFICERS:

GEORGE F. SEWARD, President.

Robert J. Hillas, V.-P. & Sec'y. Henry Crossley, Ass't Sec'y.
Frank E. Law, 2d Ass't Sec'y. George W. Allen, 3d Ass't Sec'y.



their substantial representatives must do it and they must be made to do it if unwilling. The inspectors can advise, assist and suggest out of their vast fund of general experience, they can bring to light the obscure or unrecognized dangers which escape the owners' observation. The inspectors may plan and devise, the owner must execute. How can owners be compelled to bring their plants to a condition of reasonable moral and physical safety? It will require well considered laws which will come in the form of rational evolution and it will particularly require the rigid enforcement of those laws. Some will comply willingly and completely but others will not. How can these laws be evolved and how enforced? Suppose we begin by working along the lines devised for the protection of those who use the public streets. The rules of the road have been in force from time immemorial. The traffic conditions in our large cities were causing many accidents. It seemed reasonable that some could be prevented. From an occasional police officer at a busy corner there was evolved the traffic squad. See what has been accomplished here in New York by the rigid enforcement of existing law.

There is a law in most States requiring that gears upon machinery shall be guarded. Are they guarded? The fearful tribute of crushed human members exacted by the unguarded gear every day of our lives is a ghastly answer to the question. How can suitable guards be secured? The law apparently fails by reason of necessary generality in expression. To say by statute that all dangerous gears must be guarded is far less effective than to direct through a properly empowered official that a particular indicated gear shall be guarded in a suitable way. It is not sufficient to enforce the installation of the safeguard, its constant maintenance must also be enforced. If it is removed, investigate

(Continued on Page 22.)

T H E PROVIDENT

LIFE AND TRUST COMPANY
OF PHILADELPHIA

Insurance in Force, \$201,185,435.00
(Paid for Basis)

Assets \$67,324,334.35
(Market Value, Dec. 31, 1908)

Contingency Reserve . \$8,819,979.14

The NEW POLICIES of the
Provident are unsurpassed for conciseness and simplicity of form and for adaptability and liberality in all essentials.

The Premium rates of the
Provident are exceedingly low and are still further reduced by large annual dividends.

New England Mutual Life Insurance Company

87 Milk Street, BOSTON, MASS.

ASSETS, Jan. 1, 1909.....\$47,980,647.74
LIABILITIES 44,476,655.63
\$3,503,992.06

All forms of Life and Endowment policies issued. Cash distributions paid upon all policies. Every policy has indorsed thereon the cash surrender and paid up insurance values to which the insured is entitled by the Massachusetts Statute. Pamphlets, rates and values for any age sent on application to the Company's Office.

ALFRED D. FOSTER, President.
D. F. APPEL, Vice-President.
JACOB A. BARBEY, Secretary.
WM. F. DAVIS, Asst. Sec'y.
J. G. WILMAN, Asst. Sec'y.
NEW YORK OFFICE:
St. Paul Building, 220 Broadway.
SETH H. WHITELEY, Manager.

The Star of Success

shines over the fields in which our agents work.

Why? Popular company, policies that cover public needs, low net cost, literature that prospects read.

Now writing the largest business in our history.

For agency information apply to

Massachusetts Mutual

Life Insurance Company
Springfield, Mass.

Incorporated 1851.

THE HOME LIFE INSURANCE COMPANY OF AMERICA

Incorporated 1899.



THE COMPANY FOR THE AMBITIOUS AGENT who desires to sell "COMMON SENSE" insurance at LOWEST COST, and who seeks, through most liberal first year and guaranteed renewal commissions, to receive just recognition of service. All policies registered, signed and sealed by the Insurance Commissioner of the State of Delaware, making them truly

SAFE AS GOVERNMENT BONDS.

Address Executive Offices, 416-18-20 Walnut Street,
PHILADELPHIA, PA.

JOHN LANGHAM, Jr.,
President.

JOSEPH L. DURKIN,
Secretary.

GEORGE M. NETTLESHIP,
Manager of Agencies.

\$27,000,000

Insurance in Force



CITIZENS LIFE

INSURANCE COMPANY

LOUISVILLE, KY.

W. H. GREGORY, President

The Best, Safest, Most Liberal and Most Equitable Forms of Policy Contracts
are issued by the

JOHN HANCOCK MUTUAL LIFE INSURANCE CO. OF BOSTON, MASS.

ROLAND O. LAMB, President.

WALTON L. CROCKER, Secretary.

Issues the Most Perfect Forms of Life, Endowment, Instalment and Term
Policies Greatest Sellers in the Market.

LIBERAL CONTRACTS TO THE RIGHT MEN.

ROBERT K. EATON, Supt. of Agencies, Boston.

WILLIAM N. COMPTON, General Agent, Metropolitan District,
St. Paul Building, 220 Broadway, New York.

THE OUNCE OF PREVENTION BETTER THAN THE POUND OF COMPENSATION.

Continued from Page 21.)

the removal and hold the individual who is responsible to a suitable penalty. Criminal statutes respecting murder and mayhem are still in force and suffering from neglect. Don't be satisfied with the explanation that the fault lies with a corporate owner which can neither be hanged for murder nor imprisonment for mayhem. Corporate crimes be they great or small are committed by individuals.

Punish the Individual.

Follow the responsible individual. Let him suffer the penalty which fits his offense. If it is criminal, let him suffer as a criminal. If he is negligent without criminal intent, let him suffer a suitable penalty for that. Suppose a brutal foreman pulls the guard from a gear, hurls it across the room (and such things have happened many times), then calls some ignorant foreign laborer who cannot speak a word of English, gives him a piece of waste and motions to him that he is to clean the moving machinery including parts around and near the gears. It is almost morally sure that the poor fellow will get into those gears. The foreman will say he should know better, he can see them and should take care of himself. Perhaps he should, but he does not. A serious injury results. If that foreman produced that same injury away from his place of work, he would be pursued criminally, but how often are the criminal statutes actually and effectively evoked in cases of this kind. The obligation of the individual for distinct or, certainly willful violation should not be overlooked because of corporate connections. The recognition of reasonable individual obligation provides a strong restraining influence. I believe a workman who unnecessarily removes a safeguard and thereby suffers injury himself should be held to personal account just as an intending suicide may be held.

Could the traffic squad remain effective if the name of a recalcitrant driver was taken and his offense reported to his employer? Scarcely. The remedy is found by holding the individual immediately and sharply responsible for his violation of the traffic law without regard to his employment or the fact that his offense was committed theoretically in the service of his employer. His employer may pay his fine but the fact that he has been personally held serves as a deterrent influence against further offense of a similar kind.

The Lump Will Leaven.

I must leave the consideration of these tremendously interesting questions with a few of many possible answers barely suggested rather than demonstrated. I have evoked impressive incidents and startling contrasts from real life to bring out forcibly a very few of the many possibilities in the direction of prevention. I am personally firmly convinced that great opportunities for the relief of the industrial carnage exist. If I have led any of you to think in the same direction, or to reach wholly or partially the same conclusion, I am indeed thankful. I urge every earnest student of the sociological problems of the day to give these questions most thoughtful consideration, and I think we may with reason believe that the benefaction of prevention may be largely increased and the apology of compensation correspondingly reduced.

Alfred M. Best Company

INCORPORATED

100 William Street, New York.

BEST'S INSURANCE REPORTS.
BEST'S INSURANCE NEWS.

The Standard Authority.

WESTERN ASSURANCE Co.

HEAD OFFICE,
TORONTO, - - CANADA.

Incorporated 1851.

Hon. GEORGE A. COX.....President
W. R. BROCK and JOHN
HOSKIN, K. C. LL. D., Vice-Presidents
W. B. MEIKLE.....General Manager

United States Statement, Jan. 1, 1909.
Assets\$2,184,632.20
Surplus in United States..... 726,218.62

A first class life underwriter with a successful field record, and an untarnished reputation can secure good open territory by addressing

**SECURITY MUTUAL LIFE
INSURANCE COMPANY**
Binghamton, N. Y.

BONDS OF SURETYSHIP.

The Guarantee Company of North America. HEAD OFFICE, MONTREAL.

THE OLDEST AND LARGEST IN
AMERICA.

President, EDWARD RAWLINGS.
Sec'y and Treas., RICH'D B. SCOTT.

Paid-up Capital and Re-
sources\$1,817,612
Claims Paid to Employers....\$2,165,964
No Claims in Suit.

BRANCH OFFICES:
NEW YORK: 111 Broadway,
D. J. TOMPKINS, Secretary.
BOSTON: 114 Milk Street,
W. A. HAMILTON, Agent & Att'y.
CHICAGO: Room 400, The Temple,
J. R. PRUYN, Resident Sec'y & Att'y.
PHILADELPHIA: 500 Arcade Bldg.,
W. H. JACKSON, Res. Sec'y.
PITTSBURGH: 1120 Farmers B'k Bldg.,
E. R. MUNRO, Resident Secretary.

All agents should remember that man is made up of three elements, i. e., SELFISHNESS, EGOTISM and CURIOSITY. One of these characteristics predominates in every interview. The Philadelphia Life Insurance Company is now issuing a SPECIAL INSTALLMENT CONTRACT which gives the greatest amount of insurance for the least money, and which returns to the insured, if he lives, all the money he pays in with a profit, at the end of 20 years. THIS APPEALS TO HIS SELFISHNESS.

It gives him the largest amount of face value insurance and enables him to leave the largest possible estate for the money invested. THIS APPEALS TO HIS EGOTISM.

When you state to him that you can give him so much insurance for so little money you HAVE AROUSED HIS CURIOSITY.

Write Perry to-day for particulars.

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS is unsurpassed for net low cost and care of interests of all members.

THE PENN MUTUAL LIFE INSURANCE COMPANY OF PHILADELPHIA

On January 1, 1909, rates were reduced and values increased to full 3% reserve.

COMMERCIAL - UNION

ASSURANCE CO.,
(LIMITED)

OF LONDON.

OFFICE;

Cor. Pine & William Sts.

NEW YORK.

\$3,300,000.00

Of First Farm Mortgages.

Lowest Net Cost of Insurance
of Any Company in America.

THAT'S WHY WE GROW.

Bankers Life Ins. Co.,
Lincoln, Neb.

IF YOU ARE TIRED OF LOW WAGES

and small opportunities, step into a business into which all your ability will count.

There's money in selling

Life Insurance

Write NOW for particulars of an agency contract.



THE PRUDENTIAL

Insurance Company of America.

Incorpor'd as a Stock Company by the State of N. J.

JOHN F. DRYDEN,

President.

Home Office:

NEWARK, N. J.

Write for Agency.

Hanover Fire

INSURANCE
COMPANY
of New York



Agencies
in all the Principal Places
in the United States.

CUR

Course of Insurance Education.

Department for Furnishing
Prospects.

New "Model Policy"

Will Plough the Field and Assure
the Harvest for Good Agents.

Phoenix Mutual Life

INSURANCE COMPANY,
Hartford, Conn.

Write Home Office.

BONDS--CASUALTY

**AGENTS
IF
YOU**

{ Can Command Bond or Casualty business
Are seeking an Agency connection
Are not representing another like Company

ADDRESS, AGENCY DEPARTMENT,

The Empire State Surety Co.
NEW YORK

Organized 1850

ISSUES GUARANTEED CONTRACTS

JOHN P. MUNN, M.D. PRESIDENT FINANCE COMMITTEE CLARENCE H. KELSEY <i>Pres Title Guaranty and Trust Co.</i> WILLIAM H. PORTER <i>Pres Chem Nat Bank</i> EDWARD TOWNSEND <i>Pres Importers & Traders Nat Bank</i>	Good men, whether experienced in life insurance or not, may make direct contracts with this company, for a limited territory if desired, and secure for themselves, in addition to first year's commission, a renewal interest insuring an income for the future. Address the Company at its Home Office, No. 277 Broadway, N. Y.
---	--



Established 1836.

Entered U. S. 1848.

The statement of the condition of the United States Branch on the 1st of January, 1909, in accordance with the laws of the State of New York, is as follows:

ASSETS \$13,212,749.70
 LIABILITIES 8,238,870.50

SURPLUS \$4,973,879.20

As an illustration of the Company's practice in maintaining its Assets in the United States in years of excessive loss, the following figures may interest policyholders:

Year.	Assets at January 1.	Income.	Expenditure.	Excess of Expenditure.
1871	\$3,054,361	\$3,163,901	\$5,122,653	\$1,958,752
1872	3,640,450	3,733,101	4,484,999	751,898
1873	4,165,290			

THUS SHOWING EXCESS OF EXPENDITURE IN THE TWO YEARS OF \$2,710,650
 AND INCREASE OF ASSETS IN THE SAME TIME OF 1,110,929

PROGRESS of the United States Branch: Net Fire Premiums—1848, \$4,519; 1858, \$471,998; 1868, \$1,739,620; 1878, \$2,422,126; 1888, \$3,028,010; 1898, \$4,079,422; 1908, \$7,427,617.63.

LOSSES—The amount paid in satisfaction of fire losses in the United States to the beginning of the present year was \$115,772,000. This large sum, in conjunction with the growth of the Company's business, evinces the confidence of the public and the faithfulness with which the Company's losses are adjusted and settled.

The Preferred
ACCIDENT INSURANCE COMPANY
of New York

SUPERIOR POLICIES

KIMBALL G. ATWOOD, President,
290-292 Broadway, New York.

201st YEAR

SUN
Insurance Office
OF LONDON.

FOUNDED 1710.

UNITED STATES BRANCH:

54 PINE STREET, NEW YORK.

WESTERN DEPARTMENT:

171 LA SALLE ST., CHICAGO.

PACIFIC DEPARTMENT:

Sansome & Sacramento Sts.,
SAN FRANCISCO, CAL.

AGENTS WANTED
AT UNREPRESENTED POINTS.

THE FRANKFORT
MARINE, ACCIDENT
AND PLATE GLASS **INSURANCE CO.**
OF FRANKFORT-ON-THE-MAIN GERMANY
ESTABLISHED 1865.

United States Department, 100 William Street, New York, N. Y.

TRUSTEES:

RICHARD DELAFIELD, Pres. of National Park Bank
ERNST THALMANN, of Ladenburg, Thalmann & Co.
STUYVESANT FISH, 214 Broadway, New York City.

C. H. FRANKLIN, U. S. Mgr. and Attorney JNO. M. SMITH, Sec. U. S. Branch

INSURANCES TRANSACTED
LIABILITY— Burglary, Workmen's Collective
Employers, General, Vessel Owners, Individual Accident & Health
Public, Landlords, Contingent, Industrial Accident & Health
Teams, Elevator, Druggists & Physicians.

AGENTS WANTED FOR UNOCCUPIED TERRITORY

UNITED SURETY COMPANY
BALTIMORE, MD.

HENRY G. PENNIMAN PRES.

JOHN B. MURPHY,

Resident Vice-President.

84 WILLIAM STREET - - NEW YORK

Telephone John 1770 - 1771

HOME OFFICE OF THE

Metropolitan Life Insurance Company

(INCORPORATED BY THE STATE OF NEW YORK, STOCK COMPANY)

The Company OF the People, BY the People, FOR the People

PROOF OF PUBLIC CONFIDENCE.

This company has more premium paying business in force in the United States than any other company, and for each of the last 15 years has had more New Insurances accepted and issued in America than any other company.

The number of Policies in force is greater than that of any other Company in America, greater than all the Regular Life Insurance Companies put together (less one), and can only be appreciated by comparison. It is a greater number than the Combined Population of Greater New York, Chicago, Philadelphia, Boston, St. Louis, Cleveland, Cincinnati, San Francisco, Pittsburg, Baltimore, New Orleans and Buffalo.

Assets.

United States, City and R.	
R. Bonds and Stocks.....	\$99,630,935.56
Bonds and Mortgages.....	90,795,319.02
Real Estate	22,444,627.78
Cash	4,775,988.79
Demand Loans on Collateral,	2,192,702.00
Loans to Policyholders.....	8,966,362.78
Prom. deferred and in course	
of collection (net).....	5,300,922.97
Accrued Int., Rents, etc.....	2,820,502.29
Total	\$236,927,361.19

Liabilities.

Reinsurance Fund and	
Special Reserves.....	\$208,124,891.00
All other Liabilities.....	6,669,563.07
Capital and Surplus.....	22,122,907.12
Total	\$236,927,361.19



Largest Office Building in the World—
Madison Ave., Fourth Ave., 23d St.
and 24th St., New York City.

THE DAILY AVERAGE OF THE COMPANY'S BUSINESS DURING 1908:

441 per day in number of Claims Paid.
6,343 per day in number of Policies placed and paid for.
\$1,202,352.87 per day in New Insurance placed and paid for.
\$166,633.89 per day in Payments to Policyholders and addition to Reserve.
\$126,996.37 per day in Increase of Assets.

OFFICERS.

John R. Hegeman.....	President
Haley Fiske.....	Vice-President
George H. Gaston.....	2nd Vice-President
George B. Woodward.....	3rd Vice-President
Frank O. Ayres.....	4th Vice-President
James M. Craig.....	Actuary
Frederick H. Ecker.....	Treasurer
Walter Stabler.....	Comptroller
James S. Roberts.....	Secretary
John R. Hegeman, Jr.....	Asst. Secretary
J. J. Thompson.....	Assistant Secretary
T. R. Richardson.....	Assistant Secretary
F. F. Taylor.....	Assistant Secretary
Frederick A. Betts.....	Assistant Secretary
George C. Penhallow.....	Assistant Secretary
Stewart L. Woodford.....	Counsel
Thomas A. Willard, M. D.....	Med. Director
Augustus S. Knight, M. D.....	Med. Director
W. S. Manners, M. D.....	Asst. Med. Director
E. M. Holden, M. D.....	Asst. Med. Director
D. M. Gedge, M. D.....	Asst. Med. Director
I. J. Cahen.....	Manager Ordinary Dept.
Lee K. Frankel, Ph. D.....	Mgr. Indus. Dept.
Jacob Chadeayne.....	Mgr. Intermediate Dept.
Chas. G. Reiter.....	Asst. Actuary
James C. Brown.....	Asst. Actuary
James D. Craig.....	Asst. Actuary
Raymond V. Carpenter.....	Asst. Actuary

Paid to Policyholders since Organization, plus the Amount now invested for their Security, \$470,366,769.36.
Number of Policies, in Force, Dec. 31, 1908, 9,960,106. Total Outstanding Insur. Placed and Paid For, Dec. 31, 1908, \$1,861,890,803.

In its Ordinary Department policies are issued for from \$1,000 to \$1,000,000 on individual lives, premiums payable annually, semi-annually and quarterly. In its Industrial Department policies are issued on all the insurable members of the family for weekly premiums.

Full particulars regarding the plans of the Metropolitan may be obtained at its Home Office, 1 Madison Avenue, New York City, or of its Agents in all the principal cities of the United States and Canada.

IN PRESS

Survivorship Annuity Tables

Net Premiums, Mean and Terminal Reserves

**American Experience Table,
LIFE OF NOMINATOR**

**Danish Survivorship Annuitants' Table,
LIFE OF ANNUITANT**

And 3 1-2 Per Cent. Interest

BY

MILES M. DAWSON,
Consulting Actuary

Ready for Delivery March 1, 1910

Advance Sheets (now ready for delivery) giving net premiums for all combinations of ages, above 20 for annuitant and above 20 and under 61 for nominator, will be sent to any purchaser whose order is received before publication of the book.

SEND ALL ORDERS TO

The Chronicle Co. (Ltd.)

No. 90 William St.

NEW YORK

The Chronicle.

1866

Published by THE CHRONICLE COMPANY, Ltd., 90 William St., New York City.

1910

VOLUME LXXXV.

New York, February 3, 1910.

NUMBER 5

An Announcement and an Invitation.

TO INSURANCE MEN:

We beg to announce that with the beginning of the year we have made some very desirable changes in the management and methods of our New York Office, and are therefore in a better position than ever to co-operate most effectively and cordially with brokers and agents in placing our lines of insurance.

The Casualty business of our New York Branch is now under the able direction of Messrs. Walter A. Hughes, Charles H. Phelan and Beverly W. Wrenn, Jr., who, with the aid of a corps of expert assistants, are prepared to offer every facility and show every courtesy to our clients.

Messrs. Mowry and Patterson, of course, remain in charge of our Life business.

**The Latchstring Is Out
Come and See Us**

**Ætna Life Insurance Company,
Ætna Accident & Liability Company,**

HARTFORD, CONNECTICUT

New York Branch, 46 Cedar Street

Our Lines: Accident, Liability, Health, Life, Automobile, Property Damage and Collision, Plate Glass, Burglary and Fly Wheel.

Old Line Bankers Life Insurance Co. of Nebraska

FINANCIAL CONDITION, JANUARY 1, 1910

ASSETS.		LIABILITIES.	
Cash in Office and Banks	\$61,194.15	Reserve, Actuaries Four Per Cent. (Full Re-serve)	\$2,568,364.01
First Mortgage Farm Loans	3,191,700.00	Agents' Credit Balances	11,903.38
Cash Loans on Company's Policies	130,337.41	Death Losses Reported, Proofs not in	5,000.00
Interest Accrued, Not Due	63,110.30	Premiums Paid in Advance	3,137.57
Bills Receivable	None	Surplus	857,936.90
Deferred and Unreported Premiums	None		
Furniture and Fixtures Account	None		
Collateral Loans	None		
Premium Notes	None		
Real Estate	None		
Stocks and Bonds	None		
Agents' Balances	None		
"Other Assets"	None		
Assets, December 31, 1909		\$3,446,341.86	

RECORD OF 1909.

Gain in Surplus	\$181,482.86
Gain in Reserve	446,313.71
Gain in Assets	633,302.93
Income Exceeded Disbursements	619,796.54
Gain of Insurance in Force	3,114,007.00
Insurance Issued	5,892,657.00
Insurance in Force December 31, 1909	27,036,081.00

WE LEAD THE WORLD IN OUR HOME STATE IN NEW BUSINESS WRITTEN IN 1909.

OFFICERS.

W. C. WILSON, President.	W. B. Wilson, Treasurer.	M. L. BLACKBURN, Auditor.
D. W. Cook, Vice-President.	JOHN H. AMES, General Attorney.	F. M. SANDERS, Superintendent of Collection.
A. L. McPHERSON, 2d Vice-Pres.	A. R. MITCHELL, Medical Director.	W. W. DAY, Superintendent.
J. H. HARLEY, Secretary.	E. C. AMES, Actuary.	

The Northwestern Mutual Life Insurance Co. of Milwaukee

GEO. C. MARKHAM, President
A. S. HATHAWAY, Secretary



New Business Paid-For

1905	\$ 90,334,038
1906	93,563,452
1907	102,233,634
1908	109,773,709

Each year larger than any in the previous history of the Company.

Commenced Business 1858

INSURANCE MEN will note the significant increase in The Northwestern's new business during the past four years.

IMPORTANT FACTS relating to this business are shown by the following percentages:

	Expenses	Mortality	Interest
1905	12.15	67	4.73
1906	11.76	59	4.72
1907	11.81	58	4.76
1908	10.76	59	4.84

It is capable of easy demonstration that The Northwestern is the best Company to insure in.

See The Northwestern's policy contract with its Dividend Options, Paid-up and Endowment Options, Options of Settlement and the Premium Loan feature.

Issues Partnership and Corporation Insurance.

For further information or an Agency, address

H. F. NORRIS,
Superintendent of Agencies.

The Chronicle

VOLUME LXXXV.

NEW YORK, THURSDAY, FEBRUARY 3, 1910.

NUMBER 5

ALFRED B. DAWSON, President.
R. B. Dawson, Treasurer. Chas. D. O'Brien, Secretary.
Emil Schwab, Manager New England Department,
178 Devonshire Street, Boston, Mass.

All communications should be addressed to and remittances should be made to The Chronicle Company, Limited.
Entered at the Post Office, New York, N. Y., as Second Class Mail Matter.

PUBLISHED EVERY THURSDAY BY
THE CHRONICLE COMPANY, Limited.
No. 90 WILLIAM ST., NEW YORK.
Phone "567 John." Cable Address, "Chronogram," New York.

Subscription Price:
Three Dollars a Year. Single Copies, Twenty-five Cents.
Postage Prepaid in the United States and Canada.

The History of Iscariot Repeated.

The business of writing surety bonds to accompany excise licenses in New York State has proven to be a most tempting field to surety company officers. The political scandals connected with the issuance of these bonds in the years immediately following the passage of the present law (1896) are too well known to need repeating, nor do the conditions of those times exist to-day.

To understand the present situation it should be remembered that the business has been actively sought by certain companies only for those same companies to afterward drop out of the field, or to join the reinsurance association, which appears to have proved itself to be the best means by which the profits of the business can be secured with a minimum of risk. In its earlier days it was so organized that it was held to be a combination in restraint of trade. The existing agreements are drawn with the express purpose of avoiding this situation but make possible certain disadvantages. Under these reinsurance agreements only those bonds are reinsured which are written by the agent representing the ten companies included in the association. Though a member of the association, any company is free to write such bonds as it may elect outside of the association; such bonds are not reassurable by the association.

Chronological.

In 1907 there were competing for the business of excise bonds in New York City, the association, the United Surety Company of Baltimore, who appointed as its agents Reilly & Farley, and the Bankers Surety Company, represented here by Sanders & Flanders as general agents, who appointed Arthur J. Reister excise manager. This man Reister was formerly

an inspector in the excise department and had graduated into the Ryan excise bonding agency at Buffalo prior to his elevation to the larger field and opportunities of this city. He had formerly been agent for a number of different companies, though never representing the same company for more than one year. As a result of what he did to the Bankers Surety Company an indictment for grand larceny was found against him in New York County, and the action is still pending before the Court of General Sessions.

Incidentally, it may be mentioned that this indictment is about two years old and there is a clearly defined mystery as to why the case has never been brought to trial. It has been set several times and for reasons pleaded variously by one side or the other, and even by both, the trial has been postponed. The logical inference follows that each side is afraid and the other is glad of it.

Reilly & Farley were and are presidents respectively of the Retail Liquor Dealers Association of this city and State. They have attempted to make a co-operation between the liquor dealers and the surety companies for the maintenance of a "reasonable rate" for these bonds. It is understood that a block of stock was secured and held in such a way that two and three share lots could be purchased by the individual liquor dealers. It is believed that three or four hundred such purchases have been made.

The Decent Element.

The reinsurance association has been since 1906 represented by A. E. Sheridan, who alone of all the excise agents has had a surety training, and is essentially a surety manager on a salary basis. It is under-

stood that Sheridan was appointed to this position upon the recommendation of George F. Seward, of the Fidelity & Casualty, and F. W. La-frentz, of the American Surety, under whom Sheridan had been working in various positions of responsibility for that company.

In addition to suffering through the alleged rascality of its agent, the Bankers Surety Company suffered severe losses upon the bonds of the places which it wrote. Because of the competition which existed in May, 1907, the rate had been cut to \$22 per bond. This, too, was the last year in which existed the custom among the bond brokers and brewers representatives at 1 Madison Avenue of "all or none." Under this custom it was usual for the broker to receive a large amount of money with which to secure the placing of an extra-hazardous risk, with the understanding that as much as he was able to save on the premium actually paid, should belong to him. In order to secure as much of this amount as possible, it was customary for the brokers to make up blocks of bonds, including in each block a few of the extra-hazardous risks. When the surety agent objected to accepting these risks at the regular rate, he was promptly informed that it was a case of "all or none." Any company which was willing to write the extra-hazardous places could secure a considerable amount of respectable business; thus, Reister, for the Bankers Surety Company, wrote some twelve hundred bonds in Manhattan and the Bronx, among which were all of the risks rejected by the reinsurance association.

In addition to this his firm handled

(Continued on Page 12.)

"AMERICAN RAILWAY SECURITIES."

The "Journal of the Institute of Actuaries," of London, for January, prints a paper by Hubert Ansell, F. I. A., manager of the Anglo-American Debenture Corporation, Ltd., upon "American Railway Securities as Investments for Insurance Companies," portions of which cannot fail to be of interest to readers of "The Chronicle." The paper which was read before the institute on November 29, last, sets up the following principal ways of determining values.

1. The cost of the undertaking.
2. The probable cost of building another similar railway.
3. The actual present value as evidenced by the revenue derived from it.

And, continuing, says of these:

As regards the first of these, it may be noted that this criterion of value is the least reliable of the three, but it is interesting not to overlook it, as it is in this respect that we find the greatest contrast between English railways and American ones. Whilst English railways were built at very great expense, large sums being paid for land both in the country and in towns, and the actual work of construction being done upon the most expensive scale, American railways were, in early days, built very cheaply, the land being obtained without payment, and the railway construction being on an economical scale. The capital was also raised in a totally different manner, the English railway capital being for the most part raised in the proportion of one part debenture capital and three parts share capital, whilst the original method of building American railways was to raise all the capital required for the prime cost of construction by the issue of bonds, the share capital for the most part being issued to promoters and others for considerations of no real value. Even in recent times many railways have increased their mileage by issuing new bonds as a first charge upon extensions built with their proceeds, no increase being made in the share capital. It is obvious that if these principles had been followed continuously by all the American railways, the position would be thoroughly unsound, and there would be no occasion for anyone connected with this institute to read a paper on the subject of American Railway Securities as investments for insurance companies, for the reason that there would probably be few or no securities answering to this description. This, however, is not the case.

Referring to earlier incidents of railway financing in this country, Mr. Ansell says in part:

The earlier instances occurred in this way—the companies got into financial difficulties and had to be reorganized, and in the case of most reorganizations the plan provided that shareholders should lose their shares unless they paid assessments upon them. This was so common that it became a saying in America that rail-

way shares were divided into three classes: those which paid dividends; those which did not; and those which, besides not paying dividends, called for assessments at fairly regular intervals from their shareholders.

He is unable to tell just how much of the capital represents a cash investment; but, from certain data, infers that "it is probably safe to assume that less than half of this was issued without payment of cash."

The conditions which formerly obtained, are again alluded to, in part as follows:

Not many years ago the railway systems of the United States were considerably more numerous than at present, and little traffic went through from the point of origin to its final destination upon the lines of one railway company. A railway might have plenty of traffic originating on its own lines, but be dependent upon other railways to carry it through to its destination, and the rate which the railway obtained for carrying goods depended naturally, as it still does to a great extent, upon the terms which it was able to make for interchange of traffic between the local and the trunk line. The rate which a local line was able to charge and keep for itself depended very much upon what it would cost the trunk line to build a branch line into the same locality. Then again, the rate which a trunk line could charge between two important points was, and still is to some extent, influenced by the question of what it would cost to build a new line between the same points.

* * * *

Up to about twenty years ago it was not uncommon for a comparatively powerful company to actually build a duplicate line under the circumstances referred to above, with the inevitable result that one or both of the companies concerned suffered serious loss. In many cases the companies continued the competition until one was starved out of existence. This of course was the crudest form of railway warfare. Then followed a period during which these occurrences were less frequent, as it was generally found sufficient for the more powerful company to threaten the process to enable it to make satisfactory terms for the absorption of the smaller company. In many instances the terms were also quite fair to the latter. This process had the effect of bringing most of the railways of the country into systems of 2,000 miles and upwards. During the last decade, however, a more extensive application of the same process has been in vogue.

* * * *

One such group consists of the Union Pacific, the Southern Pacific, the Illinois Central and the Baltimore & Ohio Railways. It is obvious that a system of that size cannot be duplicated with the aid of any sum of money at all likely to be found for the purpose. It is still possible for a railway company belonging to one group to build a new line through territory at present served by another, but the process has not the same attraction for the aggressor now, for

the reason that a railway already in the field would be supported by the full financial strength of the group and so could not be starved out at any reasonable cost. This condition of affairs has, on the whole, had an advantageous effect for investors, and during the last decade there have been comparatively few instances of absolute financial disaster to any American railway due to excessive competition.

The paper proceeds to lay down the rules and principles by which the revenue accounts of railway companies are to be analyzed.

ONE OF THE BEST.

The Mutual Benefit Life Insurance Company, of Newark, again shows itself to be one of "the best."

The company has well earned its reputation as a dividend payer. Besides the regular dividends payable in 1910, amounting to \$2,876,507, the officers have voluntarily set aside and charged as a liability in excess of this amount, special dividends of \$675,000.

This remarkable showing was made possible by the facts that first, the expenses incurred in obtaining new business in 1909 were only 81 per cent., and the total expenses on all business averaged only 79 per cent. of the amount allowed by the insurance laws of the State of New York; and, second, that the net rate of interest earned on the invested assets was 4.7 per cent., and as is the company's usual experience, its mortality was very favorable.

Under the above-mentioned conditions the company during the year issued new insurance amounting to \$67,634,309, increasing the business in force by \$32,935,318. The company paid to its policyholders \$12,463,665. This, together with the usual expenses when deducted from the year's income, left \$8,350,414 as an excess to be added to the policyholders' fund.

The total assets aggregate \$128,986,850, while the reserve amounts to \$116,071,906. The total business in force is \$507,224,976, covering 215,615 policies.

CUR

Course of Insurance Education.

Department for Furnishing Prospects.

New "Model Policy"

Will Plough the Field and Assure the Harvest for Good Agents.

Phoenix Mutual Life

INSURANCE COMPANY,

Hartford, Conn.

Write Home Office,

THE HARTFORD LIFE SAFETY FUND.

Judge Curtis, of the Connecticut Superior Court, has handed down a further decision relative to the "safety fund" of \$1,000,000, held by the Hartford Life Insurance Company.

He holds that the security company with which the fund is deposited in trust, was not compelled to set up a "sinking fund" out of the interest received on Government bonds in order to provide for their going to par at maturity. The ground is that the bonds may realize a greater or smaller price as they are sold at one time or another.

The court holds, however, that the security company was not entitled to dispose of the Federal bonds and invest in other securities as follows:

It is therefore the conclusion of the court that the security company must be held to the obligation of now holding \$1,000,000 in the principal account of the safety fund ready for investment in United States bonds, and if the miscellaneous securities now held by it are sold for a greater sum than \$1,000,000, then such excess in addition to said \$1,000,000 will become also a part of the principal account of the safety fund.

The court also finds that the security company has charged more for its services than as per contract, which was as follows:

The rate to be 1 per cent. on all sums up to and not exceeding \$200,000, but in no year to be less than \$500; and from \$200,000 to \$400,000 to remain at \$2,000 per annum and on all amounts exceeding \$400,000 to be one-half of 1 per cent. per annum.

And also:

By the disclosures it appears that upon an income of \$970,175.83 to September 18, 1908, the trustees had been paid as compensation \$116,741.16, or 12 per cent. of the income.

The court holds concerning what constitutes reasonable compensation, as follows:

I find that the usual compensation of 5 per cent. on the income would not be reasonable at this period. I find that from January 1, 1891, the security company should be allowed compensation at the rate of 8 per cent. per annum on the gross income; and that any excess of that amount retained by the security company in any year, with simple interest thereon from the close of the year, belongs to the income account of the safety fund, and must be credited to such account.

The security company is allowed eighteen months' time in which to sell the securities and purchase United States bonds. During this time, the company may amend the contract, so as to permit other investments,

A NOTEWORTHY RECORD.

To be looked upon favorably in one's own community is the first step. To gain recognition by the whole home State is some accomplishment. But to lead all companies, both foreign and domestic, in the amount of business written in that State is an attainment worthy of mention. However, this is not the first time that the Old Line Bankers Life Insurance Company, of Nebraska, has held such a record. President Wilson and his associates well deserve the recognition given them by the people of Nebraska.

It is of considerable interest to

note, as will be shown by the statement published in this issue, that the assets of the company are invested solely in first mortgage farm loans and liens on policies. The statement is also conspicuous in that it does not contain a dollar invested in certain classes of assets which are common to any companies.

Of its total assets of \$3,446,342 over \$3,000,000 is earning the highest rate of interest that conservative investment can warrant. The company puts up a full reserve, actuaries, 4 per cent., and has a surplus on hand of \$857,936. The new business written in 1909 represents over 20 per cent. of the total amount of business in force.

SIXTY-SIXTH ANNUAL STATEMENT

New England Mutual Life Insurance Company

87 Milk Street,
BOSTON, MASSACHUSETTS

ALFRED D. FOSTER, President. D. F. APPEL, Vice-President.
J. A. BARBEY, Secretary. WILLIAM F. DAVIS, Asst. Sec.
J. G. WILDMAN, Asst. Sec.

ASSETS.

Bonds and Stock, market value.....	\$28,725,416.00
Real Estate	2,417,191.00
Loans on Mortgage	11,779,691.57
Loans on Collateral Security.....	671,300.00
Loans on Policies and Premium Notes.....	6,423,366.70
Interest and Rents, due and accrued.....	431,797.11
Net Outstanding Premiums.....	334,379.11
Cash in Banks	486,151.41

\$51,269,293.00

LIABILITIES.

Reserve at Massachusetts Standard	\$44,852,385.21
Death and Endowment Claims Reported and Awaiting Proofs	239,703.59
Premiums paid in Advance.....	46,733.78
Commissions and Expenses Accrued.....	62,253.80
Insurance Taxes, payable in 1910.....	130,676.76
Dividends Accrued	418,919.01
Dividends Apportioned Dec. 31, 1909, payable in 1910.....	1,300,000.00
NET SURPLUS	4,218,620.85

\$51,269,293.00

Increase in Assets.....	\$3,307,587.66
Increase in Net Surplus.....	716,292.41
Increase in Insurance Paid for.....	5,462,079.00
Increase in Insurance in Force.....	12,578,914.00
Total Insurance in Force.....	197,492,772.00
Actual mortality in 1908, 64 per cent.; 1909, 57 per cent.	

NEW YORK CITY OFFICES.

EDWARD W. ALLEN, Manager, 225 Broadway.
LATHROP E. BALDWIN, Manager, 141 Broadway.
CHARLES H. STRAUSS, General Agent, 200 Fifth Avenue.

C. M. HENDERSON, General Agent, Rochester.
PARKER & HINKLEY, General Agents, Buffalo.
M. A. DEWITT, General Agent, Binghamton.

UNLICENSED BUSINESS MAKES INEVITABLE TROUBLE.

Following the publicity given to the alleged attempt to swindle four Indiana life insurance companies, by certain residents of Kentucky, comes the announcement of the insurance commissioner of Kentucky, Charles W. Bell, that he intends to take action against the Indiana National Life and the Commercial Life Insurance companies, both of Indianapolis, on the charge of operating in his State without being duly licensed. It is estimated that insurance amounting to \$100,000 has been fraudulently obtained by operators in Kentucky. Besides the brokers involved, it is reported that several physicians were a party to the conspiracy.

Three Arrests.

On Friday last John J. Keene, P. J. Needham and T. T. O'Leary, insurance agents at Louisville, were arrested on warrants gotten out by S. C. Renicke, secretary and treasurer of the Indiana National Life Insurance Company. In his affidavit Mr. Renicke charges that the defendants in the employment of the Indiana National Life Insurance Company and various other insurance companies, among others, the Independent Life Insurance Company, the Commonwealth Life Insurance Company and the Standard Life Insurance Company have been guilty of the crime of conspiring to defraud the said insurance companies and the public generally by a conspiracy between themselves and certain physicians in Louisville and in New Albany, Ind.

The First Case.

The investigation was started when the Indiana companies received word of the death at Louisville of a teamster earning \$9.50 a week, who was found to have carried \$15,000 life insurance at the time of his death. He died two weeks ago and was buried at Louisville the day after he died.

All of the policies were made in favor of the wife. The applications for the policies on rider written by the Indiana companies were signed, it was stated, by an insurance broker of Louisville. It was said also at the office of the Indiana National Life that the check for the first premium on the policy with this company, the only premium paid, was signed by this broker, who has a contract with the Indiana National Life to write insurance in Clark County, Indiana, just across the river from Louisville.

The Indiana insurance companies, it is understood, have the statement from a brother and sister of the insured, that this broker has been at the teamster's home frequently of late,

and that he was there on the night he died.

Unable to Read or Write.

Another of these questionable risks was Mrs. Anne Lyons. She appears to be 85 years old, and Renick had some trouble in making her understand the situation when he went to visit her. She finally said she had never taken out a policy and was unable to give a sample of her signature because she was unable to read or write.

FROM FAR AWAY NEW ZEALAND.

"The Chronicle" has received, with the compliments of Morris Fox, actuary of the Government Insurance Department of New Zealand, the valuation of that department as of December 31, 1908.

During the three years previous, the new business was \$11,300,000 and the income nearly \$8,000,000. On December 31, 1908, the insurance in force stood at almost \$60,000,000 and the resources at about \$27,000,000.

Since 1903 the rate of interest realized has varied as follows:

1903 4.4 per cent.	1906 4.5 per cent.
1904 4.4 per cent.	1907 4.5 per cent.
1905 4.5 per cent.	1908 4.6 per cent.

In the successive quinquenniums since 1890, the ratios of expenses to income and to premiums have steadily diminished.

	To Income.	To Premiums.
1890.....	14.4	20.2
1893.....	13.4	19.0
1896.....	12.0	17.5
1899.....	11.9	17.5
1902.....	11.3	16.8
1905.....	11.0	16.7
1908.....	10.6	16.6

The surplus on December 31, 1908, was \$1,250,000. It enabled a reversionary dividend to be declared at the rate of 1 per cent. per annum on the sums insured, with dividend additions, for the general class, and of 1.1 per cent. for the temperance or total abstinence class. Concerning the temperance class, Mr. Fox says:

The larger bonuses allotted to policyholders in the temperance section on this occasion are due to the comparatively light mortality they experienced during the triennium under review; but as this small section tends to decrease rather than to increase it will always be liable to fluctuations, a single death claim, more or less, for a large amount being sufficient to make a difference in the rate of bonus. This has sometimes been lower than, sometimes equal to, and sometimes higher than, that of the general section, and, seeing that it cannot be expected that similar fluctuations will be avoided in the future, it would be a great saving of expense and to the advantage of policyholders in both sections if a practicable way of amalgamating them could be agreed upon.

BEARING FALSE WITNESS.

The "New York Times," of Sunday, January 30, published, with a display head, a sensational article, praising "the work of Richard McCurdy," which was ascribed to "this week's issue of 'The Chronicle,' a paper devoted to the insurance trade," the caption reading: "'The Chronicle' Says His Achievements in Mutual Life Makes His Faults Insignificant."

The article had not appeared in last week's issue or any other issue of "The Chronicle."

The "New York Times" of Tuesday, February 1, prints, by request, the following correction:

The article which appeared in last Sunday's "Times" praising the work of Richard A. McCurdy, ex-president of the Mutual Life Insurance Company, was attributed to "The Chronicle," a paper devoted to insurance matters. As a matter of fact, the article was published by the "Financial Chronicle," one of the oldest financial publications in the city.

ANOTHER \$1,000,000 POLICY.

Lawrence C. Woods, assistant manager of the Pittsburg agency of the Equitable Life Assurance Society, has written an application for \$1,000,000 on the life of John H. Jones of that city. The Pittsburg-Buffalo Company, of which Mr. Jones is the head, is made the beneficiary.

T H E PROVIDENT LIFE AND TRUST COMPANY OF PHILADELPHIA

Insurance in Force. \$201,185,435.00
(Paid for Basis)

Assets \$67,324,334.35
(Market Value, Dec. 31, 1908)

Contingency Reserve . \$8,819,979.14

The NEW POLICIES of the Provident are unsurpassed for conciseness and simplicity of form and for adaptability and liberality in all essentials.

The Premium rates of the Provident are exceedingly low and are still further reduced by large annual dividends.

PRUDENTIAL APPEALS.

Chief Justice Gummere has allowed a writ of certiorari to review the action of the New Jersey State Board of Equalization in sustaining the appeal of the Prudential Insurance Company, of Newark, from the assessments of its reserve fund on deferred dividend participating policies. The fund was assessed at \$14,623,279.37. Under the writ the New Jersey Supreme Court will review the entire proceedings in connection with the assessment from its inception and will be asked to pass upon the constitutionality of the law of 1907 compelling the creation of a special reserve for deferred dividend policies. It is expected to come up this month.

THE LIBERTY-BANKERS DEAL.

It is reported on good authority that the failure of those in control of the Liberty Life Insurance Company to purchase control of the Bankers Life of New York is due to two facts: First, that \$325 per share was finally asked for the stock of the Bankers Life. In view of the company's present condition this is ridiculous. Second, one of the conditions of the sale included the retention of Eugene Van Schaick as attorney. This in itself, it is thought, should be enough to put the "kibosh" on any proposed deal, insurancewise, even if the price was satisfactory.

WHAT IS IT?

An antiquated and old-fashioned subscriber asks "The Chronicle" to interpret the motto, "Fatti Maschii Parole Femine," which appears on the great seal of the Maryland Insurance Department, used by Commissioner Crouse on all formal documents.

The translation can be made to vary by speaking quickly and taking the phonetic or reformed spelling. At any rate Mr. Crouse has drafted a "model code" for Maryland's proposed revision of her insurance laws and he may adopt a reformed method of spelling or pronouncing his motto. At any rate it is safer to get an official interpretation from him. It is quite likely that thereby hangs a tale.

The Mutual Benefit Life Insurance Company,

OF NEWARK, NEW JERSEY

1845

FREDERICK FRELINGHUYSEN, President.

1910

Transactions of 1909

INCOME.		DISBURSEMENTS.	
Premiums	\$ 18,310,730.49	Death Claims	\$ 5,639,691.24
Interest and Rents.....	5,761,397.95	Endowments	1,688,690.68
Profit and Loss (Balance).....	47,743.52	Annuities	183,914.71
	\$ 24,119,871.96	Surrendered Policies	2,395,285.41
Supplementary Policy Claims.....	352,161.09	Dividends	2,556,973.41
		Total Paid Policyholders.....	\$ 12,463,665.45
		Taxes, Fees and Licenses	490,806.72
		Insurance Expenses (excluding Taxes).....	2,719,795.32
		Investment Expenses (excluding Taxes)....	245,093.66
		Premiums on Bonds Purchased	74,445.94
		Supplementary Policy Claims	127,822.23
Total	\$ 24,472,033.05		\$ 15,993,797.09
Excess of Income over Disbursements added to Policyholders' Fund		Total	\$ 16,121,619.32
			\$8,350,413.73

INCOME.		LIABILITIES.	
Cash on Hand and in Banks.....	\$ 1,380,988.05	Reserve Fund	\$116,071,906.00
Loans on Collateral	2,551,100.00	Other Liabilities	2,849,650.76
Bonds, Par Value	35,152,840.71	Reserve for Suspended Mortality	1,683,625.00
Real estate Mortgages.....	60,326,366.50	Regular Dividends Payable in 1910.....	2,876,506.83
Real Estate	3,248,548.35	Special Dividends Payable in 1910.....	675,000.00
Loans on Policies	22,401,477.96	Unapportioned Surplus (Par Value).....	4,830,161.69
Interest due and accrued and other assets..	3,925,528.71		\$12,986,850.23
Total Assets	\$128,986,850.28	Unapportioned Surplus (Market Values)....	\$ 5,655,462.18

INSURANCE ACCOUNT.			
Issued and Revived in 1909.....	27,878	Policies, Insuring	\$ 67,634,399.00
In force December 31, 1909.....	215,615	Policies, Insuring	507,224,976.00
Increase in insurance in force during year.....	12,822	Policies, Insuring	32,935,318.00

Paid to and Invested for Policyholders in 1909, in excess of Premiums Paid Policyholders, \$2,763,713.15. The expenses incurred in obtaining the new insurance of the year amounted to only 81 per cent., and the Total Insurance Expenses to only 79 per cent., of the amount allowed by the insurance law of the State of New York. Net Rate of Interest Earned on Invested Assets (Par Values): 1906, 4.6 per cent.; 1907, 4.7 per cent.; 1908, 4.7 per cent.; 1909, 4.7 per cent. A full report of the year's business will be mailed upon request to the Home Office or to any agent.

DIRECTORS.

Amzi Dodd,
Edward H. Wright,
Marcus L. Ward,

Fred'k M. Shepard,
Fred'k Frelinghuysen,
Albert B. Carlton,

Edward L. Dobbins,
J. William Clark,
John O. H. Pitney,

John R. Hardin,
Peter Campbell,
William M. Johnson.

INSIDE THE FIRE LINES.

There are some interesting results shown in a few of the January 1 statements of the veterans and youngsters of the fire companies that have reached "The Chronicle." There are others doubtless to follow.

Reviewed briefly the leading ones are epitomized:

The Shawnee Fire, Age 25.

The Shawnee Fire Insurance Company of Topeka, Kan., now has total assets of \$1,460,457.70 with a reserve for reinsurance of \$958,146.34 and a surplus to policyholders of \$392,984.54. The Shawnee Fire has been in successful operation over a quarter of a century and has paid in losses over \$4,400,000. It has a large staff of agents throughout the United States and is a notably popular institution.

Agricultural, Age 57.

With a very substantial gain in its net surplus the Agricultural Insurance Company, of Watertown, N. Y., enters the year 1910 under most favorable auspices. Its fifty-seventh annual statement shows funds aggregating \$3,470,509, a gain of \$406,928 over 1908. The company's reserve for reinsurance was increased to provide for expanding business to \$1,736,047. After providing \$184,789 additional reserve to meet all other liabilities the staunch old Agricultural exhibits a net surplus beyond all liabilities of \$1,049,672, which compared with \$786,779 last year shows a gain of \$262,892 for the twelve months just closed. The growth of the Agricultural has been steady and sure, the result of its conservative management and liberal treatment of its policyholders.

The American Central, Age 57.

The American Central, of St. Louis, shows total assets of \$5,562,192.51, the premium reserve being \$2,244,928.21, and the net surplus \$1,003,419.29. The surplus to policyholders is \$3,003,419.29. The assets show a gain of over \$200,000, while the premium reserve has increased more than \$140,000. The American Central is in the excellent condition which might be expected of such a particularly well managed company.

The Springfield F. & M., Age 61.

In its annual statement in this issue the Springfield Fire & Marine Insurance Company shows assets aggregating \$9,761,460.23, the reinsurance reserve fund being \$4,369,974.40 and the surplus to policyholders \$4,718,061.53. The Springfield made hand-

some gains in 1909, referred to in detail in another column.

American National, Age 2.

The American National Insurance Company, of Rock Island, Ill., makes an excellent showing. The assets are larger by \$111,706 than a year ago, and a reserve of \$149,545 unearned premium liability and \$35,376 for all other liabilities, leaving a net surplus of \$80,460, which, with its capital of \$200,000, gives a policyholders' surplus of \$280,460. The American National was organized in 1907, and has built up a liberal income from carefully selected business.

The British America, 77.

The British America Insurance Company, of Toronto, shows an excellent financial condition with the net surplus at the highest point in the history of the company's United States department. The assets aggregate \$1,556,740, and after providing liberal reserves of \$804,796 for unearned premiums and \$81,803 for losses in process of adjustment the surplus over all liabilities reaches the sum of \$654,302, a gain since a year ago of \$83,579. The underwriting ability is shown in the results, the loss ratio of the company for 1909 being the lowest during its whole record in the United States.

The Germania Fire, Age 50.

The Germania Fire, of New York, announces total assets of \$6,562,329, the premium reserve being \$3,266,289, and the net surplus \$2,008,419. The surplus to policyholders is \$3,008,419. The assets have increased \$688,313,

the premium reserves \$110,861, while the surplus shows the handsome gain of \$531,544. Taken altogether the statement is both progressive and strong.

The Hamburg Bremen, Age 56.

The annual statement of the United States branch of the Hamburg Bremen Fire Insurance Company, of Hamburg, Germany, shows it to be in gratifying financial condition with total assets of \$1,997,569.22, a reserve fund for reinsurance of \$1,281,184.33 and a surplus of \$585,125.58.

The Hamburg Bremen added over \$100,000 to its surplus during 1909. It is one of the most carefully managed German companies and has built up a decidedly good American plant, which is very well handled.

Individual Fire Underwriters of St. Louis.

The annual statement as of December 31, 1909, of the Individual Fire Underwriters, of St. Louis, as reported to the Missouri Insurance Department, is as follows:

Total assets of \$1,086,144.98, of which \$336,144.98 is in cash assets and the balance, three quarters of a million, is the additional liability of the subscribers. Net premiums, \$62,739.84; losses paid, \$17,922.09; net surplus, \$51,499.55.

The Individual Fire Underwriters paid a dividend of \$25,000 on the business of 1908, and another dividend of \$25,000 on the business of 1909, to the subscribers. The ratio of losses paid to premiums received in 1909 was 28½ per cent., which, in view of the reduced premium income, resulting

TWENTY-FOURTH ANNUAL STATEMENT

of the

Granite State Fire Insurance Company

of

PORTSMOUTH, N. H.

ASSETS.		LIABILITIES.	
State Bonds	\$102,270.00	Unpaid Losses	\$70,248.07
County Bonds	91,320.00	Reserved for unearned premiums	517,057.93
Municipal Bonds	408,540.00	All other liabilities	12,742.24
Railroad Bonds	179,440.00		
Railroad Stocks	113,796.50	Total liabilities	600,048.24
Other Stocks	6,025.00	Capital stock paid up	\$200,000
Real Estate	45,000.00	Net Surplus over all liabilities	309,265.41
First Mortgage on Real Estate	10,100.00		
Cash in Bank and Offices.	65,402.00	Surplus as regards Policyholders	509,265.41
Agents' Balances, net....	79,859.47		
Interest Accrued.....	6,432.70		
Due from other companies	1,127.98		
	\$1,109,313.65		\$1,109,313.65

F. A. PAWLEY, Manager

2 Liberty Street,

NEW YORK CITY

from the reduction in merchandise lines, is a very favorable showing

City of New York, Age 5.

The City of New York Insurance Company, of which Major A. White is president, in its annual statement announces total assets of \$1,434,223.06, with a reserve for unearned premiums of \$330,211.03, and a net surplus of \$545,746.11. The company has raised its capital from \$200,000 to \$500,000, and its net surplus is now \$545,746.11. The assets are \$676,390.80 greater than last year and the net surplus is \$332,453.31 more than a year ago. As regards surplus to policyholders the City of New York Insurance Company is now in the millionaire class, the figures being \$1,045,746.11. The company had a prosperous year, which its excellent management well entitled it to have.

Teutonia of New Orleans, Age 40.

The Teutonia, of New Orleans, which has been in operation since 1871, presents a very favorable exhibit of its financial condition at the close of 1909. It has now assets aggregating nearly a million and has built up an excellent line of business. Its statement shows that a reserve of \$507,345 is maintained to meet its unearned premium liability with \$42,475 provided for unpaid losses and \$10,585 for all other liabilities, leaving a net surplus beyond all liabilities of \$138,016 and a policyholders' surplus of \$388,016.

American Fire, Age One Century.

The American Fire Insurance Company, of Philadelphia, presents its annual financial statement for December 31, 1909, showing that noteworthy progress has been made since the company resumed business in 1908. It then had a capital of \$200,000, and practically no surplus, but built up an excellent business, resulting in its now having accumulated assets of \$663,792, and, after providing reserves of \$296,730, exhibiting a net surplus of \$113,804. The management was conducted upon a conservative and economical basis, as may be judged from the fact that its expense ratio last year was only 23.37 per cent. This is the 100th anniversary of the American Fire's existence and should be a decidedly profitable one.

Westchester Fire, Age 73.

The seventy-third annual statement of the Westchester Fire Insurance Company, of which John R. Crawford is president, gives that well-tried institution total assets of \$4,462,134, with a surplus over all liabilities of \$1,431,780. An examination of the statement will soon satisfy any reader

as to the impregnable security of the company.

Liverpool & London & Globe, Age 63.

The Liverpool & London & Globe Insurance Company, of which Henry W. Eaton is manager and George W. Hoyt is deputy manager, has issued the sixty-second annual statement of its United States branch for the calendar year 1909. It shows total assets of \$13,885,802.88, which include real estate amounting to \$1,531,406.12, United States Government 4 per cent. bonds \$467,475. State and city bonds and railroad stocks and bonds \$4,873,130; bond and mortgage, \$3,549,950; bank balances and all other assets, \$3,443,841.76. The company reports unearned premiums and all other liabilities \$8,766,622.58, leaving a surplus of \$5,119,180.30. The New York directors are Charles H. Marshall, chairman; Walter C. Hubbard, John A. Stewart, Edmund D. Randolph and Thatcher M. Brown.

Girard Fire & Marine, Age 57.

The statement of the Girard Fire & Marine Insurance Company, of Philadelphia, reflects great credit. Its assets are \$2,446,044; a reinsurance reserve fund of \$1,490,352, and a net surplus over the \$500,000 capital and all other liabilities of \$407,190; a surplus as to policyholders of \$907,190. During the year just closed it increased its assets by \$80,915; its reinsurance reserve fund by \$37,523, and its net surplus increased \$51,795.

The Home, of New York, Age 58.

The one hundred and thirteenth semi-annual statement of the largest

American fire insurance company is well calculated to give American fire insurance interests a "chesty" feeling when our British cousins boast about antiquity. The Home's total assets on January 1, 1910, aggregated \$27,307,672; its reserve premium fund was \$10,244,415; its total liabilities, except \$3,000,000 capital, amounted to \$16,124,835, and its net surplus over capital and all other liabilities was \$11,182,837; a surplus as to policyholders, including \$1,200,000 reserve as conflagration surplus, of \$15,382,837.

A spirit of progressiveness and independence, in conjunction with verile and intelligent management, have contributed to place the company in the eminent position in the fire underwriting world which it occupies today.

The Granite State, Age 24.

Increases in business and financial strength were made in the twenty-

WESTERN ASSURANCE CO.

HEAD OFFICE,
TORONTO, - - CANADA.

Incorporated 1851.

Hon. GEORGE A. COX.....President
W. R. BROCK and JOHN
HOSKIN, K. C. LL. D....Vice-Presidents
W. B. MEIKLE.....General Manager

United States Statement, Jan. 1, 1909.
Assets\$2,184,632.20
Surplus in United States..... 726,218.63

OLDEST
IN
AMERICA

STRONGEST
IN THE
WORLD

THE MUTUAL LIFE Insurance Company of New York

Mutual Life Agents Make Most Money
Because Mutual Life Policies Sell Most Freely

For terms to producing agents, address

GEORGE T. DEXTER

2nd Vice-President

34 Nassau Street

New York, N. Y.

HOW WILL THE CAT JUMP?

The Fidelity-Phenix-Continental situation and possibilities hold not only the center of the stage in the West, but pretty nearly the whole stage. Scarcely anything else is talked about in fire insurance circles. Managers of union companies are holding many consultations and individually are laying plans for such action as circumstances may render necessary or may not. There is no bravado among the union managers. There is no carrying of chips on shoulders or dragging of coat tails. The union managers do not want trouble. They believe in the strength of their position, but it is far from their desire to have any test. Like prudent men they are preparing for trouble, for it may come, but they are endeavoring in every way to avoid starting anything.

Some difference of opinion is said to have developed as to what course ought to be pursued just at the present time. It is said that some managers think it would be the part of wisdom for a union committee to open negotiations with President Evans. Others see no occasion for such a move at this time. J. H. Lenehan still represents the Phenix in the union and the company is regular in every way. These men naturally ask why the union should anticipate possible irregularities arising. They see no more occasion for negotiations now than at any time for many years past, during all of which the union would have been glad to have Mr. Evans present his application for membership.

Keeping Their Powder Dry.

Managers are studying their situation closely, not only in its Chicago bearings, but in those of the field also. Insurance directories of the various States are being studied with more than usual care. Field men are being asked as to the strength of the Phenix in various agencies, and the complexion of each agency of importance is being scanned with a view to determining what action it would take in the event that the Phenix should retire from the union. It is like a number of generals studying strategy and drilling their forces in preparation for a war which may come, but which they sincerely hope will not and which they will avert if they can without sacrifice of principle.

Meanwhile there is much unrest among Phenix employees. It is impossible that it should be otherwise. Some of them have known no other company. If they have done their work satisfactorily they have been advanced from time to time and felt that their future was secure, as compara-

tively few men have left the Western department of the Phenix. Now the field men have been asked for information as to their salaries past and present, and other points concerning their work. From all appearances the Fidelity is going to be the large end of the Fidelity-Phenix. Employees of the Phenix, whether in field or office, have reason to look for the coming of a "new Pharoah who knew not Joseph." The feeling of security is shaken and some of the employees are looking for other positions.

From the field comes the story that has been some casting about to see whether it would be possible to organize a new company, the Phenix of Chicago, to which a considerable portion of the old Phenix organization might attach itself. This is just field gossip and is not taken seriously.

From several sources comes the report that the new Fidelity-Phenix policies are to bear the names of George E. Kline and C. R. Tuttle as vice-president and secretary, respectively.

Evans Lays the Ghost.

In reply to a "Chronicle" query, President Henry Evans states that he can only repeat what he has already positively and emphatically asserted a number of times, that the Phenix will continue in the union. This should suffice to set all speculation and gossip at rest.

INSIDE THE FIRE LINES.

(Continued from Page 7.)

fourth annual statement. Assets, \$1,109,314; reinsurance reserve, \$517,053, and net surplus over its \$200,000 capital and all other liabilities of \$309,265. The increase in premium income necessitated the addition of \$12,896 to the reinsurance reserve, assets were augmented by the sum of \$81,610, and the net surplus was supplemented by

an increase of \$40,734. There is evidence of a high degree of conservatism and underwriting judgment on the part of the administrative officers.

The Dixie, Age 4.

The youngest of the prominent Southern fire insurance companies closed the year with first-class assets amounting to \$1,342,818, a reinsurance reserve of \$500,631, a net cash surplus over its \$500,000 capital and all other liabilities of \$256,558, and a surplus to policyholders of \$756,558. During the year it absorbed the North State Fire Insurance Company, of Greensboro, and incidentally increased its net surplus by the handsome sum of \$179,564. The statement evidences careful underwriting ability on the part of the administration.

The Rossia (Reinsurance).

The Rossia Insurance Company, of St. Petersburg, transacts only the business of reinsurance in the United States. During its six years it has built up an enviable reputation. Its premium income has assumed large proportions and the business has been of a remarkably profitable nature; its loss ratio on its aggregate premium operations in the United States has been but 58.4 per cent., notwithstanding the fact that the company paid over \$1,600,000 as a result of the San Francisco conflagration.

The United States branch assets, based upon security values as of December 31, 1909, furnished by the New York Insurance Department, amounted to \$3,316,410, an increase of \$406,882 over the resources at the beginning of 1909. The premium reserve required on December 31, 1909, amounted to \$2,188,014, an increase of \$271,103 over the preceding year. After making all provision for liabilities, the United States branch closed the year 1909 with a surplus of \$597,525, an increase over the preceding year of \$7,668.

THE NATIONAL LIFE U. S. A.

Wants Good Producers for District and General Agents

A SPLENDID CHANCE

to grow with a Western Company more than forty years old, operating in thirty States and Territories.

WORK FOR YOURSELF!

We have a Special Proposition for 1910. Why not write us?

CHICAGO'S OLDEST AND STRONGEST COMPANY

Robert D. Lay, Secretary, 159 La Salle Street, Chicago.

NEW ORLEANS NEWS.

(Special Correspondence.)

New Orleans.—Much interest has been aroused here by the decision rendered in Mississippi, overruling the demurrer against the Royal and sixty other fire insurance companies in the case of the State in prosecuting against them to recover \$216,000,000 statutory penalties for violation of the anti-trust law.

The decision was rendered by Chancellor Robbins, who at a former hearing had sustained certain demurrers to parts of the original complaint to which the State had submitted an amendment.

The insurance companies must now file direct answers and the case will go to trial on its merits, provided the chancellor exercises his discretion and does not permit the companies to take an appeal from his ruling.

Galveston Cotton Fires.

The cotton fires at Galveston, as well as those in this city, are the subject of a rigid investigation now being made by the underwriters, on suspicion that incendiarism was the cause. Friction has been engendered with the labor element, and to this is attributed by many the losses and crime which has been practically epidemic for several weeks past. Both marine and fire companies are heavily interested, and the impression is gained from an interview with their managers that the investigation will be made regardless of expense.

The class of negro and Italian and other alien labor engaged in handling the cotton is probably the most dangerous and worthless in America, and to this fact is attributed much of the trouble which has marked the variation in the annual reports of the insurance companies.

Texas Rating Board.

The Texas State Fire Rating Board, at its first hearing had in Austin last week, listened to complaints of citizens against the rates fixed by the companies for that State. The board has completed an itinerary which contemplates the principal cities of the State.

Chairman Love stated at the outset of the meeting that there was evidently some misunderstanding of the effect of the fire rating board law and the work of the board under it. He said that absolutely no rates had been made or approved by the board in any part of the State up to this time; that the law did not provide that fire rating board should make fire insurance rates but only that it should reduce them if they were too high, so that they would be reasonable, the

action of the board being at all times subject to review by the courts. He said that it was the duty of the board to carefully and fully investigate the reasonableness of all rates of insurance being collected in the State and to take action reducing any unreasonable rates upon giving the company due notice, and also to set down for hearing upon such notice all complaints filed by any citizen or by the representatives of any city or town; that in pursuance of this provision the rates filed by several companies applicable to the city of Fort Worth had been specifically complained against by certain property owners as to specific rates and by representatives of the city as to their general application, and that this hearing had been called and all the parties interested notified to take up the matter for consideration.

All the board desires to know is that a specific rate or the rates applied in a given locality are deemed unreasonable, and that upon receiving this information they would take up the matter for formal consideration.

"There is abundant evidence," remarks the New Orleans "Picayune," "that the tax on corporations enacted by Congress and soon to come into force is going to be stubbornly contested in the United States courts."

That is one of the things United States courts are for, and can the "Picayune" recall any law curbing privilege which was not stubbornly contested? Whether Congress enacts an anti-trust law, an interstate commerce law, an income tax or a corporation tax, privilege may always be relied on to resist invasion.

The corporation tax will have to stand the test of the courts and so will any other statute that deals with the relations of the public to capital. One of the curious arguments recently advanced against the corporation tax is this probability of a long legal struggle; but if Congress is to confine itself to legislation that will never be assailed in the courts the legislative branch of the Federal Government might as well be abolished. There could be no certainty that even the appropriation bills would not contain material for a lawsuit.

1849 LARGEST FIRE INSURANCE COMPANY 1910
Chartered by the State of Massachusetts
Incorporated 1849. Charter Perpetual.

Springfield Fire and Marine Insurance Company

OF SPRINGFIELD, MASS.

CASH CAPITAL : : : : \$2,000,000

Annual Statement, January 1, 1910

ASSETS.		LIABILITIES.	
Cash on hand, in Banks and Cash Items	\$801,898.39	CAPITAL STOCK	\$2,000,000.00
Cash in hands of Agents and in course of transmission.	886,896.79	Reserve for Reinsurance.....	4,369,974.40
Accrued Interest.....	47,155.05	Reserve for all unpaid losses	381,912.55
Real Estate Unincumbered.	200,000.00	Reserve for all other liabilities	291,511.75
Loans on Mortgage (first lien)	757,723.00	TOTAL LIABILITIES.....	\$7,043,398.70
Loans on Collateral Security	6,000.00	Net Surplus	\$2,718,061.53
Bank Stocks	1,224,920.00	Surplus to Policyholders.....	4,718,061.53
Railroad Stocks	2,970,875.00	Losses Paid since Organization	\$46,763,346.40
Miscellaneous Stocks	958,700.00		
Railroad Bonds	996,995.00		
State, County and Municipal Bonds	405,370.00		
Miscellaneous Bonds	405,400.00		
TOTAL ASSETS	\$9,761,460.23		

A. W. DAMON, President.
CHAS. E. GALACAR, Vice-Pres.

W. J. MACKAY, Secretary.
F. H. WILLIAMS, Treasurer.

Western Department, Chicago, Illinois.

A. J. HARDING, Manager.
A. F. DEAN, Ass't Manager. W. A. BLODGETT, 2d Ass't Manager.

Pacific Coast Department, San Francisco, Cal.
GEO. W. DORNIN, Manager. JOHN C. DORNIN, Ass't Manager.

Agencies in all Prominent Localities Throughout the United States and Canada.

BOSTON AGENTS

REED & DUNKLE

71 Kilby Street.

IN NEW ENGLAND

SPRINGFIELD FIRE & MARINE.

Another year of abounding prosperity is recorded in the annual statement of the Springfield Fire & Marine Insurance Company, which, incorporated in 1849, has passed beyond the sixty-year mark of a progressive and beneficent existence. This fine old Massachusetts company entered the gates of 1910 splendidly equipped and managed for the continued expansion of its notable service. The total assets, \$9,761,460.23, include a gain of \$1,241,526.27 during the past year; the net surplus, \$2,716,061.53, advanced by \$814,160.90; the premiums written, \$5,307,622.39, embody an increase of \$382,513.84; and the reinsurance reserve, \$4,369,974.40, was augmented by \$337,954.54. From date of organization to January 1 of this year the Springfield has paid losses to the splendid total of \$46,763,346.40. Under the sagacious guidance of President Damon and his able lieutenants in the office and in the field, the Springfield has rapidly advanced to a high position in the foremost ranks of representative American fire underwriting institutions, and none exceeds it in the esteem of the public as a purveyor of trustworthy indemnity for fire loss.

"The Company With the Pyramid."

"Forty consecutive years of pyramidal progress in assets and surplus" is the grand record of the New Hampshire Fire, which in 1909 added another layer of \$5,196,017.46 assets, including a net surplus of \$1,510,064.23, to the substantial structure of its prosperity. As noted last week, handsome increases in assets, contingent reserve and surplus were secured by the company last year. Under the capable administration of President Sergeant, ably seconded by his home office and field forces, the New Hampshire Fire keeps steadily pressing on a higher pinnacles of achievement.

The company recently was admitted to Virginia, and among the agents it has appointed in that State are the following: Norwell B. Walker, Richmond; L. T. Hanckel & Son, Charlottesville; Patton & Noell, Danville; Ivey & Kirkpatrick, Lynchburg; Walke & Son, Norfolk; W. F. Perry Corporation, Staunton.

At Lincoln, Neb., Charles M. Hall and P. F. Zimmer have been appointed to represent the New Hampshire Fire.

Massachusetts Legislature.

Among recent petitions introduced in the Massachusetts House are the following: Introduced by Mr. Barlow, of Lowell, of Edward Marsh, that insurance agents may have commission on policies on their own lives; by Mr. Carleton, of Chelsea, for a law to prohibit combination by fire insurance companies and agents to increase fire insurance rates; by Mr. Cox, of Boston, from Erving Winslow, for a system of State life insurance; by Mr. Crane, of Cambridge, of Merton S. Keith, Jr., and others, for the incorporation of himself and others as the Massachusetts Annuity Fund Insurance Company.

George P. Field has petitioned for an addition to the law providing for sprinkler and plumbing damage insurance, by permitting also insurance against loss and damage caused by a rising of the waters of the ocean and its tributaries.

Representative Carleton, who did the same thing last year, has filed a bill embodying a valued policy law.

For a Saner Fourth.

Dr. Scannell, of the Boston school committee, has prepared a lecture advocating a saner Fourth of July, and has enlisted the co-operation of a number of eminent physicians, who are to deliver it before Boston school children and their parents during February and March. The lecture sets forth the dangers of blank cartridge wads, cannon crackers and the terrible suffering when lockjaw ensues.

Mutual Life.

The notable results achieved by the New England Mutual Life Insurance Company, of Boston, Mass., received attention in last week's issue of "The Chronicle," which this week takes pleasure in presenting to its reads the sixty-sixth annual statement of this staunch and progressive old institution. A comparison of this statement with the one of a year before brings out the following admirable showing on a paid for basis:

Gross assets	\$51,269,293; increase.....	\$3,307,587
Total liabilities	47,050,672; increase.....	2,591,295
Net surplus	4,218,620; increase.....	716,292
Distribution for 1910.....	1,300,000; increase.....	100,000
New premiums	860,582; increase.....	172,827
Renewal premiums	5,947,729; increase.....	180,250
Total premiums	6,808,312; increase.....	353,077
Total income	9,162,783; increase.....	488,828
Payments to policyholders..	4,710,055; increase.....	65,787
Total expenses	1,411,458; increase.....	128,724
Total disbursements	6,224,696; increase.....	183,270
Income over disbursements..	2,938,086; increase.....	305,558
New paid business.....	23,427,325; increase.....	5,462,079
Terminations	10,848,411; decrease.....	1,075,297
Increase of insurance in force	12,578,914; increase.....	6,537,376
Total in force.....	197,492,772; increase.....	12,578,914
Outstanding, not reported...	1,394,559; increase.....	724,149
Policy, average amount	2,622; increase.....	186
In force, average amount....	2,373; increase.....	19
Actual mortality, 1909.....	57 per cent.; in 1908.....	64 per cent.

The Employers Liability.

The United States Branch of the Employers Liability Assurance Corporation comes to the front, as usual, with a fine statement, summarizing the results of the activities of 1909, at the end of which year it shows assets of \$5,068,420, of which \$3,151,438 figures as reserves and \$1,911,982 as surplus to policyholders. The corporation has a deposit with trustees and insurance departments for the benefit of policyholders in the United States a total of \$4,434,172. The excellent service performed by this sterling institution and its continued prosperity reflects credit upon Samuel Appleton, of Boston, United States manager, and the corps of skilled underwriters under his direction.

Bohm Resigns.

Boston, Feb. 2 (Special).—Julius Bohm, general agent of the Columbian National Life, of Boston, for the Pacific Coast, has to-day resigned, and his resignation has been accepted. The agency force on the Pacific Coast will hereafter conduct its business direct with the home office. Practically all of the managers under Mr. Bohm will continue with the Columbian National on the new basis.

New England Brevities.

At the annual meeting of the Life Underwriters' Association of Central Massachusetts, last week, Otis D. Arnold was elected president; W. Gray Harris and E. P. Cerie, vice-presidents; Chester E. Greene, secretary; W. Gray Harris, chairman executive committee; E. P. Cerie, chairman membership committee; L. V. Bailey, chairman legislative committee.

The Massachusetts Bonding has applied for admission to Montana, and has selected Edward C. Murray, formerly with the United States Fidelity & Guaranty, to be branch manager, with headquarters at Helena.

THE POWER OF HABIT.

The dearth of good field men available for vacancies in the West is more than usually apparent now. For months past one or two very fine positions have been standing open, and, although there were many applicants they still remain open. Lately the number of desirable vacancies has been increased by promotions or deaths and it is hard to tell where men are to be found to fill them.

Apparently there is coming to pass what was predicted years ago. The present system of conducting the business does not train men for the field. With forms prepared, rates made by inspection bureaus, adjustments made largely by the Western Adjustment Company, the average local agent has little to do but get business. If he is a successful local agent and really learns the business, he does not want to be a special agent, and if he is not successful as a local agent the companies do not want him as a special agent. Accordingly many companies undertake to fill their field vacancies by sending out men who have been trained as daily report men. Some of these make good and some do not. Some of them have had little experience in dealing with men face to face and some of them have become so accustomed to look for reasons for declining risks that they carry their critical tendencies into the field with them and make their companies unpopular with the local agents.

ALL-NIGHT LIFE AGENCY.

"I thought that New York was going some, even for New York, when they started the Night and Day Bank," said the cashier on the lobster trick in an all-night restaurant at 3 a. m., "but that fellow who went out just before you paid your check has them faded. He is an all-night life insurance man. He figured that it was pretty easy money getting next to men like me, clerks in hotels and cigar stores, at times when business is slack, so now he sleeps in the daytime. I just put in an application for \$1,500 myself."—New York "Sun."

HOPELESS.

"I have to say that I am not making any prediction as to the chance of getting Federal supervision, nor as to its form or its scope.

"I am hopeless about conditions under the present system of supervision, and am simply putting matter into the mill of discussion in the hope that there may somehow and some time result grist of value."—Geo. F. Seward.

EXCESSIVE FIRE LOSSES.

New York City's Fire Commissioner has in process an investigation to determine the cause of the epidemic of fires that has recently swept the city, and says he has reached the conclusion that the number would be greatly reduced if the laws relating to protection against fire were enforced by and against the owners, agents and janitors of buildings.

The commissioner has decided to take action to secure such enforcement; and under the conditions now existing, and the elimination of Tammany grafters, there is every prospect that better conditions will immediately follow.

To further the plan, the commissioner intends to have the fire alarm telegraph bureau, its connecting cables and the battery room in a totally separate fireproof building. The Merchants' Association and the New York Board of Fire Underwriters demand an entirely new fire alarm service.

The old headquarters building is not to be abandoned. The commissioner will retain his office there and the bureau of combustibles and Chief Croker will stay in the old place. The old and the new headquarters are connected by a passageway at each floor.

REFUSES CHRISTIAN SCIENTISTS.

The Des Moines Life has practically concluded to issue no insurance policies to Christian Scientists. A policy of \$10,000 has just been paid by this company to the heirs of Paul L. Parks, of Parksville, Miss. Mr. Parks, when taken ill, refused to employ a physician, and his death ensued ten days later. Mrs. Parks, following the receipt of the \$10,000, sought to take out a policy for \$5,000 upon her own life but because of her non-belief in physicians the company refused the application.—"Western Underwriter."

\$3,300,000.00
Of First Farm Mortgages.

Lowest Net Cost of Insurance of Any Company in America.

THAT'S WHY WE GROW.

Bankers Life Ins. Co.,
Lincoln, Neb.

PRAISES HOTCHKISS.

The Co-operative Fire Insurance Companies of New York State held their twenty-eighth annual convention at Syracuse on last Monday. One hundred and forty companies were present, representing 5,000 members and \$495,000,000 of insurance.

One of the principal actions of the convention was the adoption of a resolution commending Superintendent of Insurance Hotchkiss, in these terms:

Resolved, That the legislative committee appointed at the meeting be instructed to convey William H. Hotchkiss the indorsement by this organization of his administration as Superintendent of Insurance, and express to him our desire to co-operate with him in securing the enactment of such laws as shall best serve the interests of co-operative fire insurance and through it the people of New York State.

L. P. Funkhouser has resigned as secretary of the Farmers & Merchants, of Lincoln, Neb., because of continued poor health, and is succeeded by S. A. Barclay, who has been assistant secretary. Mr. Barclay was formerly superintendent of the Milwaukee Board, and has been a field man, rater and inspector in the West for a number of years.

The Star of Success

shines over the fields in which our agents work.

Why? Popular company, policies that cover public needs, low net cost, literature that prospects read.

Now writing the largest business in our history.

For agency information apply to

Massachusetts Mutual

Life Insurance Company
Springfield, Mass.

Incorporated 1851.

IF YOU ARE TIRED OF LOW WAGES

and small opportunities, step into a business into which all your ability will count.

There's money in selling

Life Insurance

Write NOW for particulars of an agency contract.



THE PRUDENTIAL
Insurance Company of America.

Incorporated as a Stock Company by the State of N. J.
JOHN F. DRYDEN, Home Office:
President, NEWARK, N. J.

Write for Agency.

THE HISTORY OF ISCARIOT REPEATED.

(Continued from Page 1.)

the dives and resorts of Brooklyn and Coney Island.

The next year the Bankers Surety Company was represented by James McGinty, who had been associated with various surety companies as their excise agent, but who is not a surety man.

The Triple Alliance.

At that time there was established a co-operation between the surety companies, the Brewers Board of Trade and the Committee of Fourteen, by which it was intended that the disorderly places of the city should be closed by inability to secure a bond. The co-operation for the five months of that period (the excise year being then changed to October 1) was reasonably successful, the disreputable places being forced to secure personal bonds. With the re-writing of the bonds on October 1, 1908, the Bankers Surety Company, though a member of the reinsurance association, took advantage of the looseness of the re-insuring agreements and wrote all the extra-hazardous places which had been refused by the reinsurance association and the United Surety, under the co-operation as above stated. The Bankers Surety Company at that time offered as the excuse for their action, that it was necessary for them to recover upon the losses upon the bonds written by Reister. The question arises immediately, were they not plunging in only further, for while they might secure some salvage upon the former loss and some extra premium for the new bonds, they had incurred the full liability of \$1,800 upon yet another bond.

It might be noted in passing that this excuse was not offered by the companies which, doing similar business in earlier years, suffered similar losses.

Until June, 1909, the Bankers continued to write the extra hazardous bonds of the objectionable places. With the approach of the new writings for 1909-10 efforts were made to make complete the co-operation between the surety companies, the breweries and the Committee of Fourteen, and for some time it appeared likely that this would be accomplished. Immediately after September 1 the rumors became definite that the Title Guaranty & Trust Company of Scranton would enter the field independently of the co-oper-

ators. Thereupon the Bankers Surety Company, by McGinty, announced that it would again write the places which were refused by the reinsurance association, and for a third time wrote this extremely hazardous business.

While the Committee of Fourteen may urge the moral side of the question of writing bonds for places which are disorderly, the practical question for the surety man is that of the risk due to the character and reputation of such places.

An Insult to Insurance.

It is reported that the Bankers Surety company has sought to write this business strictly upon an insurance basis. There is no underwriting basis for such risks.

It should be known that under the amendment of the law proposed by the Excise Department and passed in May, 1908, a practical monopoly of the business was created for the corporate surety. The amendment provided that personal sureties must qualify with unencumbered real estate. This was deemed advisable by the commissioner after his experiences with the law permitting encumbered real estate. With the old law in force personal bonds cost from \$500 to \$750.

For a surety company seeking this business there is under the circumstances only two courses to pursue.

(1) Charge all the traffic will bear, and this is what the Bankers is reported to have done, getting, it is said, premiums of \$1,000, and

(2) Demanding full security and getting a small premium. This latter is reported to have been the method of the Title Guaranty & Surety Company. It is understood that the company wrote but a small part of such extra-hazardous business.

Between the two methods there is this decided difference when the business is done through an agency upon a commission basis: The absolute cost

of the first method is extremely high, making the business very tempting to the agent, hence it is the method he would advocate. The second method gives absolute security to the company and only a small commission to the agent.

Because of the situation created by the way in which business was done last September, there is a movement which has the support of the Excise Commissioner to amend the excise law to abolish the monopoly created by the personal surety amendment, by providing that a cash bond can be given, or, rather, its equivalent. It is proposed that the commissioner be authorized to accept in lieu of a surety or personal bond, an assigned certificate of deposit of a State depository for \$1,800. It is argued that few will risk this form of bond since it would be a notification to the commissioner that there had been difficulty in securing a bond of the other kinds. Under departmental practice, this is not correct, for actions are determined upon before the parties at issue are known. Until the formal papers are drawn, only the name of licensee is known to the officers who determine the actions.

The Court Was Open.

The method by which the reinsurance association and the managers of the United Surety Company decided what places they would refuse to write was one which was intended to do justice to all and as far as possible eliminate the personal factor. A list of places compiled from the records in the possession of the Committee of Fourteen was submitted after consultation with Messrs. Sheridan and Reilly to the Brewers Board of Trade. It is understood that the brewers of the city were each supplied with a copy of this list and notified that appeals for the correction of that list would be heard by a joint committee. That committee consists of the president of the

The Best, Safest, Most Liberal and Most Equitable Forms of Policy Contracts
are issued by the

JOHN HANCOCK MUTUAL LIFE INSURANCE CO. OF BOSTON, MASS.

ROLAND O. LAMB, President.

WALTON L. CROCKER, Secretary.

Issues the Most Perfect Forms of Life, Endowment, Instalment and Term
Policies Greatest Sellers in the Market.

LIBERAL CONTRACTS TO THE RIGHT MEN.
ROBERT K. EATON, Supt. of Agencies, Boston.

WILLIAM N. COMPTON, General Agent, Metropolitan District,
St. Paul Building, 220 Broadway, New York.

Brewers Board of Trade, the ex-president of the United States Brewers Association and other representative brewers, including the largest brewer in New York City, together with Manager Edward C. Lunt, of the Fidelity & Casualty, and Messrs. Sheridan and Reilly and representatives of the Committee of Fourteen. This committee held two meetings and heard and passed upon all objections that were made. Thus the responsibility for the list belongs to the joint committee and any brewer or individual who felt aggrieved had every opportunity to be heard. Moreover, there was established at the time a method by which the promises of a proprietor, supported by the endorsement of his brewer, would be accepted that he would make his place conform to the general regulations prescribed by the committee. Thus the attempt was made to do justice to everyone, and yet to disassociate the brewers from the disreputable part of the business and to relieve the bond companies of the odium of knowingly being participants in a business, the profits of which are beyond question "dirty money."

Something Coming.

This disclosure concerning the business of making excise bonds, the methods pursued, the grafting that it entails and all the sordid details have aroused those most interested—financially and morally—as never before and there is in prospect an early development that may clear the murky skies.

President George F. Seward, of the Fidelity & Casualty, who is the actual head of the reinsurance association, has been reported as having made some rather warm and significant remarks since the recent racket started.

It is also stated that Dr. Peters, of the Committee of Fourteen, is sitting up and taking notice "touchin' on and appertainin' to" present conditions. The brewers in annual State convention last week also gave clearest evidence of agitation over the subject and on paper at least promised to make their patrons be good.

Interesting developments are pending and "The Chronicle's" intimate knowledge of the workings of the "Gideon's Band" of this abominable traffic will enable it to keep the subject alive and moving.

Courtenay Baylor, formerly general agent at Boston of the Phoenix Mutual Life, has been appointed manager for that company at Providence, R. I.

FEDERAL UNION'S CHICAGO CHANGES.

The course of the Federal Union Surety in Chicago will be watched with some interest. For four or five years the company has done practically nothing in the city. After the Federal Union and Montgomery & Funkhouser parted company, it opened a little office of its own in charge of C. B. Gould as manager. Mr. Gould's work kept him out in the field nearly all the time and he had no opportunity to build up a city business. Something over a year ago he resigned and the company shortly afterwards entered the fire agency of W. M. Umbdenstock & Co. There the business was in charge of W. P. Cooper, who had been Mr. Gould's clerk. The agency had to submit too many cases to the home office to compete readily with other Chicago general agents who, as a rule, have very broad powers of attorney. Now the Federal Union has appointed as general agents Meeker & Magner, general agents of the General Accident, a high-grade casualty office, and Walter E. Hart has been secured to manage the bonding department. Mr. Hart received his early training in the home office of the Fidelity & Deposit, was then on the road for the same company as special agent and for the past year and a half has managed the bonding department of the Massachusetts Bonding in the general agency of Moore, Case, Lyman & Hubbard. With such equipment, there appears to be no reason why the Federal Union should not "loosen up" in Chicago and do such a business as other companies of similar size do.

STANDARD ACCIDENT.

The 1909 annual statement of the Standard Accident of Detroit evidences its usual satisfactory and steady growth.

The company added to its surplus during the past year \$205,753.18 besides increasing its reserves \$92,768.11. In addition to the reserves required by law the Standard has a reserve for contingencies of \$150,000. This item was increased \$50,000 during the past year and certainly shows conservatism on the part of the management. In its twenty-six years of business each year has shown increases. The Standard has paid claims to its policyholders amounting to over \$12,000,000.

UNIFORMITY RUN RIOT.

The uniformity craze which has been sweeping the country generally from insurance blanks to the price of meat and the cost of divorce has at last invaded the National Association of Local Fire Insurance Agents, and a committee, of which C. F. Hildreth is chairman, is now wrestling with the proposition to "require" all companies to adopt policy forms and other blanks used by them of uniform size, shape and wording. It is stated that progress has been made, and undoubtedly it would be of practical economic value if the committee can bring it about.

Of course, uniformity of the wording for the policies and forms, is an iridescent dream, but uniformity in size and general make-up of the printed forms is easily practicable and would be a very sensible idea to adopt.

THE American Credit-Indemnity Co. OF NEW YORK.

CREDIT INSURANCE ONLY.

Insures Wholesalers and Manufacturers against Excessive Annual Loss through the Insolvency of their Customers.

We can always use a few high-grade solicitors.

ST. LOUIS, MO.

NEW YORK, N. Y.

Offices in All Principal Cities.

A. B. TREAT, General Agent,

302 Broadway, : : : : : New York.

FOR A FEDERAL BUREAU.

Washington, Feb. 1 (Special Correspondence.)—The long agitated subject in Congress of a Federal Government bureau of mines—meaning control—had a lively session for a few hours in the House last Tuesday.

The discussion arose over the pending bill (H. R. 13915), the main feature of which is section 2, which provides:

It shall be the province and duty of said bureau and its commissioner, under the direction of the secretary of said department, to foster, promote and develop the mining industries of the United States; to make diligent investigation of the methods of mining, the safety of miners, the possible improvement of conditions under which mining operations are carried on, the treatment of ores and other mineral substances, the use of explosives and electricity, the prevention of accidents and other technologic investigations and inquiries pertinent to said industries. * * *

The immediate provocation for the debate was due to the presentation by Congressman Douglas of a resolution passed by the Ohio Legislature on the Friday preceding urging Congress, in view of the number and character of serious accidents occurring in the best equipped mines in various States, it is evident that many years of research and educational work on the part of the General Government will be necessary to enable the several States to meet by appropriate legislation that better protection shall be provided for its industrial workers; and that the bill now pending in Congress providing for the creation of a National Bureau of Mines, be passed forthwith.

There was also presented a resolution passed at the 21st annual convention of the United Mine Workers of America, representing 300,000 organized miners directly and 700,000 men indirectly, urging the enactment of the measure.

Portentous Words.

Representative Cox, of Indiana, voiced the strongest active advocacy of the measure in these very strong words:

"In many respects this is the most important piece of legislation which has come before Congress for many years."

This represents one view, but there is a surprisingly large conservative sentiment against the measure, as is usual when an influential and presumably technical expert adverse opinion is presented to Congress, as was done in a communication in the very able and highly responsible "Engineering and Mining Journal" in its issue of last week, introduced by Congressman Slayden, of Texas, in back-

ing up the stand of Congressman Tawney, of Minnesota, in opposition to the measure.

The discussion following was at least enlightening in the sense that it illustrated the varying degrees of statesmanship represented in Congress.

The gamut of the demagogue was run to the limit, beginning with absolute paternalism and ending with State rights. It covers 25 pages in the record of the day and the pro and con is interesting, especially the latter. One of these was the argument advanced that the mine bureau bill was simply a scheme of owners of Western mining properties to have their ores assayed at public expense in order that the official Government report would enable them to unload worthless properties on the public. Another, that it simply created another graft at Washington.

Only Shallow Pates Heard.

The singular feature of the whole discussion was that the main intent—preservation of life by prevention of mining accidents—was backgrounded. And not a single mine owner or miner was on record other than in favor of it. The highly esteemed profession of mining engineers, assistants, apprentices, etc., are generally opposed because it is an invasion of their present or of prospective monopoly, presumably on the same principle that its money order and postal system is an unwarranted invasion by the Government of the banks and express companies private and exclusive privilege, and an abridgment of the constitutional right of contract. (What an emergency sanctuary in stress of ignorance is that belabored Constitution!)

Present indications are that the bill will be considered by Congress on the judgment of representatives from coal mining States where the great losses of life have occurred and their attitude on the subject has been pretty clearly demonstrated. The engineering opponents' case is liable to be knocked into smithereens because of its alleged selfish and ulterior motive.

Employers Liability Bill.

The commission appointed by New York, Wisconsin and Minnesota to examine the subject of employers liability, and report and handle arguments on the compensation bill, held a session here on Saturday, which was attended by a number of delegates from many States and under the auspices of the Federal Government.

Commissioner of Labor, Charles P. Neill, presided.

A resolution was adopted at the

opening session asking the Department of Commerce and Labor to send an expert abroad to inquire into the cost to employers of compensation laws now in operation. The effects of the laws in Germany, England, Austria and Sweden are particularly sought. The conference also appointed a committee to call upon the Secretary of State and ask that the members of the consular service inquire into the employers liability legislation in foreign countries. Of this committee George M. Gillette, of Minneapolis, was made chairman.

The conference was adjourned to meet in Chicago July 10 next, after a committee had been appointed to draft a compensation bill to be presented to Congress. The committee which will draft the bill is composed of H. V. Mercer, of Minnesota; Henry R. Seager, New York; A. W. Sanborn, Wisconsin, and Miles M. Dawson, New York.

HORRORS!

"Now," said the architect to the insurance magnate, "that you are to settle here, you want a comfortable residence. Would you prefer in this new house a southern exposure?"

"Good heavens, no!" cried the magnate, with a shiver of horror. "Any kind of exposure is just what I don't want."—Boston "Courier."

All securities valued as of Dec. 31, 1907.

FOUNDED 1792

116th ANNUAL STATEMENT

INSURANCE COMPANY OF NORTH AMERICA. OF PHILADELPHIA, PA.

January 1, 1908.	
Real Estate	\$ 399,138.75
First Mortgages on Real Estate	467,983.48
New York, Boston, Montreal and other City and State Loans	784,346.99
Pennsylvania, Philadelphia and Erie, Lehigh Valley, and other Companies' Bonds and Stocks	7,268,881.40
Cash in Bank and Bankers' hands	1,045,774.76
Notes Receivable, and Unsettled Marine Premiums ..	341,838.34
Net Cash Fire Premiums in course of Transmission ..	946,818.70
Accrued Interest, and all other Property	35,338.
Total Assets	\$11,290,121.11
LIABILITIES.	
Capital Stock	\$ 3,000,000.00
Reserve for Re-Insurance ..	6,351,346.39
Reserve for Losses	777,100.00
All other Liabilities	71,717.15
Surplus over all Liabilities ..	1,089,957.57
	\$11,290,121.11

CHARLES PLATTPresident.
EUGENE L. ELLISON..Vice-President.
BENJAMIN RUSH.....2nd Vice-President.
GREVILLE E. FRYER...Sec'y and Treas.
T. HOARD WRIGHT.....Ass. Sec'y.
HENRY W. FARNUM.....Marine Sec'y.
JOHN O. PLATT.....Assistant Sec'y.

Agencies in all Prominent Cities & Towns.

A CANDID FRIEND.

The following communication has been received by "The Chronicle" from a friend of such long standing that it is prudent to avoid the figures in years. It almost causes a lament, but candid friends who travel about have some unwritten license, like that of poets, which commands and demands recognition.

"The Chronicle" values news and unhesitatingly plumes itself upon printing it, not all, of course, for that is manifestly impossible under human limitations, but what it does print is news, not mere cribbings and clips.

To be equally as frank as this candid friend and in the same spirit of ethical uplift that inspired it, the communication, in part, is given herewith:

On page 15 in your issue of January 20, under the heading of "Going Into Casualty Lines," you give a send-off to the Pacific Surety Company in connection with Mr. Wolf's association with that company. On page 23 of the same issue you refer to Mr. Van Laningham in terms which speak for themselves. Possibly you are not aware of Mr. Van Laningham's connection with the Pacific Surety Company, and I cannot say that I am aware of it, except by inference. The present conditions seem to point largely to such connection.

The purchase of the stock of the Pacific Surety Company was recently made through a party purporting to represent large Eastern interests. This party was, as near as I can learn, Mr. Van Laningham. The stock of the company, which had a market value of \$105 per share was purchased in this negotiation for \$150 per share; the stock was paying 6 per cent. on the par value of \$100; it consisted of twenty-five hundred shares of the par value of \$100 per share. Mr. Van Laningham has opened large offices in San Francisco for the sale of stock; I think for the sale of the Pacific Surety Company's stock; the par value of this stock has been reduced from \$100 per share to \$1 per share; the number of shares made 500,000, increasing to 1,000,000, and the shares are being offered to the public at \$2.50 per share or on the basis of \$250 per share at the old par value. This offer is accompanied by a statement of financial returns of the various companies in 1908, showing that the Employers Liability Company made a profit of 410 per cent., and the Fidelity & Casualty Company of over 100 per cent., etc.

I think the information I have here given you is absolutely correct in every respect; inquiry would verify it or not; if it is correct it remains, of course, for you to determine how far the Pacific Surety Company is establishing stations to furnish electric current or has grasped a live wire.

This is good reading, but it is of little or no specific interest, even if true, to anybody but the Pacific Surety Corporation. It has had a

long, honorable and successful career, and there is no reason to anticipate its having an apoplectic fit just now. Of course its friends would be regretfully surprised if it were led into the dubious and unnecessary paths of promotion schemes in order to place additional stock for an increase of capital. The business of promoting insurance stock sales by the same methods employed by the vendors of mining shares and golden dreams has been such a ridiculous failure as to be pitiable. Every considerable State insurance department has forbidden it, and one has gone so far as to legislate against it, and in another column is the news that one more proposes to do so.

As an illustration of the work of the insurance company promoters it is only necessary to glance around the country and see the bantlings they have half created. If life insurance circles it has already been proposed in the presidents association that means be adopted to rescue these weak and incompetent concerns and save the innocents who were gulled out of honest money.

In casualty and surety circles it is only necessary to glance at the laughable plight of half a dozen "promotions" in Philadelphia and a dozen others West and South. There is also that wonderful concern in Chicago headed by the equally wonderful and Honorable Bob Armstrong, of prolific promises.

But, as already stated, it is nobody's business but the Pacific's, and until there is some real live developments everybody had best sit down and not try to hold their breath.

That snicker you have been hearing came from behind the barn, where the insurance man, the coal man and the ice man are discussing the meat man's troubles.—Des Moines "Register."

Pittsburgh Life & Trust Co.

W. C. BALDWIN, President

AGENCY CONTRACTS MADE DIRECT WITH SOLICITORS

ASSETS	\$23,549,229.15
Reserve on Outstanding Policies	\$21,401,593.00
All Other Liabilities	\$417,649.50
Assets in Excess of all Legal Requirements	\$1,729,981.65
Insurance in Force	\$80,000,000.00

HOME OFFICE • PITTSBURGH, PA

INCORPORATED 1833.

British America Assurance Company

HEAD OFFICE, TORONTO, CANADA

UNITED STATES BRANCH.

JANUARY, 1, 1909.

Assets	\$1,473,470.03
Liabilities	902,747.45
Surplus	\$570,722.63

Hon. GEORGE A. COX, President.

W. R. BROCK } Vice-Presidents
JOHN HOSKIN }

W. B. MEIKLE, General Mgr.

The UNION CENTRAL LIFE of Cincinnati

Has several good openings for first-class men. It is the Company of companies for the agent who will make an aggressive campaign for business, and who wants to win in competition.

The Union Central earns the highest rate of interest on its investments of all American companies.

THE BEST COMPANY For The Policyholder.

Address

JESSE R. CLARK, President, or
ALLAN WATERS, Sup't of Agents.

BONDS--CASUALTY

AGENTS IF YOU { Can Command Bond or Casualty business
Are seeking an Agency connection
Are not representing another like Company

ADDRESS, AGENCY DEPARTMENT,

The Empire State Surety Co.
NEW YORK

SEEING THROUGH A GLASS DARKLY.

Were Chicago burglary insurance men much interested in burglary insurance, they would have been on needles and pins the first few days of last week. While the New York papers announced that the Chicago situation had been fixed up by the Burglary Insurance Underwriters Association, not more than one or two companies took the trouble to notify their Chicago representatives what they had done for them or done to them, until the week was half gone.

The first report that reached Chicago was from a company not represented at the meeting. From later reports received by other offices, it appeared that this company had not been correctly informed as to what was done in New York, as the commissions it reported as agreed upon were 5 per cent. higher than those reported to other offices.

So far as commissions are concerned it is probable that the action taken at New York was the best possible under the circumstances. There are some general agents in Chicago who are opposed to paying more than 20 per cent. for residence business to any broker, while the agreement calls for 25 per cent. on this class to class 1 members of the Chicago Board of Fire Underwriters. One or two offices intimate that they will not pay over 20 per cent. regardless of the agreement, even though such a course results in the loss of their business.

However, 25 per cent. to class 1 agents and 20 per cent. to other brokers for residence business was the brokerage paid by two or three offices last year before any efforts at a local agreement were put forth, and some of the offices which were not paying these figures believed that eventually it would be necessary to give a differential to class 1 agents who handle the accounts of their brokers. In fact, the agreement adopted in New York is about what one prominent manager in Chicago proposed months ago.

The Center of Disturbance.

The disturbing factor in the Chicago situation was the announcement that the American Bonding Company no longer is a member of the Burglary Insurance Underwriters Association. This leaves it unaffected by any agreement the association members may enter into and consequently free to go on paying whatever it pleases in Chicago. As the agreement provides for no differential in favor of casualty as against fire agents it is, of course, not satisfactory to the

Chicago representatives of the American Bonding.

Quint Is Willing.

Recently one or more of the Chicago representatives of other companies have talked over the situation with A. U. Quint, associate manager of the American Bonding, and were led to believe that a compromise that he would accept was not impossible to be secured. He is reported to have intimated that an understanding could be reached if an agreement could be secured among the fire agents that in the exchange of business burglary insurance should not be counted as an offset for fire insurance, or vice versa. Some of the burglary insurance men who are also fire agents have insisted that this exchange business cuts no figure and they probably would enter into such an agreement. It is not certain that all would, however, unless they found it the only way of putting a stop to the American Bonding's paying excess commissions. While the American Fidelity will not enter any local conference, the rates of commission agreed upon are those which it has always paid in Chicago, so no trouble should be anticipated from that source.

If the companies enforce the Chicago agreement it will cause some readjustments, as certain offices have more than two policy-writing sub-agencies, the number said to have been agreed upon in New York.

Alfred M. Best Company

INCORPORATED

100 William Street, New York.

BEST'S INSURANCE REPORTS.
BEST'S INSURANCE NEWS.

The Standard Authority.

JOHN C. PAIGE & CO.

INSURANCE

65 KILBY STREET
BOSTON

THE AETNA'S NEW YORK CHANGES.

The combined announcement and invitation of the Aetna on the front cover of this issue is of keenest interest to the casualty and liability brokers of New York and vicinity, and its results must be immediate and effective.

The former management of the New York office had aroused influential antagonism and animosity that clearly demonstrated the value of the personal equation as an asset to any company in dealing with the insurance "street."

The reorganization of the office will undoubtedly be manifested in a heavy increase of business for 1910.

SAFETY FUND INSURANCE

NIAGARA

Fire Insurance Company

—OF—

NEW YORK

OFFICE:

46 CEDAR STREET, CITY.

NATIONAL LIFE

Insurance Company.

MONTPELIER, VERMONT.

Established in 1860.
Operating in 36 States.

JOSEPH A. DE BOER, President.

FRED A. HOWLAND, Vice-President
JAMES B. ESTEE, 2nd Vice-President
OSMAN D. CLARK, Secretary
H. M. CUTLER, Treasurer
A. B. BISBEE, Medical Director
C. E. MOULTON, Actuary

This Company held January 1, 1909, and gained during the past decade:

ASSETS . . .	\$44,026,069.73
GAIN, 173 PER CENT	
SURPLUS . . .	\$5,279,925.70
GAIN, 174 PER CENT.	
INSURANCE .	\$155,755,039.00
GAIN, 93 PER CENT	

Absolute Security and
Economy of
Management

THE ELEVATOR HAZARD.

Until the advent of automatic elevators, cars that start and stop of themselves, that open and close doors at landings without the aid of an operator, there will be an element of uncertainty in the activity of all elevators—the human element. In the last analysis of an elevator's potentiality for damage, it matters not how perfect the mechanism and the condition of the car, we cannot eliminate the possibility of fatal accidents so long as the goings and comings must be controlled by the hands of men, hands directed by brains that at any time may be inefficient because of overconfidence, carelessness, weariness, or mere animal good spirits.

A series of deaths from elevator accidents, happening recently in New York, demonstrates three things of interest to the owners of lifts—that operators of long experience grow lax from too great familiarity with their work; that it is practically murderous to entrust an elevator to an inexperienced and superficially instructed man; that public opinion has decided to hold elevator operators, and their employers to a stricter accounting for accidents.—"The Budget."

DEATH OF TREASURER BROWN.

The death of Edgar E. Brown, of Providence, R. I., on last Friday, added another to the unusually long list of fire underwriters of the past season.

Mr. Brown belonged to that steady and conservative element which has ever been content to abide by the axiom, "Live and let live." He had been treasurer of the Starkweather & Shepley general agency since 1879, and was their chief accountant.

Mr. Brown was a man of quiet and modest tastes, of highest integrity and geniality, and inspired and held the unbounded confidence and respect of the circles in which he moved, and his death will be a great loss to insurance and social interests of New England.

The funeral occurred on Tuesday and the large attendance attested the wide circle of friendships enjoyed by Mr. Brown and his family.

Thornton Chase has been appointed general agent for the Union Mutual Life at Los Angeles and will act as superintendent of agents for the Pacific Coast. For sixteen years he was superintendent for the Middle West in Chicago.

The
Columbian National Life
INSURANCE COMPANY
OF BOSTON, MASS.

LIFE, ACCIDENT AND HEALTH INSURANCE.

The Only Massachusetts
Non-Participating Company

The New Columbian Policies (Sept. '09)
are Unexcelled in Clearness and Liberality.

Good Contracts and Territory for
Good Producers.

ARTHUR E. CHILDS, President.

LEADING FIRE COMPANY OF THE WORLD

1860 49th YEAR 1903

HOME LIFE

Insurance Company of New York.

GEORGE E. IDE, President.

Assets	\$21,708,901.70
Liabilities	\$20,471,723.76
(Including Deferred Dividend Fund)	
Dividend Endowment Fund	
(Deferred Dividends)	\$1,970,463.00
Net Surplus	\$1,237,177.94
Insurance in Force	\$88,368,244.00

The Record for 1903 shows the following	
GAINS:	
Insurance in Force	\$2,174,947.00
Assets	\$1,704,048.00
Deferred Dividend Reserve	\$175,443.00
Contingency Reserve (Surplus)	\$437,742.51

Hanover Fire

INSURANCE
COMPANY
of New York



Agencies
in all the Principal Places
in the United States.

NOTEWORTHY ADVANCE.

The
BERKSHIRE LIFE
Insurance Company,

OF PITTSFIELD, MASSACHUSETTS,
takes an advanced step in the interest of the policyholder by the adoption of the following liberal features in its new policy contract:

Low premium rates.

Large surrender values.

Dividends at the end of each policy year.

Thirty-one days of grace in payment of all premiums after the first year.

Paid-up insurance or cash surrender value or extended insurance after two years' premiums have been paid.

Loans for the full cash surrender value.

Policy payable in one sum or in installments for terms of years.

Policy incontestable, and no restrictions upon residence, travel and occupation, after the first policy year, except as to military or naval service in time of war.

Right of the Insured to change the beneficiary.

Liberal re-instatement privileges.

Every effort has been made to make this new policy the very perfection in a life insurance contract.

For further information apply to
JOHN H. ROBINSON, General Agent
For New York and New Jersey,
Postal Building,
253 Broadway, NEW YORK.

BONDS OF SURETYSHIP.**The Guarantee Company of North America.**

HEAD OFFICE, MONTREAL.

THE OLDEST AND LARGEST IN
AMERICA.

President, EDWARD RAWLINGS.
Sec'y and Treas., RICH'D B. SCOTT.

Paid-up Capital and Re-
sources \$1,817,612 || Claims Paid to Employers | \$2,165,964 |
| No Claims in Suit. | |

BRANCH OFFICES:

NEW YORK: 111 Broadway,
D. J. TOMPKINS, Secretary.

BOSTON: 114 Milk Street,
W. A. HAMILTON, Agent & Att'y.

CHICAGO: Room 400, The Temple,
J. R. PRUYN, Resident Sec'y & Att'y.

PHILADELPHIA: 500 Arcade Bldg.,
W. H. JACKSON, Res. Sec'y.

PITTSBURGH: 1120 Farmers B'k Bldg.,
E. R. MUNRO, Resident Secretary.

A SPECTACULAR JUDGE.

Surety men at Chicago are annoyed at the action of Judge Keneshaw Mountain Landis, of the United States District Court, in ruling out corporate bonds. That Judge Landis is regarded as erratic and spectacular in his methods does not make the loss of the business any pleasanter. The action is on a line with his \$29,000,000 fine of the Standard Oil and his claim within the past days that he, rather than the Department of Justice, had started the investigation of the alleged packing trust by the Federal Grand Jury at Chicago. His ruling on surety bonds is looked upon as something of a gallery play. Nevertheless, the business is gone, at least for the present. One or two Chicago offices have taken the subject up with their home offices to get the opinion of counsel as to the possibility of legal action to reinstate the companies in what they regard as their rights. One office, at least, believing that Judge Landis has acted upon misinformation and not for effect, is seeking an application for a bond to be filed in his court to give an opportunity to present facts to him on a concrete case, hoping that he will amend or repeal his ruling.

Speak Easy.

The fact that Judge Landis has given many receiverships to a certain trust company—possibly because it handles them in a businesslike way—has called out the suggestion that his action was taken partly for the purpose of shutting off applications for appointment as receivers from others. The individual attorney or business man does not enjoy seeking bondsmen. An officer of a trust company does not have to seek them, the other officers or directors are ready to sign his bonds as a matter of business.

An amusing feature in the case is that since he made the famous ruling Judge Landis had occasion to get a large probate bond himself and he went to a surety company for it. It is easy to see how it would be improper for the Judge to place himself under obligations to individuals who might in future be litigants in his court, but not easy to see why receivers and trustees should place themselves under similar obligations to men who may be claimants against estates they are handling.

It is suggested that Judge Landis inherits largely of the spirit which actuated his father in naming him in commemoration of his birth on the date of the great battle of Keneshaw Mountain, one of the crises of the Civil War, and he is subconsciously living to it.

BANK DEPOSIT INSURANCE.

Harry M. Rubey, in becoming president of the million dollar American Bankers Assurance Company, of St. Louis, has broadened the field of his business activities. He is one of the best known and most successful business men in Missouri, and has already infused life and blood into the company by strong additions to the board of directors, and mapped out a plan which seems to warrant the promise of quick success in getting the company into readiness for writing bank deposit insurance. Mr. Rubey is ably assisted by J. B. Christensen, general counsel, and John Kennish, former insurance commissioner, associate general counsel. It is the general opinion that the company will be a successful enterprise, prize.

MAKING PROGRESS.

The Railway Assurance Company has been registered in Saskatchewan.—"Insurance Chronicle," London, January 15.

When the Ahkoond of Swat visited London there was a mild diplomatic sensation, due to the simple fact that nobody knew what an Ahkoond was or where Swat is. Guessing catches always, and London generously received and entertained Barnum's "Cardiff Giant." Now Saskatchewan affords it news and opportunity. London always looks abroad. It's more polite and certainly more profitable. There's a reason.

The Assurance Company is to be congratulated upon its acquisition of recent registration, as noted. "The Chronicle" awaits the explanation of what and why and how and when, confessing in advance, by way of avoidance. (See Blackstone.)

It is reported that the Industrial Surety Company of 41 Park Row, guarantors of patents, will enter general lines.

HARTFORD LIFE

INSURANCE COMPANY,
OF CONN.

1909 Policies are Participating, or Non-participating, with Lower Rates and Values based on FULL RESERVE.

For Right Contracts,
Address, Second Vice-President.
Home Office, HARTFORD, CONN.

OUR BOND—YOUR SECURITY.

T. J. FALVEY, JOHN T. BURNETT,
President. Sec'y & Treasurer.



Massachusetts
Bonding and
Insurance Co.

Organized under
the Laws of the
Commonwealth of
Massachusetts.

Home Office, 77-81 State Street, Boston.
Capital\$500,000.00
Surplus\$250,000.00
SURETY BONDS and BURGLARY and
THEFT INSURANCE.

COMMERCIAL - UNION

ASSURANCE CO.,

(LIMITED)

OF LONDON.

OFFICE;

Cor. Pine & William Sts.

NEW YORK.

THE HOME LIFE INSURANCE COMPANY OF AMERICA

Incorporated 1899.



THE COMPANY FOR THE AMBITIOUS AGENT who desires to sell "COMMON SENSE" insurance at LOWEST COST, and who seeks, through most liberal first year and guaranteed renewal commissions, to receive just recognition of service. All policies registered, signed and sealed by the Insurance Commissioner of the State of Delaware, making them truly

SAFE AS GOVERNMENT BONDS.

Address Executive Offices, 416-18-20 Walnut Street,
PHILADELPHIA, PA.

JOHN LANGHAM, Jr.,
President.

JOSEPH L. DURKIN,
Secretary.

GEORGE M. NETTLESHIP,
Manager of Agencies.

A first class life underwriter with a successful field record, and an untarnished reputation can secure good open territory by addressing

SECURITY MUTUAL LIFE INSURANCE COMPANY

Binghamton, N. Y.

"The Leading Fire Insurance Company of America."



WM. B. CLARK, President.
W. H. KING, Vice-President.
HENRY E. REES, Secretary.
Assistant Secretaries,
A. N. WILLIAMS, E. S. ALLEN,
E. J. SLOAN, GUY E. BEARDSLEY.

The Connecticut Mutual

That means the best life insurance to have and the best to sell. If you can sell life insurance, you can sell more of it for the CONNECTICUT MUTUAL.

Men of Character and Ability are invited to apply.

Conn. Mutual Life Ins. Co.,
Hartford, Conn.

Please mention this paper.

Philadelphia Casualty Co.

WALTER LE MAR TALBOT, Pres't.

Capital \$500,000
Total Assets, April 1, 1909.....\$1,427,564
Surplus (Policyholders).....\$714,598

SAFE SUPERIOR POLICIES

Personal Accident, Health, Liability,
Automobile, Plate Glass and
Credit Insurance.

Agency Correspondence Solicited.

PHENIX

Insurance Company

—OF—

BROOKLYN, N. Y.

NEW YORK OFFICE:

68 WILLIAM STREET

New England Mutual Life

Insurance Company

87 Milk Street, BOSTON, MASS.

ASSETS, Jan. 1, 1909.....\$47,980,647.74
LIABILITIES 44,476,655.63
\$3,503,992.06

All forms of Life and Endowment policies issued.
Cash distributions paid upon all policies.
Every policy has indorsed thereon the cash surrender and paid up insurance values to which the insured is entitled by the Massachusetts Statute.
Pamphlets, rates and values for any age sent on application to the Company's Office.

ALFRED D. FOSTER, President.
D. F. APPEL, Vice-President.
JACOB A. BARBEY, Secretary.
WM. F. DAVIS, Asst. Sec'y.
J. G. WILMAN, Asst. Sec'y.

NEW YORK OFFICE:
St. Paul Building, 220 Broadway.
SETH H. WHITELEY, Manager.

The Employers' Liability

Assurance Corporation, Ltd.

LIABILITY, STEAM BOILER,
ACCIDENT, HEALTH, FIDELITY
and BURGLARY INSURANCE.

UNITED STATES BRANCH.
SAMUEL APPLETON, United States
Manager,
Employers' Liability Building,
33 BROAD STREET, BOSTON, MASS.

EDMUND DWIGHT,
Resident Manager for New York State
56 MAIDEN LANE, NEW YORK.

AGENTS WANTED.

A PENN MUTUAL PREMIUM, less a
PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS is unsurpassed for net low cost and care of interests of all members.

THE PENN MUTUAL LIFE INSURANCE COMPANY OF PHILADELPHIA

On January 1, 1909, rates were reduced and values increased to full 3% reserve.

Organized 1871

Life Ins. Co. of Virginia,

Home Office, Richmond, Virginia.

J. G. WALKER, President.
T. W. PEMBERTON, 1st Vice-President.
W. L. T. ROGERSON, 2d Vice-President.
E. D. HARRIS, Secretary.

The OLDEST Southern Life Insurance Company.
The LARGEST and STRONGEST Southern Life Insurance Company.
The PIONEER Southern Industrial Life Insurance Company.

Its policies are clear and definite in their provisions and their values are absolutely guaranteed.

Assets Dec. 31, 1909.....\$5,372,691.99
Liabilities Dec. 31, 1909.....4,312,405.32
Insurance in Force Dec. 31, 1909.....68,337,613.00
Total Payments to Policyholders since Organization 9,820,412.49

\$27,000,000

Insurance in Force



CITIZENS LIFE

INSURANCE COMPANY

LOUISVILLE, KY.

W. H. GREGORY, President

MEN OF ENERGY ARE OFFERED WORK OF MOMENT

in desirable localities representing a sixty-year old institution, with modern, liberal, law-conforming policies, and helpful Home office co-operation. Much good territory available. Many opportunities for advantageous positions. Inquire NOW.

UNION MUTUAL LIFE INSURANCE COMPANY

PORTLAND, MAINE

FRED E. RICHARDS, President.

Address either:
ALBERT E. AWDE,
Supt. Flatiron Building,
Watertown, N. Y.
THORNTON CHASE,
Supt., 405 Exch. Bldg.,
Los Angeles, Cal.

Germania Fire

INSURANCE CO.,

NEW YORK.

ORGANIZED 1850.

Cash Capital.....\$1,000,000.00
Assets\$5,874,016.00
Net Surplus.....\$1,509,442.33
Surplus for Policyholders, \$2,509,442.33

HEAD OFFICE:

Cor. William and Cedar Streets.

LIVERPOOL & LONDON & GLOBE

INSURANCE COMPANY

NEW YORK OFFICE, 45 WILLIAM STREET.
 H. W. EATON, *Resident Manager.*
 G. W. HOYT, *Deputy Manager.*
 J. B. KREMER, JR., and T. A. WEED, *Agency Superintendents.*

NEW ENGLAND STATES, NEW YORK, NEW JERSEY,
 PENNSYLVANIA, MARYLAND, DELAWARE,
 DISTRICT OF COLUMBIA, VIRGINIA,
 W. VIRGINIA, NORTH CAROLINA,
 SOUTH CAROLINA, OHIO,
 INDIANA, KENTUCKY,
 TENNESSEE, ARKANSAS.

NEW ORLEANS OFFICE, COR. CARONDELET & COMMON STS.
 CLARENCE F. LOW, *Resident Secretary.*
 J. G. PEPPER, *Assistant Secretary.*
 THOS. H. ANDERSON, *Deputy Asst. Sec.*

LOUISIANA, MISSISSIPPI, ALABAMA, TEXAS, FLORIDA, GEORGIA.

CHICAGO OFFICE, 205 LA SALLE STREET.
 W. S. WARREN, *Resident Secretary.*
 GEO. H. MOORE, *Assistant Secretary.*
 HUGH R. LOUDON, *Deputy Asst. Sec.*

ILLINOIS, IOWA, MINNESOTA, MISSOURI, KANSAS, NEBRASKA, COLORADO, N. DAKOTA, S. DAKOTA, MONTANA, UTAH, WYOMING, NEW MEXICO, OKLAHOMA.

SAN FRANCISCO OFFICE, 444 CALIFORNIA ST.
 CHARLES D. HAVEN, *Resident Secretary.*
 C. MASON KINNE, *Assistant Secretary.*
 JOHN W. GUNN, *Deputy Asst. Sec.*

CALIFORNIA, NEVADA, OREGON, WASHINGTON, IDAHO, ALASKA, ARIZONA.

DEUS NOBIS IN ADIUVANTIA SIT. DOMINE DIRIGE NOS.

Established 1836. Entered U. S. 1848.

The statement of the condition of the United States Branch on the 1st of January, 1909, in accordance with the laws of the State of New York, is as follows:

ASSETS\$13,212,749.70
 LIABILITIES 8,238,870.50

SURPLUS \$4,973,879.20

As an illustration of the Company's practice in maintaining its Assets in the United States in years of excessive loss, the following figures may interest policyholders:

Year.	Assets at January 1.	Income.	Expenditure.	Excess of Expenditure.
1871	\$3,054,361	\$3,163,901	\$5,122,653	\$1,958,752
1872	3,640,450	3,733,101	4,484,999	751,898
1873	4,165,290			

THUS SHOWING EXCESS OF EXPENDITURE IN THE TWO YEARS OF\$2,710,650
 AND INCREASE OF ASSETS IN THE SAME TIME OF 1,110,929

PROGRESS of the United States Branch: Net Fire Premiums—1848, \$4,519; 1858, \$471,998; 1868, \$1,739,620; 1878, \$2,422,126; 1888, \$3,028,010; 1898, \$4,979,422; 1908, \$7,427,617.63.

LOSSES—The amount paid in satisfaction of fire losses in the United States to the beginning of the present year was \$115,772,000. This large sum, in conjunction with the growth of the Company's business, evinces the confidence of the public and the faithfulness with which the Company's losses are adjusted and settled.

The Preferred
of New York

SUPERIOR POLICIES

KIMBALL C. ATWOOD, President
290-292 Broadway, New York.

201st YEAR

SUN Insurance Office OF LONDON.

FOUNDED 1710.

UNITED STATES BRANCH:

54 PINE STREET, NEW YORK.

WESTERN DEPARTMENT:

171 LA SALLE ST., CHICAGO.

PACIFIC DEPARTMENT:

Sansone & Sacramento Sts.,
SAN FRANCISCO, CAL.

AGENTS WANTED
AT UNREPRESENTED POINTS.

THE FRANKFORT MARINE, ACCIDENT AND PLATE GLASS INSURANCE CO. OF FRANKFORT-ON-THE-MAIN GERMANY

ESTABLISHED 1865.

United States Department, 100 William Street, New York, N. Y.

TRUSTEES:

RICHARD DELAFIELD, Pres. of National Park Bank
ERNST THALMANN, of Ladenburg, Thalmann & Co.
STUYVESANT FISH, 214 Broadway, New York City.
C. H. FRANKLIN, U. S. Mgr. and Attorney JNO. M. SMITH, Sec. U. S. Branch

INSURANCES TRANSACTED
LIABILITY— Employers, General, Vessel Owners, Burglary
Public, Landlords, Contingent, Workmen's Collective
Teams, Elevator, Druggists & Physicians. Individual Accident & Health
Industrial Accident & Health

AGENTS WANTED FOR UNOCCUPIED TERRITORY



UNITED SURETY COMPANY

BALTIMORE, MD.

HENRY G. PENNIMAN PRES.

JOHN B. MURPHY,

Resident Vice-President.

84 WILLIAM STREET - NEW YORK

Telephone John 1770 - 1771.

HOME OFFICE OF THE

'Metropolitan Life Insurance Company

(INCORPORATED BY THE STATE OF NEW YORK, STOCK COMPANY)

The Company OF the People, BY the People, FOR the People

PROOF OF PUBLIC CONFIDENCE.

This company has more premium paying business in force in the United States than any other company, and for each of the last 15 years has had more New Insurances accepted and issued in America than any other company.

The number of Policies in force is greater than that of any other Company in America, greater than all the Regular Life Insurance Companies put together (less one), and can only be appreciated by comparison. It is a greater number than the Combined Population of Greater New York, Chicago, Philadelphia, Boston, St. Louis, Cleveland, Cincinnati, San Francisco, Pittsburgh, Baltimore, New Orleans and Buffalo.

Assets.

United States, City and R.	
R. Bonds and Stocks.....	\$99,630,935.56
Bonds and Mortgages.....	90,795,319.02
Real Estate	22,444,627.78
Cash	4,775,988.79
Demand Loans on Collateral,	2,192,702.00
Loans to Policyholders.....	8,966,362.78
Prem. deferred and in course	
of collection (net).....	5,300,922.97
Accrued Int., Rents, etc.....	2,820,502.29
Total	\$236,927,361.19

Liabilities.

Reinsurance Fund and	
Special Reserves.....	\$208,134,891.00
All other Liabilities.....	6,669,563.07
Capital and Surplus.....	22,122,907.12
Total	\$236,927,361.19



Largest Office Building in the World—
Madison Ave., Fourth Ave., 23d St.
and 24th St., New York City.

THE DAILY AVERAGE OF THE COMPANY'S BUSINESS DURING 1908:

441 per day in number of Claims Paid.
6,343 per day in number of Policies placed and paid for.
\$1,202,352.87 per day in New Insurance placed and paid for.
\$166,633.89 per day in Payments to Policyholders and addition to Reserve.
\$126,996.37 per day in Increase of Assets.

OFFICERS.

John R. Hegeman.....President
Haley Fiske.....Vice-President
George H. Gaston.....2nd Vice-President
George B. Woodward.....3rd Vice-President
Frank O. Ayres.....4th Vice-President
James M. Craig.....Actuary
Frederick H. Ecker.....Treasurer
Walter Stabler.....Comptroller
James S. Roberts.....Secretary
John R. Hegeman, Jr.....Asst. Secretary
J. J. Thompson.....Assistant Secretary
T. R. Richardson.....Assistant Secretary
F. F. Taylor.....Assistant Secretary
Frederick A. Betts.....Assistant Secretary
George C. Penhallow.....Assistant Secretary
Stewart L. Woodford.....Counsel
Thomas A. Willard, M. D.....Med. Director
Augustus S. Knight, M. D.....Med. Director
W. S. Manners, M. D.....Asst. Med. Director
E. M. Holden, M. D.....Asst. Med. Director
D. M. Gedge, M. D.....Asst. Med. Director
I. J. Cahen.....Manager Ordinary Dept.
Lee K. Frankel, Ph. D.....Mgr. Indus. Dept.
Jacob Chadeayne.....Mgr. Intermediate Dept.
Chas. G. Reiter.....Asst. Actuary
James C. Brown.....Asst. Actuary
James D. Craig.....Asst. Actuary
Raymond V. Carpenter.....Asst. Actuary

Paid to Policyholders since Organization, plus the Amount now invested for their Security, \$470,366,769.36.
Number of Policies, in Force, Dec. 31, 1908, 9,960,106. Total Outstanding Insur. Placed and Paid For, Dec. 31, 1908, \$1,861,890,803.

In its Ordinary Department policies are issued for from \$1,000 to \$1,000,000 on individual lives, premiums payable annually, semi-annually and quarterly. In its Industrial Department policies are issued on all the insurable members of the family for weekly premiums.

Full particulars regarding the plans of the Metropolitan may be obtained at its Home Office, 1 Madison Avenue, New York City, or of its Agents in all the principal cities of the United States and Canada.

IN PRESS

Survivorship Annuity Tables

Net Premiums, Mean and Terminal Reserves

**American Experience Table,
LIFE OF NOMINATOR**

**Danish Survivorship Annuitants' Table,
LIFE OF ANNUITANT**

And 3 1-2 Per Cent. Interest

BY

MILES M. DAWSON,
Consulting Actuary

Ready for Delivery March 1, 1910

Advance Sheets (now ready for delivery) giving net premiums for all combinations of ages, above 20 for annuitant and above 20 and under 61 for nominator, will be sent to any purchaser whose order is received before publication of the book.

SEND ALL ORDERS TO

The Chronicle Co. (Ltd.)

No. 90 William St.

NEW YORK

The Chronicle.

1866

Published by THE CHRONICLE COMPANY, Ltd., 90 William St., New York City.

1910

VOLUME LXXXV.

New York, February 10, 1910.

NUMBER 6

NATIONAL SURETY COMPANY

Gross Premiums Written in 1909.....	\$3,237,481.02
Net Premiums Written in 1909.....	2,556,223.96
Net Income from all sources.....	2,665,516.97
Income over Losses and Expenses.....	967,932.54
Increase in Surplus (Earned).....	286,597.95
Dividends Paid: Cash.....	\$60,000.00
Stock.....	250,000.00—
Capital January 1st, 1910.....	750,000.00
Surplus, January 1st, 1910.....	1,004,769.40
Assets.....	3,864,016.09
Cash on hand in Banks.....	712,815.96
MANAGEMENT EXPENSE TO NET PREMIUMS WRITTEN.....	46.89 PER CENT.
LOSSES PAID TO NET PREMIUMS WRITTEN.....	19.05 PER CENT.

We bond more people than any other surety company in the world.

Our bonds protect more people than the bonds of any other surety company in the world.

CAPITAL, \$750,000.00.

SURPLUS, \$1,004,769.40

“AMERICA’S LEADING SURETY COMPANY”

NATIONAL SURETY COMPANY

115 Broadway

New York

COMPARATIVE RESERVE TABLES

BY

MILES M. DAWSON

Consulting Actuary.

Containing Mean and Terminal Reserves for the
usual forms of policies and by the
following standards:

American Experience, Select and Ultimate $3\frac{1}{2}$ per cent.
American Experience, Select and Ultimate 3 per cent.
American Experience, Modified Preliminary Term $3\frac{1}{2}$ per cent.
American Experience, Modified Preliminary Term 3 per cent.
American Experience, Select and Ultimate 4 per cent.
Actuaries', Modified Preliminary Term 4 per cent.
American Experience, Committee of Fifteen, $3\frac{1}{2}$ per cent.
American Experience, Illinois and Tennessee, $3\frac{1}{2}$ per cent.
American Experience, Michigan, $3\frac{1}{2}$ per cent.
American Experience, Wisconsin, $3\frac{1}{2}$ per cent.
American Experience, New Jersey, $3\frac{1}{2}$ per cent.
H^M, Canadian Life Officers' Association, $3\frac{1}{2}$ per cent.
O^[M], Select and Ultimate, $3\frac{1}{2}$ per cent.

THIS covers all the standards, other than the net level
premiums, in use in this country. Tables showing
the first year margins set free by each method of valu-
ation are given.

Send all orders to the Publishers,

The Chronicle Co., Ltd.

No. 90 William St.

NEW YORK

The Chronicle

VOLUME LXXXV.

NEW YORK, THURSDAY, FEBRUARY 10, 1910.

NUMBER 6

ALFRED B. DAWSON, President.
R. B. Dawson, Treasurer. Chas. D. O'Brien, Secretary.
Emil Schwab, Manager New England Department,
178 Devonshire Street, Boston, Mass.

All communications should be addressed to and remittances should be made to The Chronicle Company, Limited.
Entered at the Post Office, New York, N. Y., as Second Class Mail Matter.

PUBLISHED EVERY THURSDAY BY
THE CHRONICLE COMPANY, Limited.
No. 90 WILLIAM ST., NEW YORK.
Phone "567 John." Cable Address, "Chronogram," New York
Subscription Price:
Three Dollars a Year. Single Copies, Twenty-five Cents.
Postage Prepaid in the United States and Canada.

An Important Investigation of Female Mortality.

British Offices' Experience, 1863-1893, Discussed and Graduated.

On December 20 last, Charles W. Kenchington, F. I. A., of the Prudential Assurance Company, of London, read a paper before the Institute of Actuaries on the "Mortality of Female Assured Lives With Graduated Tables Deduced From the British Officers' Experience 1863-1893.

Previous to the reading of this paper, the only female life tables deduced from this experience were certain premium and reserve tables included in a paper read by James Chatham, F. I. A., F. F. A., before the faculty of actuaries.

Proportion of Female Lives.

The percentage of the total number of lives investigated which is represented by insurances on the lives of women was but 7.33 per cent., the smallest proportion being in limited premium policies and the largest in joint life insurance and contingent survivorship insurance.

The relative proportion of women's lives covered by insurance in the British companies, has diminished since 1863 from 11.31 per cent. to 7.33 per cent.

Women appear to have preferred non-participating insurance. Of the lives insured on that plan they comprise 16.18 per cent. as against 5.84 per cent. in the participating class.

Upon the endowment plan a much larger proportion of the women insuring are unmarried while upon the life and limited premium plans a much larger proportion are married. On the whole, married women much outnumber single women among those who are insured.

Mortality Higher From 15 to 45.

The same situation is found in the present investigation as in past investigations, viz: that while, on the whole and taking all ages into account, the mortality among women is lower than among men, this is not true from age 15 to about age 45 and this is accounted for by Mr. Kenchington as follows:

1. The relatively large proportion of married women amongst assured females, as compared with the general population. This has the effect of giving increased weight to the special risks attendant upon childbirth.

2. The medical examination prior to assurance is much less searching in the case of female lives than in that of males.

3. Women, by their nature, more readily conceal material facts than men do.

4. Assurances effected on female lives for financial purposes bear a larger proportion to the total assurances on lives of their own sex than is the case with male lives.

Both Select and Aggregate Tables.

The graduation is made by a new formula developed from other summation formulas, the method, which is very ingenious, being described in the paper. It was found by actual trial to produce a table representing the actual facts of the investigation very accurately.

The material is worked up in the form of a select table, exhibiting the effects of medical selection in the earlier years and finished out by an ultimate table representing all the years of exposure after the fourth. It was found that the benefits of fresh medical selection had been quite exhausted by the end of the fourth policy year.

Aggregate tables have also been prepared mainly for purposes of comparison.

Features of the Mortality Rates.

The mortality according to the general select table for female lives is for the first year of insurance up to age 61 greater than the corresponding select table for male lives based upon whole life insurances. On the other hand, the mortality according to the ultimate table is lower than the mortality according to the ultimate table for male lives at all ages under 30 and all ages over 44.

The mortality for the first year of insurance under the select table for female lives is higher at age 20 than at subsequent ages up to age 32. Thereafter, it increases until age 45 and then diminishes slightly to age 49 after which it increases steadily.

The male ultimate table omits the first ten years of insurance while the female only omits the first four years; but, as the effect of medical selection appears to have thoroughly worn off within the four years in the one case and not until after the ten years in the other case, the comparison of the ultimate tables, although deduced from different years of insurance, appears to be justified.

High Initial Mortality at Young Ages.

A peculiar feature of the select table of the female lives is that, especially in the younger ages, such as age 20, the mortality is higher in the first year than it is after the benefits of fresh selection are worn off. Thus, for instance, it is 7.11 per thousand in the first year, at age 20, 7.73 in the second year, 8.41 in the third, 7.07 in the fourth and only 5.71 in the fifth.

This peculiarity does not obtain throughout, however, but in the younger ages the mortality of the first year of insurance is heavy. At age 35, on the contrary, it is but 5.47 per thousand while five years later it is 11.47. It is thought that this difference is due to "less effective medical examination as compared with males."

Heavier Lapses Among Women.

Another peculiarity of the experience is "that the withdrawals are proportionately much greater amongst women than amongst men in the case of whole life assurances, particularly of the younger ages and of shorter durations."

Premiums Required Higher Than For Men.

Tables of premiums and specimen values for the select tables are also included, showing that for whole life insurance, as compared with male lives an extra premium in no case exceeding \$1.26 per \$1,000 of insurance is required. Under endowment policies where the premiums are for a short period only, and that, the period where the largest mortality among women is to be found, an extra premium as large as \$1.77 is indicated and under term insurances for short periods an extra premium as large as \$3.78 is indicated. Most of the required extra premiums however, are much smaller than these amounts.

The author does not think, however, that these computations are entirely determining as to the extra premiums which should be charged. Concerning that matter he expresses the following opinion:

If death were the only cause for cancelment of policies the extra premiums would suffice to meet the extra risk, but in view of the withdrawals by surrender or lapse of those who have had the benefit of assurance during the years of life in which the extra risk is incurred, and who do not remain on the books sufficiently long to contribute to the favorable mortality experience in later life, it would seem upon theoretical grounds that the net annual extras should be higher than those indicated in Table O. This consideration is intensified when the higher rate of withdrawals prevailing amongst females as compared with that of male assured lives is remembered.

Change of Practice Recommended.

The paper closes with "The Current Life Office Practice" in Great Britain as to the acceptance of lives of women as to the extra premiums, if any. The author remarks: "The tendency of changing the office practice in the course of the last twenty years has been in the direction of reducing and dispensing with the extra premium on female life." He discusses this subject briefly and expresses

the view "that the most suitable way of meeting the extra mortality in my opinion is by placing a heavy initial and rapidly diminishing debt (i.e. lien) on the policy." For this he asserts the following benefits and advantages:

It may be remarked, however, that such a system, if adopted both for whole life and endowment assurances, would eliminate the chief weight of adverse selection, and the offices might find it to their advantage to disperse with medical examination in the case of females. The opinion has been expressed in paragraph 46 that the medical examination is less effective in the selection of women than in the case of men, and the medical examination is itself, in many instances, the reason given by women, otherwise favorable to assurance, for refusing to assure their lives.

Reserves Lower Than For Policies On Lives of Men.

An interesting though very brief comparison is instituted between the reserves on whole life policies computed accurately according to the female select table and male select table and expressed in percentages of the latter. The proportion of the reserve on policies of male lives required in the case of female lives from 66.7 per cent. at the end of the first year on a policy issued at age 20 to the full reserve on a policy issued at age 55 and 20 years in force. On the average, the reserve required would not exceed 90 per cent. So far, however, they have not charged a smaller amount in valuing British companies for the reserves on policies, issued upon the lives of women, than upon policies, issued upon the lives of men.

Contrasts With American Experience.

It is interesting to observe that, so far as the experience of American companies on the lives of women has been investigated, there are many indications that the conditions found in Great Britain and repeatedly confirmed by investigation are not duplicated in this country. Of course, the mortality curve in this country, as in Great Britain, varies upward from about age 20 to age 45, as compared with the curve which would be expected were the lives those of men, and were the mortality as favorable below age 20 and above age 45; but in two investigations which embraced the largest number of insured female lives ever investigated in the United States, viz: the experience of the Ladies of the Maccabees of the World and the experience of the Catholic Women's Benevolent Legion, the mortality was found to run at virtually all ages, lighter than the mortality among men, although the upward

tendency of the curve at the ages mentioned was, of course, present.

How much of the peculiar conditions found in Great Britain may be due to the increasingly small proportion of the total insurances taken out by women, thus producing an adverse self-selection, a disproportion of those who are conscious that they are in bad health applying for insurance, cannot be determined without closer comparison and investigation; but doubtless it is one of the important factors. Possibly the relatively freer position of women in the United States, if such is the case, may also be an explanation. The fact, likewise, that in fraternal societies persons who are conscious of being particularly healthy, are sometimes attracted by the very low rates, current for a time, may explain the difference in part.

The same condition, however, relative to the duration of the effects of fresh medical selection is found, as in Great Britain, viz: that they are traceable beyond the third or fourth year of insurance; and that they are also less marked than in the case of male lives.

Is The Difference Due To Business Causes..

It is a remarkable coincidence that, precisely as the heavy mortality experience of British companies in non-participating life insurance, as compared with participating has not been duplicated in the United States, the conditions being very different, the relatively heavy mortality experience of British companies upon the lives of women has also not been duplicated in this country.

The former has repeatedly been ascribed to the fact that non-participating policies have been taken in Great Britain chiefly in settlement of estates and other purely commercial matters where enlightened selfishness is actively at work, while in the United States they are taken by persons of the same general class as those who prefer participating policies.

In the same way it is altogether probable that a portion, at least, of the higher mortality among insured women in Great Britain is due, likewise, to the fact that many of the insurances on their lives are taken for purely commercial purposes in connection with the settlements of estates, etc., whereas in the United States most of the policies upon the lives of women are taken by themselves, they paying the premiums, and for precisely the same purposes as actuate men in applying for policies of insurance on their own lives.

THE "COLLEGE PROFESSOR'S POLICY."

The Metropolitan Life, with its usual alertness, is first in the field with a policy as cheap as it is possible to make it and yet in every way meet the demands of that class, namely, the college professors. While the contract itself is not a new one, the call for such a policy is. President Hegeman outlines its purposes as follows:

In the third annual report of the Carnegie Foundation for the Advancement of Teaching, President Pritchett mentions the fact that pathetic cases have arisen in which professors have died, after a service of twenty years, leaving widows in destitute circumstances, who under the rules of the foundation have no claim to a pension.

President Pritchett further suggests that teachers who have in anticipation the benefits of the pension system might well secure additional straight life insurance for the interval at lower rates than ordinary life policies, and that, once the right to a retiring allowance having been earned, the insurance could be dropped if its longer maintenance is a burden.

To meet this situation, we have prepared a new policy which we are calling the "College Professor's Policy," which will give term insurance to age 65, at which age the retiring allowance of the foundation begins. We have endeavored to eliminate all unnecessary loading on this policy on the assumption that college professors would not require the solicitation of an agent, but would undertake to place their insurance directly with the home office of the company.

The demand for such a policy covers some fifteen thousand lives, and with such a field to solicit, with no commission expenses and the insurance expiring at age sixty-five, it is not surprising that a company so economically managed as is the Metropolitan can issue term insurance with a period commencing at forty-five years, graduating down to a ten-year period, at the following low rates of premiums:

Age.	Annual Premium.	Age.	Annual Premium.
20.....	\$11.33	38.....	\$15.79
21.....	11.49	39.....	16.19
22.....	11.66	40.....	16.60
23.....	11.83	41.....	17.05
24.....	12.01	42.....	17.52
25.....	12.20	43.....	18.02
26.....	12.40	44.....	18.55
27.....	12.61	45.....	19.11
28.....	12.83	46.....	19.72
29.....	13.06	47.....	20.36
30.....	13.31	48.....	21.04
31.....	13.56	49.....	21.77
32.....	13.83	50.....	22.54
33.....	14.12	51.....	23.36
34.....	14.42	52.....	24.23
35.....	14.73	53.....	25.15
36.....	15.07	54.....	26.12
37.....	15.42	55.....	27.14

A CREDITABLE STATEMENT.

The 31st annual statement of the Fidelity Mutual Life Insurance Company, of Philadelphia, gives unquestionable evidence that the year 1909 was one of the most prosperous that the company has yet had.

The fact that the dividends to policyholders have been largely increased should be of invaluable assistance to the agency force in the procurement of new business.

The ledger assets were increased 13.64 per cent.; the reserve, 13.77 per cent.; the premium income, 3.68 per cent; interest and rental income, 12.72 per cent.

Since the organization of this company almost \$21,000,000 have been paid to policyholders, and as will be shown by the statement which appears elsewhere in this issue, the Fidelity Mutual has on hand total assets of \$19,502,070; net surplus of \$1,000,183 and dividends payable to policyholders, which it has charged as a liability, of \$761,246.

The Missouri Association of Local Fire Insurance Agents, which secured the passage of a State rating bill at the last session of the Legislature, only to have it vetoed by the Governor in consideration of a general reduction in rates, announces its intention to renew its efforts for a rating bill which shall also legalize local boards.

HAVE YOU MET HIM?

When you meet a "high official,"
Say the president or vice,
Of an insurance company,
One who "cuts a lot of ice!"
And he greets you in a rough
Ill-mannered way, and gruff,
Do not despair, but pity him
For his manner's all a bluff—
(He's skeered; that's all!)

Yes, sir, skeered as he can be!
Of everyone, no doubt,
A-skeered of even you and me,
Lest we should find him out.
For, despite his fume and fuss,
And pretentious, that there cuss,
Beneath his shell of dignity
Is human just like us!
(But—he's skeered!)

He's skeered to show he's human,
Poor soul! Ain't it too bad?
No man, nor child, nor woman
Knows when he's glad or sad!
He never does unbend
Lest he be asked to "lend";
Shut out from love and sympathy
He never has a friend!
(Cause he's skeered!)

—Chicago Journal.

Manager C. E. Shallcross of the Royal Insurance Company expects to sail for Egypt on February 19. Mrs. Shallcross will accompany him.

The Fidelity Mutual Life Insurance Company of Philadelphia

L. G. FOUSE, President

THIRTY-FIRST ANNUAL STATEMENT

ASSETS.		LIABILITIES.	
Real Estate.....	\$1,425,500.00	Reserve for Reinsurance.....	\$17,441,234.02
First Mortgages on Real Estate.....	4,341,601.24	Reserve for Outstanding Losses.....	117,992.47
Loans on Collateral.....	258,493.90	Reserve for Deferred Dividends.....	633,526.85
Loans on Policies.....	5,519,262.21	Dividends payable in 1910.....	127,719.03
Bonds and Stocks (Market Values December 31, 1909).....	6,744,545.00	Premiums and Interest prepaid.....	92,092.46
Cash in Banks and in Office.....	273,377.48	Accrued Taxes and all other Liabilities.....	89,321.84
Premiums in course of collection.....	678,435.62	Net Surplus.....	1,000,183.47
Interest and rents due and accrued.....	260,855.59		\$19,502,070.14
	\$19,502,070.14		
Income for year to January 1, 1910.....	\$5,780,195.60	Insurance in Force Jan. 1, 1910, 59,801 Policies representing.....	\$124,666,815.00
Disbursements for losses and expense of management.....	3,452,871.41	Total Losses and Payments to Members in Thirty-one Years.....	20,616,350.30
Gain, or addition to assets.....	\$2,327,324.19		

Annual Report of President, giving full details of income, disbursements, investments and information bearing on the present life insurance situation, sent on application.

GRAND JURORS "FEEL INDIGNANT."

As has oft been the result before when prominent local names have been involved, even though the air shrieked with prosecutions, the People's Mutual Life Association scandal has simmered down to two perjury indictments by the findings of the Onondaga County Grand Jury.

The indictments charge Iram C. Reed and W. H. Peck, president and secretary, respectively, of the association, with perjuring themselves in testimony they gave regarding the liability of the insurance company on the contracts they made with the association six years ago. On January 6 they swore these contracts were binding on the association, and it is charged they knew the contracts were not binding on it, and were not a legal claim.

The feelings of the grand jury were evidently sad and mournful, for they report "we feel indignant at the state of affairs our investigation has disclosed, but find at the present time no evidence of criminal acts which would legally justify the finding of other indictments. There were no larcenies because the evidence seems to us clear that it was not the money of the People's Mutual that was distributed."

In direct contradiction of the above with reference to the moneys which Lieutenant Governor White distributed the New York Insurance Department previously said, "the transaction narrows itself into a small compass of a sale by the People's Mutual of its own securities, that the avails of such securities might be distributed among the officers of the People's Mutual in consideration of their resignations."

FIVE YEARS OF HARD WORK.

The 24th annual statement of the Northwestern National Life Insurance Company, of Minneapolis, Minn., is the best argument that the company now has at its head the right men in the right place. Ever since President Thompson and Vice-President Graham took hold the progress of the company has been steady and uninterrupted. The dividends payable to policyholders this year are more than double those of the year previous, besides, in the year 1909 nearly \$1,000,000 was paid out for death claims and maturing endowments.

As will be shown by the statement which is printed in this issue, the company now has total assets of \$5,943,205, a surplus over all liabilities of \$253,294. The present management in five years has increased the ledger assets \$2,729,517. Their record is indeed gratifying.

COLUMBIAN NATIONAL WINS OUT.

The Supreme Court of Wisconsin, the highest court in that State, has decided the case of Wisconsin vs. the Columbian National Life Insurance Company, of Boston, Mass., in favor of the company. This case was brought against the company to recover penalties because of its refusal to file its annual report after retirement from the State, following the enactment of drastic laws in 1907. The action was in the nature of a test suit and the Columbian National was supported in its defense of the case by the Association of Life Insurance Presidents and the Manhattan Life Insurance Company, of New York, the Massachusetts Mutual, of Springfield, Mass., and the Union Mutual, of Portland, Me. The State asked for damages to the tune of \$1,000 a day from March 1, 1908.

PHOENIX MUTUAL LIFE.

Among the companies which deservedly command the respect and favor of the insuring public, by reason of the high ideal governing their management, and the soundness of the indemnity which they furnish, the Phoenix Mutual Life Insurance Company, of Hartford, Conn., holds an enviable position. Each succeeding annual statement of this sterling institution summarizes a record of substantial progress, attained by unexceptionable methods. The fifty-ninth annual statement of the Phoenix Mutual, as of January 1, 1910, which is presented in this issue fully bears out the well established excellencies of this company. During 1909 the receipts of the company aggregated \$5,803,593.24, and embodied an increase over the preceding year of \$330,996.69. Among the disbursements, the payments to policyholders aggregated \$2,832,363.31, and the excess of income over disbursements was \$1,953,469.71. The assets of the company, which were augmented last year by \$2,039,092.59, aggregated at date of statement \$27,987,468.81. The total liabilities and reserves ascertained, computed and accrued, were \$26,925,159.27, and exceeded at book values all actual, present and future liabilities by \$1,062,309.54. During 1909 the policies issued and paid for numbered 7,344, insuring \$16,465,028. The number of policies in force at date of statement was 63,431, insuring \$118,503,588. These figures embody an increase during last year of 3,661 policies for \$9,576,400.

The report of President Holcombe to the members of the company is in line with his former utterances in respect to clearness of statement and frank exposition of the sound principles which guide its management.

He sets forth that the company is purely mutual, and its sole purpose is to furnish sound insurance to the members at cost. He notes the importance of a well-constituted agency system in bringing the protection of life insurance to those who need it, and pays high tribute to the agent who is faithful to his company and the policyholders alike. He notes that at the close of last year there was no claim unpaid in which completed papers had been received, and that there was no suit pending against the company. The duty of investing the funds of a mutual company in a manner to insure both safety and the highest possible return is set forth as calling for the constant care of the officers of such a company. The methods, development and condition of the Phoenix Mutual Life exemplify the high standards advocated by President Holcombe, and cannot fail to command the approval of all who are fortunate enough to represent it and enjoy its protection.

The Preferred
ACCIDENT INSURANCE COMPANY
of New York

SUPERIOR POLICIES

KIMBALL C. ATWOOD, President
290-292 Broadway, New York

Alfred M. Best Company

INCORPORATED

100 William Street, New York.

BEST'S INSURANCE REPORTS.
BEST'S INSURANCE NEWS.

The Standard Authority.

"The Leading Fire Insurance Company of America."



WM. B. CLARK, President.

W. H. KING, Vice-President.

HENRY E. REES, Secretary.

Assistant Secretaries,

A. N. WILLIAMS, E. S. ALLEN,
E. J. SLOAN, GUY E. BEARDSLEY.

DISABILITY BENEFITS INVADE SOUTH AFRICA.

"Insurance," published at Cape Town, South Africa, reports the adoption by the African Life Insurance Company of a policy which guarantees to limit the premiums falling due during total and permanent disability prior to attaining the age of 60.

Of this feature "Insurance" expresses the following opinion:

A total disability insurance clause has for some time past been no uncommon feature in other countries. Reforms and privileges now come so quickly and are so readily adopted that we might almost with safety predict the time will not be long before every life policy will provide some sort of total disability insurance without additional charge. Meanwhile the African Life is the first office to introduce in South Africa a privilege that, should it become universal, may help to avert some of the lapses which fall most heavily on the insured, inasmuch as they are involuntary on the part of those who, being totally incapacitated for work, are unable to continue the payment of premiums at an all-important crisis.

The new policy also is on what is known as the "Guaranteed Annual Bonus Plan" by means of which there is a permanent addition to the sum insured each year aggregating by the end of 20 years about 30 per cent. added to the policy.

The company has previously been issuing a deferred dividend policy which it now abandons. Concerning this the South African insurance newspaper from which the foregoing is taken expresses the following opinion:

The African Life have hitherto issued an "accumulation" or "deferred-bonus" contract and there is a good deal to be said in favor of that plan. It is however one that calls for very careful administration, and experience in America appears to have demonstrated that the piling up of surplus for future division is apt to develop weak points that can be avoided by an annual distribution. The furnishing of estimates with regard to probable results has also, when placed in unsafe hands, favored misrepresentation.

The Home Life Insurance Company of America has taken over the business of the United Mutual Life Insurance Company of Philadelphia. William L. Flood, former secretary of the United Mutual, has taken a general agency with the Home Life.

Thomas B. Love, who retired from the office of Commissioner of Banking and Insurance, of Texas, on February 1 has been elected second vice-president of the Southwestern Life Insurance Company of Dallas. He has also been made a director of the Dallas Trust and Savings Bank.

LAW IS ADEQUATE, IF ADMINISTERED.

Attorney General O'Malley has advised Superintendent of Insurance Hotchkiss that by chapter 66 of the laws of 1909, authority is given to a coroner, sheriff or deputy sheriff to summon a jury and investigate the origin of a fire whenever it is made to appear by the affidavit of a creditable witness that there is ground to believe that any building has been maliciously set on fire (or attempted to be), and the coroner, sheriff or deputy sheriff is requested in writing by the president, secretary or agent of any insurance company or by two or more reputable freeholders to investigate the truth of such belief.

WESTERN ASSURANCE Co.

HEAD OFFICE,
TORONTO, - - CANADA.

Incorporated 1851.

Hon. GEORGE A. COX.....President
W. R. BROCK and JOHN
HOSKIN, K. C. LL. D., Vice-Presidents
W. B. MEIKLE.....General Manager

United States Statement, Jan. 1, 1909.
Assets\$2,184,632.90
Surplus in United States..... 726,318.62

NORTHWESTERN NATIONAL LIFE INSURANCE COMPANY MINNEAPOLIS

LEONARD K. THOMPSON, PRESIDENT

JANUARY 1, 1910

Admitted Assets
\$ 5,943,204.99
Total Paid Policyholders
\$ 8,242,771.06
Insurance in Force
\$25,026,138.00
SURPLUS
\$ 253,293.55

RECORD FOR 1909

Total Income \$1,526,777.21
Excess of Income over
Disbursements \$281,297.47
Paid Policyholders and
Beneficiaries \$909,243.81
Increase in Surplus \$49,487.98

FIVE YEARS' RECORD

Under Present Management
Paid to Policyholders and
Beneficiaries \$3,659,265.89
Increase in Ledger Assets
\$2,729,517.26
Surplus created \$253,293.55

DESIRABLE AGENCIES OPEN TO RELIABLE MEN

THE TENSION RELIEVED AT LAST.

On Tuesday last Henry Evans, president of the Continental Fire Insurance Company, issued the following statement:

The negotiations between the Western Union and the Continental management have been settled on a basis mutually satisfactory. The details will be announced later, but it is known that the Fidelity-Phenix will continue the membership in the Western Union of the Phenix, while the Continental and Fidelity Underwriters have applied for membership under conditions that will safeguard their agency plants and not enforce separation, this action tending to avoid rate wars and being for the benefit of all concerned.

This solves one of the most interesting and important situations Western underwriting has ever known. The transfer of the control of the Phenix of Brooklyn to Henry Evans, president of the Continental, opened up serious possibilities as a result of the graded commission rules of the Western Union. The Continental and the Fidelity being non-union companies under the plan of joint guarantee of the Fidelity Underwriters policy and a dual relationship by President Evans with the Continental and the Fidelity-Phenix, it was held that the latter could not remain a member of the Western Union unless the Continental and the Fidelity Underwriters should come in. Grave possibilities were involved in this, as the agency disturbances which would naturally follow would be demoralizing at best, and might easily develop into a widespread rate war.

Adverse Legislation Averted.

More responsibility has rested upon Henry Evans for the past two weeks than any other fire insurance executive has carried in many years. Aside from the above-mentioned ticklish situation, this is regarded as a very delicate time in Western fire circles. The activities of the Illinois commission, the call by the Illinois Superintendent of Insurance for results under four classifications, the investigation of the question of expense by the insurance commissioners, interviews with commissioners on this subject printed in the newspapers, the introduction of State rate regulation measures in Ohio and Kentucky, all impress one with the fact that the fire insurance companies are on trial before an unfriendly jury and that if the companies themselves do not find a way to cure some of the ills in the business unwelcome assistance is likely to be thrust upon them. If at this juncture some serious trouble had arisen in the Fidelity-Phenix matter the whole business of fire insurance would suffer, not only the temporary business

results, but the more serious and lasting ones of more laws, some of which would probably be ill-advised and burdensome.

With the Continental and Fidelity-Phenix union companies it will be possible for the companies which control most of the business to get closer together and institute reforms of their own, which will be to the benefit of the public as well as the companies and the tendency will be to hold off legislation and give the companies an opportunity to show what they can do.

Union Conferred With.

Before issuing his statement, President Evans went over the situation with Vice-President Kline, Western manager of the Continental and the Fidelity; J. H. Lenehan, Western manager of the Phenix and president of the Western Union, and with a sub-committee of the governing committee. The negotiations ended on a mutually satisfactory basis, the Continental and the Fidelity Underwriters applying for membership under conditions that will safeguard their agency plants and not enforce separation, this action tending to avoid rate wars and being for the benefit of all concerned.

Ample time is given the Continental to transfer its agencies from their present basis to the graded commission system. In view of the importance of the situation and the desirability of securing the accession of the largest of the non-union companies, it is to be presumed that the Continental received the maximum of concessions consistent with maintenance of the basic principles of the union.

It has been understood all along that a number of the leading non-union companies were ready to follow the Continental's lead in case it joined the union, and it is believed that they will receive practically the same conditions in case they apply. While no definite understandings have yet been reached, it is probable that a dozen of the leading non-union com-

panies will reach an understanding and will act together in whatever course is decided upon. If this is done, it will very materially simplify the situation, both for them and the Continental. If a dozen of the leading non-union companies join the union all their most important agencies will be cleared automatically without any disturbance.

The Man of the Hour.

The last issue of "Insurance Report," although printed before President Evans made his greatest demonstration, paid him the following tribute:

Henry Evans has ever been a name to conjure with. A frapped isolation that somehow stamped the man something different from the ordinary American fire underwriter seemed to encrust it. No man of his prominence in the business ever before gained eminence so little understood by the bulk of insurance men. Perhaps it may be said that he has been the most misunderstood; the man Evans typified a school of underwriting based in the popular mind on the principle of absolute and resolute independence of action and a sort of impersonal divorce from professional companionship with his fellows. To speak of the Continental at once conveyed the idea of a great, successful fire insurance corporation, cold-blooded and relentless; to speak of its president only strengthened an impression that made of Mr.

All securities valued as of Dec. 31, 1907.

FOUNDED 1792

116th ANNUAL STATEMENT

INSURANCE COMPANY OF NORTH AMERICA.

OF PHILADELPHIA, PA.

	January 1, 1908.
Real Estate	\$ 399,138.75
First Mortgages on Real Estate	467,983.48
New York, Boston, Montreal and other City and State Loans	784,346.99
Pennsylvania, Philadelphia and Erie, Lehigh Valley, and other Companies' Bonds and Stocks	7,268,881.40
Cash in Bank and Bankers' hands	1,045,774.76
Notes Receivable, and Unsettled Marine Premiums ..	341,838.34
Net Cash Fire Premiums in course of Transmission ..	946,818.70
Accrued Interest, and all other Property	35,338.

Total Assets\$11,290,121.11

LIABILITIES.

Capital Stock	\$ 3,000,000.00
Reserve for Re-Insurance ..	6,351,346.39
Reserve for Losses	777,100.00
All other Liabilities	71,717.15
Surplus over all Liabilities ..	1,089,957.57

\$11,290,121.11

CHARLES PLATT President.
EUGENE L. ELLISON, Vice-President.
BENJAMIN RUSH, 2nd Vice-President.
GREVILLE E. PRYER, Sec'y and Treas.
T. HOUARD WRIGHT, Ass. Sec'y.
HENRY W. FARNUM, Marine Sec'y.
JOHN O. PLATT, Assistant Sec'y.

Agencies in All Prominent Cities & Towns.

1860 50TH YEAR 1910

HOME LIFE

Insurance Company of New York.

GEORGE E. IDE, President.

Assets	\$23,626,018.63
Liabilities	21,858,691.52
(Including Deferred Dividend Fund)	
Dividend Endowment Fund (Deferred Dividends)	2,119,044.00
Net Surplus	1,767,327.09
Insurance in Force	92,532,583.00

The record for 1909 shows the following GAINS:

Insurance in Force	\$4,164,239.00
Assets	1,917,117.00
Deferred Dividend Reserve ..	148,581.00
Contingency Reserve (Surplus)	655,149.17

Evans a solitary, domineering figure in American fire underwriting. The favored few who enjoy personal acquaintanceship with this remarkable man, love him; yet, how few indeed there are among the millions to whom his name and fame are as household words who know anything whatsoever about the man? Insurance conventions have never looked upon the towering figure of Mr. Evans; legislative sessions or other public gatherings know him not. Like a Colossus he straddled the earth, a giant of strength and marvelous potency, a personality little known, yet strangely impressed in all its vigor on the business of fire insurance and upon those engaged in it.

With the crash in the affairs of the Phenix and the word that Henry Evans had taken charge came a quick revelation of the man. He stands forth to-day known of all men as genuinely human. What before was a vague conception of a mystic personality now blossoms into an intimate appreciation of the real man of flesh and bone. Not even in the smallest hamlet where fire insurance is practiced was it necessary for a local agent to inquire who this man Henry Evans is who seeks to right the affairs of the Phenix. To everyone the name Henry Evans carried a tangible, distinctive meaning—a positive conviction that a man of tremendous force, of great underwriting ability, one equally skilled in finance, had stepped into the breach and would surely and quickly see the Phenix through its troubles. Yet not one man in ten thousand can tell you a thing about Henry Evans. He has stood always at the front in the making of underwriting history, yet wholly apart from the whirl of publicity that brought other men high up in the business to greater notice. It is eloquent tribute to the force of character that his coming to the aid of the Phenix instantly quieted all anxieties regarding that company by inspiring a confidence in its future that could not have been created so effectively by any other underwriter in this country.

OHIO TO FOLLOW NEW YORK'S GOOD PRACTICES.

The report filed by the trustees of the defunct Ohio German Fire Insurance Company gives further evidence of the irregularity that prevailed in the former conduct of the business. The report of the trustees, which was filed in the Circuit Court last week, shows that instead of \$176,393 agents' balances there is in reality only \$60,191 due from this source.

As an outgrowth of the miserable failure of this company several bills have been introduced in the Ohio Legislature, which, if enacted, will eliminate to a considerable degree the possibility of future mismanagement of insurance companies. One bill in particular is a direct result of the concealment of the status of affairs that existed between the Ohio German and certain banks. It gives the superintendent authority to examine the books of banks or trust companies to

ascertain facts in connection with the examination of any insurance company, and provides penalties for the suppression of these facts. Another bill provides for the liquidation of insolvent companies by the Insurance Department, following the practice in New York, instead of through receivers or trustees, it being authorized to take possession of all companies shown by examination to be bordering upon bankruptcy.

One measure which will meet with approval generally is the bill which makes loss claimants of an insolvent company preferred claimants, instead of being on the same basis as return premium claimants and other creditors, as is the present law of Ohio.

201st YEAR

SUN Insurance Office OF LONDON.

FOUNDED 1710.

UNITED STATES BRANCH:

54 PINE STREET, NEW YORK.

WESTERN DEPARTMENT:

171 LA SALLE ST., CHICAGO.

PACIFIC DEPARTMENT:

Sansome & Sacramento Sts.,
SAN FRANCISCO, CAL.AGENTS WANTED
AT UNREPRESENTED POINTS.

FIFTY-NINTH ANNUAL STATEMENT

—of the—

Phoenix Mutual Life Insurance Company

HARTFORD, CONN.

JOHN M. HOLCOMBE, President.

ASSETS.

First Mortgages on Real Estate.....	\$16,411,132.50
Home Office Property	265,000.00
Other Real Estate.....	232,055.00
Stocks and Bonds.....	6,512,483.75
Premium Notes and Loans on Policies.....	3,215,167.13
Cash in Company's Office	416.46
Cash in Banks at Interest.....	591,469.11
Interest accrued and due.....	404,809.40
Net Deferred and Outstanding Premiums.....	354,935.41

Total \$27,987,468.81

LIABILITIES.

Reserve on Policies in force (at 3 per cent., 3½ per cent. and 4 per cent.)	\$25,816,724.00
Claims by death, papers complete.....	None.
Claims by Death, papers incomplete, and notified Claims.....	13,134.00
Installment Claim Liability	23,815.00
Reserve for Dividends due in 1910, and subsequent years.....	817,047.70
Reserves for all other Liabilities.....	254,438.57
Surplus or Additional Guarantee over and above all computed and contingent liabilities.....	1,062,309.74

Total \$27,987,468.81

GROWTH IN TEN YEARS.

Year.	Prem. Income.	Assets.	Ins. in Force.
1899.....	\$2,180,796	\$12,259,291	\$57,988,162
1909.....	4,472,034	27,987,602	118,503,588

POLITICS PREDOMINATE.

For years fire underwriters have pointed out the enormous fire waste in this country, and in all the larger cities they have fought for the adoption of improved building codes, only to be met with constant rebuttals, and the cry that they were working for their own interests only. Time and time again they have pointed out that, even though the cities had building codes, the laws were not enforced. It has been practically impossible to arouse the public's interest to the extent of forcing the politicians to pass such measures for their respective communities as to cut down the destruction of property and life.

The crying need for the reform which underwriters have so valiantly fought for surely cannot longer be charged to selfish motives for, according to the United States Geological Survey, the tax levied upon Americans by fire is \$1,500,000 a day; and the loss of lives, 1,449 a year. In addition to the waste and the deaths, it is estimated there were close to 6,000 injured as the result of fires in 1907.

If the buildings of this country were as nearly fireproof as those of Europe, it is estimated that the losses would be just one-fifth.

The report shows that cheaper fireproof materials may be used to advantage in construction, that three to six times the necessary amount of material is habitually used in structural work in the United States, that the building codes are laxly enforced, that the fire loss in the United States is eight times as much per capita as in any country in Europe, and that the great fire waste in the United States is due principally to the predominance of frame buildings and to defective construction and equipment.

The Geological Survey's inquiry is embodied in a report entitled, "The Fire Tax and Waste of Structural Materials in the United States," prepared by H. M. Wilson and J. L. Cochrane of the Survey. It covers not only the value of property destroyed, but also the cost of maintaining fire departments, the amount of insurance premiums paid less the amount returned, the cost of protective agencies, the additional cost of water supplies, and other elements of the fire loss. The report gives the method of gathering the statistics collected, makes an analysis of the fire loss in city and country, and on frame and brick buildings, and contains tables showing the increased cost of fire protection due to faulty construction.

Uncle Sam.

The United States Government owns buildings that cost more than

\$300,000,000, and is spending \$20,000,000 a year for new buildings. Not one cent of insurance against loss by fire is carried on these valuable buildings. Insurance at the ordinary rate would cost more than half a million dollars a year, and the Government avoids this great tax by constructing buildings that are securely fireproof.

To attain this degree of security from fire for Government buildings the Government has gone to considerable expense, and the results obtained fully repay the outlay. From these tests to determine the strength and fire resistance of building materials it has been determined that American builders can with safety use cheaper fireproof materials than they do. It has been learned that the difference in cost between fireproof and inflammable buildings is less than generally supposed, and the officials predict that this difference will soon become so small that it will cease to encourage the construction of flimsy buildings. It has been found that three to six times the necessary amount of material is habitually used by American builders in structural work. The necessity is also shown for better building codes in cities, and especially of a better enforcement of the codes already enacted, if the present enormous fire losses are to be diminished.

After a careful investigation it has been determined that the total cost of fires in the United States in 1907, excluding that of forest fires and the marine losses (in themselves extensive), but including excess cost of fire protection, due to bad construction and excess premiums over insurance paid, amounted to the enormous sum of \$456,485,000, a tax on the American people exceeding the total value of all the gold, silver, copper and petroleum produced in the United States in that year. The cost of building construction in 1907 in forty-nine leading cities of the United States, reporting a total population of less than 18,000,000, amounted to \$661,076,286, and the cost

of building construction for the entire country is conservatively estimated at \$1,000,000,000. Thus it will be seen that nearly one-half of the value of all the new buildings constructed within one year is destroyed by fire. In addition to this waste of wealth and natural resources, 1,449 persons were killed, and 5,654 were injured in fires in the United States in 1907, the year covered by the report.

NO ANTAGONISM INTENDED.

The first dinner of the recently organized Insurance Brokerage Association, of Chicago, was held at the Hotel LaSalle on Thursday last. Among the speakers were Vice-President Pellett and Manager Glidden, of the Chicago Board of Underwriters, and H. C. Eddy, president of the Underwriters Laboratory.

The presence of the officers of the board is taken as an indication that there is no antagonism intended by the organization of the association toward the board.

Charles E. Townsend, of Boston, general agent of the Equitable Life, recently gave an enjoyable dinner to his staff, in celebration of the successful results of last year.

The Star of Success

shines over the fields in which our agents work.

Why? Popular company, policies that cover public needs, low net cost, literature that prospects read.

Now writing the largest business in our history.

For agency information apply to

Massachusetts Mutual

Life Insurance Company
Springfield, Mass.

Incorporated 1851.

THE FRANKFORT

MARINE, ACCIDENT
AND PLATE GLASS INSURANCE CO.
OF FRANKFORT-ON-THE-MAIN GERMANY
ESTABLISHED 1865.

United States Department, . . . 100 William Street, New York, N. Y.

TRUSTEES:

RICHARD DELAFIELD, Pres. of National Park Bank
ERNST THALMANN, of Ladenburg, Thalmann & Co.
STUYVESANT FISH, 214 Broadway, New York City.

C. H. FRANKLIN, U. S. Mgr. and Attorney JNO. M. SMITH, Sec. U. S. Branch

INSURANCES TRANSACTED

LIABILITY—
Employers, General, Vessel Owners, Burglary
Public, Landlords, Contingent, Workmen's Collective
Teams, Elevator, Druggists & Physicians. Individual Accident & Health
Industrial Accident & Health

AGENTS WANTED FOR UNOCCUPIED TERRITORY

N. A. L. F. I. A.

The executive committee of the National Association of Local Fire Insurance Agents has called the mid-year conference at Cincinnati next Thursday. Headquarters will be at Hotel Sinton. This conference is comprised of the officers and committeemen of the National Association, and the presidents and secretaries of the State Associations. A representative attendance of agents is expected.

The most important question pending is the matter of the trust lines and the loss of this business to local agents. During the past two years various proposals have been considered, and it is probable that at this meeting some definite steps will be taken in the matter.

Uniform Blanks.

It is understood that the sub-committee having charge of uniform blanks, comprised of E. H. A. Correa, Henry Evans and C. F. Hildreth, have reached an agreement which will be reported at this meeting.

The members are much interested in the attitude of the State Insurance Commissioners toward statutory fire insurance rating and expenses, and this matter will undoubtedly be "talked over" at the conference. The question of standards of qualification for agency appointment is another matter which will engage attention.

The "Co-operating List" of the National Association will also be taken up, with a view to considering whether any changes are necessary at this time. The matter of apportioning among the State associations the expenses of the National Association for the year 1910 will be decided, and also the time and place of the next annual meeting.

Asking Questions.

There are some interested people who are neither local agents, presidents of companies, nor managers of high salary perquisite, and the inquiry comes from them concerning the "local agencies," their location, etc., of the above named committee on "Uniform Blanks." Just an inquiry—not an invitation.

Insurance Commissioner Folk has notified the Lumber Underwriters of New York doing business in Tennessee to appear on or before February 15 and show cause why the company's State license should not be revoked for transferring a suit from a State to a Federal court without the consent of the complainant, this being a violation of the State laws. The suit was filed in chancery at Memphis.

CHICAGO FIRE BOARD MOVING.

It appears likely that a good proportion of the Chicago local fire insurance offices, now domiciled in the National Life building, 159 La Salle street, will go to the new Otis building, which is to replace the old Otis block at the Southwest corner of La Salle and Madison streets next year. There has been much dissatisfaction between the agents and the management of the National Life building about rents for some months, the agents claiming rents have been advanced too far.

According to one of the smaller insurance tenants in the National Life building there are two sides to that question, however. He has been in the building several years and says his rent rate has never been increased. He has been obliged to move his office two or three times, however, because larger agencies, which wanted more room, have offered the building higher rates than he was paying. He claims that most of the increase can be accounted for on this ground of the larger agencies bidding high for space which they wanted.

It is said that the Chicago Board of Underwriters has refused to renew its lease, which is a pretty good sign the fire agents are going out, as the board would remain wherever they wanted it to.

ANOTHER WOLF.

Abraham J. Wolf, of New Orleans, has brought suit for \$261,503 for damages, and names as defendants eighteen fire insurance companies, J. J. Kennedy, W. S. Campbell and Dennis B. Hagerty, fire marshal, of the State of Louisiana, all of whom, he charges, entered into a conspiracy to injure, wrong and damage him.

Wolf was indicted by the Grand Jury in connection with the destruction by fire of the Central Glass Company, on August 30, 1908, and held under \$500 bond, charged with the crime of arson. When the case came to trial it was dismissed.

**The
UNION CENTRAL LIFE
of Cincinnati**

Has several good openings for first-class men. It is the Company of companies for the agent who will make an aggressive campaign for business, and who wants to win in competition.

The Union Central earns the highest rate of interest on its investments of all American companies.

**THE BEST COMPANY
For The Policyholder.**

Address

JESSE R. CLARK, President, or
ALLAN WATERS, Sup't of Agents.

Wolf says the charges preferred against him have tended to destroy and impair his credit and have damaged him most severely. He asks for \$50,000 for loss of credit, \$50,000 for the false and libelous charges made, \$150,000 for the damages to his feelings, wounded pride and outraged feelings, \$10,500 for what he was forced to pay attorneys in consequence of the defendant's acts against him, and \$1,036.20 for additional expenses attendant upon making his defense to the charges brought.

**LEADING FIRE COMPANY
OF THE WORLD**



[of Liverpool,

England.]

T H E
PROVIDENT
LIFE AND TRUST COMPANY
OF PHILADELPHIA

Insurance in Force, \$201,185,435.00
(Paid for Basis)

Assets \$67,324,334.35
(Market Value, Dec. 31, 1908)

Contingency Reserve . \$8,819,979.14

The NEW POLICIES of the Provident are unsurpassed for conciseness and simplicity of form and for adaptability and liberality in all essentials.

The Premium rates of the Provident are exceedingly low and are still further reduced by large annual dividends.

IN NEW ENGLAND

Massachusetts Bonding's Remarkable Showing.

A remarkable showing is embodied in the second annual statement of the Massachusetts Bonding & Insurance Company, as of December 31, 1909—remarkable not only because of the splendid financial condition that it reveals, but also because of the brief period within which that condition was attained. That alone tells a story of capable management and trustworthy service, appreciated by the public which may well command admiration, and is but the forerunner of still further achievements in store. When it is said that the figures of the statement are those computed by the Massachusetts Insurance Department, following its recent examination of the company, it will not be necessary to dwell upon the fact that they are "hard pan" in all that the term implies. The exhibit of admitted assets, most excellently invested, totals \$1,066,118.80, whereof \$206,827.68 figures as net surplus over the \$500,000 capital and all reserves and liabilities, while the surplus to policyholders stands at the substantial amount of \$706,827.68. The assets, despite the great initial organization expense, embody a gain of over \$316,000 in the two years between the date of organization and that of the statement under review. A large volume of business, secured at an uncommonly low expense ratio and carrying also a phenomenally low loss ratio, has served well in achieving this gain. President Falvey has amply earned the right to say of the institution he founded "It is a success!"

Boston Board Amends Lightning Clause.

At Tuesday's meeting of the Boston Board of Fire Underwriters the Lightning Clause, applied to rents, use and occupancy, etc., was amended to read as follows:

This policy covers also direct loss or damage by lightning (the term "lightning" being used in its common acceptance only), provided that if there be other insurance upon the interests assured this company shall be liable for only such proportion of the loss by lightning as the amount hereby insured bears to the total insurance, although other policies may not cover loss by lightning.

It was voted that any fireproof, sprinklered theatre, which is not run for more than six months in any one year, may be written at 20 per cent. off regular schedule rates.

The bare rate on the breweries'

schedule was reduced from 40 to 30 cents on buildings, and from 60 cents to 50 cents for contents.

Charles E. Guild, William H. Rogers and Edward F. Woods were designated for three months' service on the rating committee.

The board is on the alert for a number of the vicious perennials that have appeared on Beacon Hill, and its representatives will be on hand at the hearings in regard to them.

Willard C. Hill Joins the Lord Agency.

Willard C. Hill, of Boston, New England special agent for the London Assurance, has resigned that post as of March 1, prox., on which date he will become a member of the Boston insurance agency firm of Elmer A. Lord & Company. This is the second field man of the London Assurance to go with the Lord agency, Horace H. Soule being the first, and in this case, as before, it is to be congratulated on the acquisition of one who is both a lovable gentleman and a most competent underwriter.

A Diagnosis

from February "Whittlings," published by the New Hampshire Fire Insurance Company: "The year 1909 has been a memorable one and will take a prominent place in fire insurance history. With two States already running its machinery with night permits, manufacturing rates at so much per, and others investigating with the possibility of the investigations extending in other and perhaps less desirable directions, the fire insurance situation to-day is acute and the diagnosis may call for an operation. As most of the inimical legislation springs from misunderstood conditions, agents can accomplish much toward dispelling alarm by an intelligent explanation."

Ocean Accident in Massachusetts.

The Ocean Accident & Guarantee Corporation, of London, which some time ago qualified for the transaction of liability, accident and health business in Massachusetts under a statute enacted last year, last Thursday announced that it had selected William A. Hamilton & Co., of Boston, as its general agents for the State in these branches. The firm consists of William A. Hamilton, who succeeded the late George W. Gregerson two years ago, and Clifford P. Nutting and George E. Glover, both formerly identified with the Boston office of the Travelers. The credit branch of the Ocean Guarantee in Massachusetts remains, as heretofore, under the management of H. P. Stanwood, of Boston.

A. B. Cilley, Manager.

A. B. Cilley, who has made a record as a capable casualty underwriter, first with the United States Casualty, and then as manager of the Norwich & London Accident's American branch until it was discontinued through absorption by the Norwich Union Fire, is again in the harness. The Equitable Accident, of Boston, which recently reorganized as a stock company, has been fortunate enough to secure the services of Mr. Cilley as manager of its new commercial department. There is always something doing when Cilley gets to work, and new and attractive features are announced by him which cannot fail to gain the favor of agents and the public alike.

New England Brevities.

Gustavus C. Holt, of John C. Paige & Co., Boston, with Mrs. Holt, has been spending the Mardi Gras season at New Orleans, proceeding thence to California for a three months' stay.

L. W. Cottrell, formerly identified with the field service of the National Fire, of Hartford, has been appointed special agent of the Hartford Fire for the New England territory formerly covered by H. M. Fenton.

NATIONAL LIFE

Insurance Company.

MONTPELIER, VERMONT.

Established in 1850.

Operating in 35 States.

JOSEPH A. DE BOER, President.

FRED A. HOWLAND, Vice-President

JAMES B. ESTEE, 2nd Vice-President

OSMAN D. CLARK, Secretary

H. M. CUTLER, Treasurer

A. B. BISBEE, Medical Director

C. E. MOULTON, Actuary

This Company held January 1, 1909, and gained during the past decade:

ASSETS . . .	\$44,026,069.73
GAIN, 173 PER CENT	
SURPLUS . . .	\$5,279,925.70
GAIN, 174 PER CENT	
INSURANCE .	\$155,755,039.00
GAIN, 93 PER CENT	

Absolute Security and Economy of Management

THE LONDON GUARANTEE'S STRONG POSITION.

To note the steady and sturdy progress of the London Guarantee and Accident compels the conviction that it is on about the strongest managerial foundation of any of the foreign casualty companies.

Its statement for January 1, 1910, on another page of "The Chronicle," speaks for itself, and is a splendid tribute to General Manager F. W. Lawson, who has displayed even greater ability in that capacity than in his former position as chief-of-staff to the lamented Captain Masters, his immediate predecessor.

Mr. Lawson directs "The Chronicle's" special attention to the following features in the statement:

The decrease in surplus is on account of the large amounts added to reserves, particularly in the credit department, where you will find that our reserves for outstanding claims and reinsurance were in excess of 100 per cent. of the year's writings. The unearned premium reserves of the burglary and boiler departments are large in comparison with the year's writings, but this is explained by the large proportion of business written on the three-year basis and as the company has been writing these lines for considerably less than two years, the reserves are larger than they would be normally. They will right themselves in the next two years.

ACCIDENT CLAIM ALLIANCE.

A meeting of the executive committee of the International Claim Association will be held next Wednesday at the office of the United States Casualty Company, 141 Broadway, New York, to arrange a program for the annual meeting, and dispose of other matters incident to the permanent organization of that association.

The Committee.

J. S. Eaton, chief adjuster of the T
J. S. Eaton, chief adjuster of the Travelers Insurance Company, president.

L. E. Brown, superintendent claim department, Continental Casualty Company, secretary.

Dr. W. L. Gahagan, medical director, U. S. Casualty Company, chairman.

Dr. W. L. Gahagan, medical director, U. S. Casualty Company, chairman.

P. B. Eyler, chief adjuster, Aetna Life Insurance Company.

F. J. Canty, general counsel, London Guarantee & Accident, Chicago.

Harry H. Vaux, manager personal accident claim department, General Accident.

Dr. C. M. Taylor, supreme surgeon, United Commercial Travelers.

This association practically supercedes the emasculate Alliance Against Frauds of recent incoignity.

HARDISON EXPLAINS

At a hearing last Tuesday before the Massachusetts Insurance Committee, Commissioner Hardison explained his bill to permit insurance companies to issue loans secured by mortgages on leasehold estates, and on no other mortgages. Counsel for the John Hancock favored the bill, while counsel for the Columbian National, while agreeing to its first provision considered that the second was unnecessary because of restrictions placed upon insurance company investments in 1905.

The Nahant (Mass.) fire department is to be equipped with an auto combination wagon for the protection of the Bass Point district. It will be a four-cylinder 40 horse power truck and will cost \$3,000.

ENLIGHTEN BROKERS.

At the recent annual meeting of the Real Estate Brokers' Association of the Dorchester district of Boston, President Wheelock and Secretary Cabot, of the Boston Board of Fire Underwriters, discussed the insurance situation in the suburbs and the proposed improvements in fireproofing and construction. The brokers certainly got their enlightenment from competent sources.

The Phoenix Mutual Life, of Hartford, has had plans drawn for an addition to its home office building, to cost about \$200,000. It will add about 50 per cent. to the present capacity of the home office, and is expected to be ready for occupancy by next November.

The Home Insurance Company

OFFICE: No. 53 CEDAR STREET,
NEW YORK.

ONE HUNDRED AND THIRTEENTH SEMI-ANNUAL STATEMENT.

JANUARY, 1910

SUMMARY OF ASSETS.

	Par Value.	Market Value.
Cash in Banks and Trust Companies.....		\$1,552,444.43
Real Estate		1,543,892.06
United States Bonds.....	\$ 385,000.00	433,750.00
State and City Bonds.....	5,558,333.33	5,477,833.33
Rail Road Bonds.....	6,308,000.00	6,124,430.00
Miscellaneous Bonds.....	900,000.00	760,000.00
Rail Road Stocks.....	5,806,000.00	8,071,275.00
Miscellaneous Stocks.....	1,150,000.00	1,582,000.00
Bank and Trust Co. Stocks.....	125,000.00	427,800.00
Bonds and Mortgages, being first lien on Real Estate.		69,800.00
Premiums uncollected, in course of transmission and in hands of Agents.....		1,264,447.46
		\$27,307,672.28

LIABILITIES.

Cash Capital.....	\$ 3,000,000.00*
Reserve Premium Fund.....	10,244,415.00
Reserve for Losses.....	958,639.76
Reserve for Re-Insurance, and other claims.....	621,780.56
Reserve for Taxes.....	100,000.00
Reserve as a Conflagration Surplus.....	1,200,000.00*
Surplus over contingencies and all liabilities including capital	11,182,836.96*
	\$27,307,672.28
Surplus as regards policy-holders,	\$15,382,836.96*

DIRECTORS.

Levi P. Morton,	Lucien C. Warner,	Emanuel H. A. Correa,
Cornelius N. Bliss,	John Claffin,	Samuel D. Styles,
Elbridge G. Snow,	Cord Meyer,	William D. Baldwin.
George H. Hartford,	Levi C. Weir,	
Henry F. Noyes,	John H. Flagler,	

ELBRIDGE G. SNOW, President

EMANUEL H. A. CORREA, Vice-President.
FREDERIC C. BUSWELL, Vice-President.
CLARENCE A. LUDLUM, Assistant Secretary.
AREUNAH M. BURTIS, Secretary.
CHARLES L. TYNER, Secretary.
HENRY J. FERRIS, Assistant Secretary.

IS THE INSURANCE DEPARTMENT A COLLECTION AGENCY.

Chicago (Special.)—The practice of "using the club" on surety companies is getting exasperatingly common in the West. Public officials, unwilling or afraid to trust the courts of their own States, are quite inclined in some of the commonwealths to try to bulldoze companies into paying claims to the States, counties or cities they represent or to citizens of those political divisions whether they owe them or not. A few months ago the Illinois Surety's Kansas license was revoked because it refused to pay some claims to Kansas millers to whom a Buffalo flour broker failed to make an accounting. The company held it was in no sense liable, and the case was not taken into court. The National Surety held that the bond it executed in Arkansas for the Traders Insurance Company was to guarantee payment of fire losses on the State and it had trouble there for a time because of its refusal to pay claims for return premiums after the Traders failed. A few months ago the Fidelity & Deposit was ruled out of Michigan for a time because it failed to pay a judgment affirmed by the Michigan courts while it was enjoined from paying it by a court in Illinois.

Now the State Treasurer and Auditor General of Michigan have refused to approve bonds running to the State executed by the Title Guaranty & Surety, United States Fidelity & Guaranty, Bankers Surety and Federal Union Surety because they have not settled claims of the State on account of the failure of the Chelsea State Bank and its president, the shortage of former State Treasurer Glazier, its president. Glazier had secured his official bond at the beginning of his first term from the Fidelity & Deposit. Because it criticised his heavy deposits in his little bank, on which it had a depository bond, he refused to pay the renewal premium and got new bonds in four companies for the remaining year of his first term. The Fidelity & Deposit, or its agents, sued him for the renewal premium claiming the company could not get off the bond. At the beginning of his second term he secured his bond from the Title Guaranty & Surety. Before the end of his term his bank went down with a large amount of State money in it and his own business affairs were in a great tangle. The question of the liability of the various companies that had been on his official bond and of those on the bank's depository bonds presented some interesting legal points.

A few weeks ago the board of local improvements of Chicago started a hurrah about three companies against which it had claims and endeavored to get the other city departments to refuse to accept their bonds. A erimp was put in this procedure by a legal opinion that the departments had no right to refuse bonds executed by companies authorized to do business in the State because of failure to pay claims which the courts had not held that they owed. The United States Fidelity & Guaranty in this case was on some sort of a street contract bond and the contract was so changed by the city after it was entered into that the contractor refused to carry it out and the company refused to pay the city's claim. The National Surety and the American Bonding were on so-called paving maintenance bonds, which were so drawn that the sureties were liable only in case the pavings gave out otherwise than by natural wear and tear. This threw upon the city the burden of proving that their giving out was not due to wear and tear and it has never proved it in court yet. The case against the American Bonding was in court once, but the city was beaten without a full trial. The company desired to have the case settled, but the city has failed to institute suit and have the company's liability determined.

The ordinance recently enacted by Kansas City, fixing a license fee of \$100 for each insurance agency in the city is thought by some to be likely to prove a gun which was thought to be not loaded. The local agents advocated the measure, believing that it would drive the companies to an acceptance of the sole agency plan. There now seems to be some doubt engendered by reason of at least one company having indicated an intention of establishing a branch with a salaried manager.

SAFETY FUND INSURANCE

NIAGARA

Fire Insurance Company

—OF—

NEW YORK

OFFICE:

46 CEDAR STREET, CITY.

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS is unsurpassed for net low cost and care of interests of all members.

THE PENN MUTUAL LIFE INSURANCE COMPANY

OF PHILADELPHIA

On January 1, 1903, rates were reduced and values increased to full 3% reserve.

Germania Fire

INSURANCE CO.,

NEW YORK.

ORGANIZED 1859.

Cash Capital.....	\$1,000,000.00
Assets	\$5,874,016.00
Net Surplus.....	\$1,509,442.33
Surplus for Policyholders,	\$2,509,442.33

HEAD OFFICE:

Cor. William and Cedar Streets.

THE HOME LIFE INSURANCE COMPANY OF AMERICA

Incorporated 1899.



THE COMPANY FOR THE AMBITIOUS AGENT who desires to sell "COMMON SENSE" insurance at LOWEST COST, and who seeks through most liberal first year and guaranteed renewal commissions, to receive just recognition of service. All policies registered, signed and sealed by the Insurance Commissioner of the State of Delaware, making them truly

SAFE AS GOVERNMENT BONDS.

Address Executive Offices, 416-18-20 Walnut Street, PHILADELPHIA, PA.

JOHN LANGHAM, Jr.,
President.

JOSEPH L. DURKIN,
Secretary.

GEORGE M. NETTLESHIP,
Manager of Agencies.

THE MAGICIAN MAJESTIC—IF?

The microbe of promotion is peculiarly fatal in its sinister borings in insurance fields. For evidence look about. It is remarkable that some of whom it would be entirely consistent to hope for (and expect from) better things have been badly bitten by the busy bug.

In the issue of December 9 of "The Chronicle" there was a news item from St. Louis, headed "Curious Concerning Coudrey," which said, in part:

There is a deal of speculation going on here concerning the "off again, on again, gone again" movements of Congressman Harry M. Coudrey in connection with his long since proposed organizing of two insurance companies, each to have a capital of one million and an equal surplus, to write fire and life, and of each of which he was president, de jure and de facto.

Over in New York it was freely talked some weeks ago that Coudrey had fallen into the hands of the promoting Philistines and they had hypnotized him into selling out one of the largest and most valuable general agencies in St. Louis to follow them and—inferentially—divest himself of dollars that he might win a far greater weight of mundane glory.

Talk flowed freely over these doings and curiosity was quelled when it was announced that Mr. Coudrey had resigned the presidency of both companies—the Continental Life Assurance Company of America and the International Fire Insurance of America. * * *

Just how Coudrey, versatile as he is reported, can hold down his campstool in Washington to the pacification of a large constituency that must "see," and be "managing underwriter" of the—presumably—dead swell offices of a "promoted" fire insurance—two millions, capital and surplus—in St. Louis is disquieting to his circle, not to say apprehensive.

Except to preserve the unities and evolve a tale, it would be useless to pay note to the foregoing, but it has a strong bearing in the light of present developments. Almost before it became necessary to look in the Congressional Directory for his name and address there comes in from the Honorable Missourian, who is imperiling a cherished expression, a letter, the addressee of which is withheld:

The letter should eliminate any fears that may have been felt in insurance circles that the activities of one of the "big three" was to be lost to the cause.

The Letter.

Hon. Harry M. Coudrey, M. C.
President.
THE LINCOLN NATIONAL
HOLDING CORPORATION
OF AMERICA.
National Metropolitan Bank Bldg.,
Washington, D. C.

Mr. _____
Dear Sir:

Acknowledging and replying to your valued favor addressed to postoffice

box No. 1117, the Spectator, beg to enclose herewith prospectus of the Lincoln National Holding Corporation of America, which is self-explanatory, also some subscription blanks.

The corporation is the first and only large company of the kind ever organized in this country for this particular purpose, it will be prepared to write ninety-four different kinds of insurance, and there is no question but what its stock will pay handsome dividends.

This is an extraordinary opportunity; the size of the company, the character of the men behind it and the well-known enormous profits in the insurance business commends the stock to everyone.

The company will pay you a commission of two dollars and twenty-five cents per share on every cash sale and two dollars per share on each installment sale.

Please endeavor to sell some shares for us at once, using the enclosed blanks, you will notice that the shares can be sold for cash or payable in ten monthly installments; send in the subscriptions with checks payable to the order of the corporation and we will forward you a draft in payment of your commissions immediately.

If you desire more literature let us know and we will be pleased to send it to you. Later on if you are successful we will send you a list of people in your vicinity to call on.

Feeling that you will be successful and hoping to hear from you by return mail, I beg to remain, with my very kindest personal regards, dear sir,

Yours faithfully,

H. M. COUDREY,
President.

Working the M. C. Game.

It is worth while to note the "Hon." in front of the top-notch on the letter—

head and its suffix. Don't overlook "President" as the third essential to the trinity.

When Armstrong launched his "Everybody's Corporation" people

Philadelphia Casualty Co.

WALTER LE MAR TALBOT, Pres't.

Capital \$500,000
Total Assets, April 1, 1909.....\$1,427,564
Surplus (Policyholders)..... \$714,598

SAFE SUPERIOR POLICIES

Personal Accident, Health, Liability,
Automobile, Plate Glass and
Credit Insurance.

Agency Correspondence Solicited.

New England Mutual Life

Insurance Company

87 Milk Street, BOSTON, MASS.

ASSETS, Jan. 1, 1909.....\$47,980,647.74
LIABILITIES 44,476,655.63
\$3,503,992.06

All forms of Life and Endowment policies issued. Cash distributions paid upon all policies.

Every policy has indorsed thereon the cash surrender and paid up insurance values to which the insured is entitled by the Massachusetts Statute. Pamphlets, rates and values for any age sent on application to the Company's Office.

ALFRED D. FOSTER, President.

D. F. APPEL, Vice-President.

JACOB A. BARBEY, Secretary.

WM. F. DAVIS, Asst. Sec'y

J. G. WILMAN, Asst. Sec'y.

NEW YORK OFFICE:

St. Paul Building, 220 Broadway.

SETH H. WHITELEY, Manager.

The Ocean Accident & Guarantee Corporation, Ltd.

OF LONDON, ENGLAND

UNITED STATES BRANCH

Statement, December 31, 1909

ASSETS.		LIABILITIES.	
Railroad Bonds.....	\$2,360,674.00	Reserves:	
State and Municipal Bonds	746,235.00	Unexpired Risks.....	\$1,228,609.86
U. S. Government Bonds.	153,000.00	Casualty Claims.....	721,024.46
Mortgage Loans on Real Estate	150,000.00	Credit Claims.....	179,517.41
Cash in Banks.....	91,211.91	STATUTORY—	
Interest Due and Accrued	40,964.05	Commissions	79,820.01
All Other Securities.....	6,650.00	Taxes and Sundries.....	75,545.00
Premiums in course of collection	305,834.52	VOLUNTARY—	
		Credit Department.....	50,000.00
		Special Contingent.....	250,000.00
		Surplus to Policyholders.....	1,270,053.64
	\$3,854,570.38		\$3,854,570.38

LIABILITY
AUTOMOBILE
ELEVATOR

Lines Written—
STEAM BOILER
PLATE GLASS
BURGLARY

MESSENGER HOLD-UP
FIDELITY BONDS
HEALTH

PERSONAL ACCIDENT and CREDIT INSURANCE

American Head Office,

John and William Sts.,

NEW YORK CITY

OSCAR ISING, General Manager.

thought that was going some. That proposed to do about everything insurancewise that the mind of man had conceived up to that time. It was great. Then he and his Richelieu had a slight misunderstanding—never explained but easily understandable—and Mr. Richelieu set up a separate motion which fairly swept everybody's breath away. The Honorable Mr. Armstrong—note that there are two "Honorables" in this tale—proposed to write about 27 varieties of insurance in one motion on two millions of capital. His insurance progenitor calmly straddled the ante and announced his Arizona cactus plant charter for fifty millions and 54 varieties of insurance, all in a regular Lloyds combination and a single sweep of the pen.

But Harry, that is, the Honorable Mr. Coudrey, member of Congress, president, etc. (see letterhead), unabashed by ambitious devotees, is out with a prospectus, embellished by his handsome phiz and "personally conducted" autobiography from the Directory of Congress, from which the following excerpts are made:

PROSPECTUS

of the

LINCOLN NATIONAL HOLDING CORPORATION OF AMERICA.

Proposed Capital and Surplus\$15,000,000

The Lincoln National Holding Corporation is formed in the belief that in the entire field of investment the highest degree of safety with the maximum returns is found in insurance.

The Board of Directors.

The Lincoln National will have on its board of directors capable financiers, prominent business men, and insurance men, selected from the stockholders, of world-wide reputation, whose names will add weight and solidity to a corporation which depends for its existence upon the confidence of its stockholders.

From the beginning the Lincoln National will be the strongest and the only company ever organized for this purpose. Its funds will be invested wholly in non-speculative securities of high grade, thus providing absolute safety and protection to the stockholders of the corporation.

Large Earnings of Insurance Companies.

That little publicity has been given to the large earnings of insurance companies, is perhaps due to the fact that insurance capital has been closely held in certain well known sections of the East, but has drawn large revenues annually in every section of the country. Naturally those few who are profiting thereby do not advertise the fact, which would encourage the establishment of other large companies. It appears, therefore, very significant that while at the close of years which were marked by heavy losses, and notwithstanding a panic which forced the sacrifice of securities in every other line there is no record of any offering of stock in the insurance companies having a large capitalization and a

substantial surplus; but, on the other hand, dividends to stockholders increased and large gains shown in the earning accounts of such companies.

Underwriting Profit.

The underwriting profit from the several companies owned and operated by the Lincoln National Holding Corporation covering all kinds of insurance will be exceptionally large owing to its plan of placing the stock with a large number of representative people, who will secure for the various companies, from the outset, a large volume of insurance business at a minimum cost.

Plan of Operation.

It is proposed first to organize four large stock fire insurance companies in the North, South, East and West. Second, it is proposed to organize a life company. Third, it is proposed to organize a casualty and surety company. Fourth, it is proposed to buy controlling interests in various other insurance companies. These companies will have an adequate capital and a large sized surplus.

The Lincoln National Holding Corporation, through its subsidiary companies, will handle ninety-four different kinds of insurance combinations which effect economy in the conduct of business, form one of the greatest developments of modern times and our corporation will apply this principle to the great field of insurance.

The idea of a clearing house for insurance, although well known in Europe, is more or less an innovation in America, yet, in European countries it has proven most profitable. The Lincoln National Holding Corporation will act as a holding company, owning outright each insurance company it organizes, or by controlling at least 51 per cent. or more of the proposed insurance company.

Effect of This Plan.

The success of an insurance company depends more upon the agency force than any other single factor, therefore, if you make money for the agent he will make the company, and we desire to distribute our stock among thousands of stockholders who will influence business to the companies owned by the Lincoln National Holding Corporation.

It can hardly be expected of insurance companies whose stock sells many times above par to endorse the plan of the Lincoln National, a strong

competitor whose stock in many instances is placed among their policyholders.

Proposed Capital and Surplus \$15,000,000.00.

The announcement of the large capital and surplus of the Lincoln National has brought applications for agencies and proffers of business from all over the United States. Every insurance agent, no matter where located, will be proud to represent the companies owned and controlled by the Lincoln National. Every share of our widely distributed stock will be a direct influence for business, and as a result of this wide distribution our companies will have an advantage never before possessed by any company heretofore organized. There is no promotion, watered or bonus stock in the stock of the Lincoln National Holding Corporation. Every stockholder pays or has paid for his stock exactly as you pay for yours. The shares will be sold for twenty-five dollars each, par value being five dollars, and the twenty dollars being surplus. These may be paid for, all cash, or three dollars per share with application, and two dollars per share per month until the full amount has been paid, when the stock will be issued.

Status of the Business To-day.

A century ago the state of insurance as a business might have been questioned, but it is an accepted fact that to-day it is paramount. If there is one thing more astounding than the progress made by these companies it is the complete ignorance of so many people concerning them.

COMMERCIAL - UNION

ASSURANCE CO.,

(LIMITED)

OF LONDON.

OFFICE;

Cor. Pine & William Sts.

NEW YORK.

THE NATIONAL LIFE U. S. A.

Wants Good Producers for District and General Agents

A SPLENDID CHANCE

to grow with a Western Company more than forty years old, operating in thirty States and Territories.

WORK FOR YOURSELF!

We have a Special Proposition for 1910. Why not write us?

CHICAGO'S OLDEST AND STRONGEST COMPANY

Robert D. Lay, Secretary, 159 La Salle Street, Chicago.

NEW ENGLAND BUREAU OF UNITED INSPECTION.

The twenty-second annual meeting of the New England Bureau of United Inspection was held Friday afternoon at its headquarters in Boston with a large attendance of representatives of the companies in its membership, and with Assistant Manager Battilana, of the Pennsylvania Fire, as temporary chairman.

The annual report of Edward C. Brush, chairman of the governing committee, showed that 7,389 surveys and reports had been made during 1909, and over 8,488 defects found and corrections secured during the year. A classification of the latter showed that 801 occurred in construction, such as fire divisions, vertical openings, fire shutters, exposures, skylights, etc.; 694 in power, heating, lighting, volatile and lubricating oil hazards; 835 in administration and special features; 1,214 in electrical construction, such as inside and outside wiring, lamps, dynamos and motors, switchboards, rheostats, cutouts and fuses, and others; 3,028 in fire protection, hydrants, hose, thermostat systems, alarm service and the like, and 1,916 in sprinkler equipments, relating to supplies, pumps, tanks, piping, valves, heads and general work. These defects found and corrections secured showed an increase of 1,886 over the year 1908, and the number made since organization was 122,238. The number of tests of apparatus made last year was 4,170, under the rubrics of sprinklers, pumps, hydrants, hose and thermostats; a total of 60,542 since organization. The 1909 tests exceeded those of 1908 by 2,075. A total of 1,300 plans was drawn and issued last year.

The following officers were elected for 1910: Chairman, Edward C. Brush; vice-chairman, Walter Adlard; treasurer, Clifford H. Rice; clerk, secretary of the governing committee and manager, Edward A. Northey.

Executive committee — Chairman, Edward C. Brush; vice-chairman, Walter Adlard; A. K. Simpson, Clifford H. Rice, J. W. Grover, Charles Haas, Charles D. Palmer, W. H. Winkley, H. J. Ide, C. K. Brooks.

The governing committee elected for 1910 comprises these companies:

Aachen & Munich, Agricultural, American, New Jersey; Boston, Commercial Union, Connecticut Fire, Continental, Delaware, Equitable Fire & Marine, Fireman's Fund, Franklin, Germania, Granite State, Hamburg-Bremen, Hanover, Insurance Company of North America, London Assurance, Niagara, Pennsylvania Fire, Phoenix, Providence-Washington Spring Garden, Sun, Westchester and Western.

CAN'T MIX THE ELEMENTS.

That perennial subject, the Chicago burglary insurance situation, remains in statu quo, to use a diplomatic expression. Some of the managers appear to be in doubt whether the companies, except the American Bonding, should get together on the lines adopted in New York and let the American Bonding pursue its own sweet way, or whether some other course should be adopted. One or two managers who were opposed to any differential in favor of casualty offices as against fire offices, express themselves as in favor of an agreement among fire agents not to treat burglary insurance as exchange business. One or two offices which have been quite unyielding in their attitude, are said to be opposed to this. Should the situation shape up so that they were all that stood in the way of an agreement, it is possible they might be induced to give in on this point.

GENERAL ACCIDENT, OF SCOTLAND.

The General Accident has made notable gains since its "reformation" and placement of the United States branch under the sole management of Franklin J. Moore. The recovery from the ponderosity and speculative promotions of former management has been sharp and decisive to the degree of surprise. The General had a lucky escape from the gorgons and goblins of exploitation.

Manager Moore's United States results for 1909 shows more than two and a quarter millions of total assets and a free surplus of \$618,372 over all legal reserves, including a voluntary contingency fund of \$50,000. This is an increase of nearly half a million in assets over the preceding year. The General is doing fine.

HARTFORD LIFE

INSURANCE COMPANY,
OF CONN.

1909 Policies are Participating, or Non-participating, with Lower Rates and Values based on FULL RESERVE.

For Right Contracts,
Address, Second Vice-President.

Home Office, HARTFORD, CONN.

The Employers' Liability

Assurance Corporation, Ltd.

LIABILITY, STEAM BOILER,
ACCIDENT, HEALTH, FIDELITY
and BURGLARY INSURANCE.

UNITED STATES BRANCH.
SAMUEL APPLETON, United States
Manager,
Employers' Liability Building,
33 BROAD STREET, BOSTON, MASS.

EDMUND DWIGHT,
Resident Manager for New York State,
56 MAIDEN LANE, NEW YORK.

AGENTS WANTED.

OLDEST
IN
AMERICA

STRONGEST
IN THE
WORLD

THE MUTUAL LIFE Insurance Company of New York

Mutual Life Agents Make Most Money
Because Mutual Life Policies Sell Most Freely

For terms to producing agents, address

GEORGE T. DEXTER

2nd Vice-President

34 Nassau Street

New York, N. Y.

"THE OCEAN."

Big and Wide.

The financial statement of the United States branch of the Ocean Accident & Guarantee Corporation as of January 1, 1910, on another page, indicates that 1909 was another year of notable success. In every department but one its premium writings increased during the year, the exception being the credit insurance department, and the reduction of income in this department was due entirely to conservative judgment in passing upon risks of this character until the return of normal conditions to the mercantile world. Commercial uncertainty had been anticipated in an underwriting way as is evident from the extra large reserves—exceeding the statutory requirements by over half a million dollars—voluntarily set aside a year ago to take care of contingent losses; and, although these losses came heavily upon the credit department, by reason of its foresight, it is able at this time to present a financial statement which shows unimpaired resources and a further bulwarking of its strong position.

The premium income for 1909 is very much larger than that of any previous year. A voluntary credit reserve of \$50,000 and a special contingent reserve of \$250,000 has been maintained for some years. Besides all this the surplus to policyholders has been increased.

A glance shows that the assets of the United States branch have been increased by about \$200,000, as compared with the previous year, shows its securities to consist of high-class Railroad, Municipal and Government Bonds, with a market value of \$3,259,909, as appraised by the Insurance Department of the State of New York, and other assets in the form of cash in banks, secured mortgages, etc., which bring its total assets close to the four million mark.

During the year just closed the Ocean added fidelity bonds and plate glass insurance; and by an extra deposit of \$100,000 qualified itself to write, in addition to credit insurance, several other lines in the State of Massachusetts.

The Ocean now has an aggregate capital on deposit in the various States of more than half a million dollars.

SEEKS JOY IN CHICKWEED.

We try hard to walk hand in hand with Charity, to cling firmly to the skirts of faith and to breathe in the sweet spirit of trust, but somehow we find ourselves stumped when a brother journalist claims to have found a diamond when, searching with a microscope, we can discover only piles of

pebbles—good pebbles, no doubt, for chicken consumption and concrete—with never a gem amongst them. A well-turned "expression of opinion" in "The Chronicle," Carey? Nonsense. As good as the other weeklies? Certainly. But as to discovering in it anything like fine literary expression and finish, you can sooner extract champagne from chickweed.—"Insurance Register."

Fine. Fresh blood enters with a new broom, just diplomated, and the world as an oyster. The cause of explosion is explained in another column of "The Register" concerning the familiar "F. B. V." articles which have heretofore been "The Register's" sole supply. It reads:

NOTICE.

Our readers and patrons will please note that F. B. Vogel is no longer connected with the "Register" as associate editor and business manager, nor is he authorized to represent it in any capacity, nor to collect money on its behalf.

This ancient navigator may now be expected to perform all the old familiar "knows-it-all" stunts and acquire wisdom by the usual method. "F. B. V." will be missed and it is hoped that his successor will abandon the foregoing style and learn the primer of insurance before attempting to write about it. Budding youth! What is more refreshing?

The Connecticut Mutual

That means the best life insurance to have and the best to sell. If you can sell life insurance, you can sell more of it for the CONNECTICUT MUTUAL.

Men of Character and Ability are invited to apply.

Conn. Mutual Life Ins. Co.,
Hartford, Conn.

Please mention this paper.

Low Costs, High Guarantees,

liberal conditions and extensive advertising make the policies of The Prudential easy to sell.



The Prudential

wants managers and agents. There is a place for you. Ask for particulars.

THE PRUDENTIAL

Insurance Company of America.

Incorpor'd as a Stock Company by the State of N. J.

JOHN F. DRYDEN,

President.

Home Office:

NEWARK, N. J.

Write for Agency.

INCORPORATED 1833.

British America Assurance Company

HEAD OFFICE, TORONTO, CANADA

UNITED STATES BRANCH.

JANUARY, 1, 1909.

Assets	\$1,473,470.08
Liabilities	902,747.45
Surplus	\$570,722.63

Hon. GEORGE A. COX, President.

W. R. BROCK } Vice-Presidents
JOHN HOSKIN }

W. B. MEIKLE, General Mgr.

Organized 1871

Life Ins. Co. of Virginia,

Home Office, Richmond, Virginia.

J. G. WALKER, President.

T. W. PEMBERTON, 1st Vice-President.

W. L. T. ROGERSON, 2d Vice-President.

E. D. HARRIS, Secretary.

The OLDEST Southern Life Insurance Company.

The LARGEST and STRONGEST Southern Life Insurance Company.

The PIONEER Southern Industrial Life Insurance Company.

Its policies are clear and definite in their provisions and their values are absolutely guaranteed.

Assets Dec. 31, 1909.....	\$5,372,691.99
Liabilities Dec. 31, 1909.....	4,312,405.32
Insurance in Force Dec. 31, 1909	68,337,613.00
Total Payments to Policyholders since Organization	9,820,412.49

BONDS--CASUALTY

AGENTS
IF
YOU

{ Can Command Bond or Casualty business
{ Are seeking an Agency connection
{ Are not representing another like Company

ADDRESS, AGENCY DEPARTMENT,

The Empire State Surety Co.
NEW YORK

IN PRESS

Survivorship Annuity Tables

Net Premiums, Mean and Terminal Reserves

**American Experience Table,
LIFE OF NOMINATOR**

**Danish Survivorship Annuitants' Table,
LIFE OF ANNUITANT**

And 3 1-2 Per Cent. Interest

BY
MILES M. DAWSON,
Consulting Actuary

Ready for Delivery March 1, 1910

Advance Sheets (now ready for delivery) giving net premiums for all combinations of ages, above 20 for annuitant and above 20 and under 61 for nominator, will be sent to any purchaser whose order is received before publication of the book.

SEND ALL ORDERS TO

The Chronicle Co. (Ltd.)

No. 90 William St.

NEW YORK

SECOND ANNUAL STATEMENT OF THE

Massachusetts Bonding and Insurance Company

AS OF DECEMBER 31st, 1909

As computed by the Insurance Department of the State of Massachusetts, which has just completed an examination of the Company.

ASSETS.		LIABILITIES.	
	Market Value.		
Bonds of the State of Massachusetts.....	\$226,840.00	Capital	\$500,000.00
Bonds of the City of Boston.....	103,000.00	Premium Reserve	259,236.96
Bonds of Other Cities and Counties in Massachusetts	213,834.00	Reserve for Contingent Claims.....	41,195.18
Bonds of the City of New York.....	55,500.00	All Other Reserves	24,615.76
Bonds of Railroads and Other Bonds.....	229,750.00	All Other Liabilities	34,243.31
Cash	132,162.40	NET SURPLUS OVER CAPITAL (\$500,000.00), AND ALL RESERVES AND	
Accrued Interest	8,116.63	LIABILITIES	206,827.68
Premiums Due	96,915.86		
TOTAL ADMITTED ASSETS.....	\$1,066,118.89		\$1,066,118.89

Surplus to Policyholders, \$706,827.68

This company commenced business two years ago with total assets of	\$750,000.00
Its admitted assets, December 31st, 1909, were.....	1,066,118.89
Gain in assets in two years (despite the great initial organization expense)	316,118.89

Three Great Results Accomplished by This Company:

- 1—It secured a larger volume of business in its second year than was secured by any Company engaged in the same line in the third year of existence.
- 2—It conducted its business at a lower expense ratio to net premiums written than any other Company covering the same period.
- 3—It had a lower loss ratio to premiums written than any other Company.

Its Great Results in Massachusetts

After only two years of existence, this Company leads all others in volume of business in this State.	
Premiums written in Massachusetts	\$166,163.55
Nearest competitor	\$129,906.11

We thank our friends and the public in general for their loyal support.

T. J. FALVEY, President

JOHN T. BURNETT, Secretary-Treasurer

Home Office, 77-86 State Street, Boston

New York Office: 27 PINE STREET---BALLARD McCALL, Resident Vice-President.

The Chronicle.

1866

Published by THE CHRONICLE COMPANY, Ltd., 90 William St., New York City.

1910

VOLUME LXXXV.

New York, February 17, 1910.

NUMBER 7

\$27,000,000

Insurance in Force



CITIZENS LIFE

INSURANCE COMPANY

LOUISVILLE, KY.

W. H. GREGORY, President

INCORPORATED 1833.

British America

Assurance Company

HEAD OFFICE, TORONTO, CANADA

UNITED STATES BRANCH.

JANUARY 1, 1910.

Assets\$1,556,740.94

Liabilities 902,438.61

Surplus\$ 654,302.33

Hon. GEORGE A. COX, President.

W. R. BROCK { Vice-Presidents
JOHN HOSKIN }

W. B. MEIKLE, General Mgr.

The

Columbian National Life

INSURANCE COMPANY
OF BOSTON, MASS.

**LIFE, ACCIDENT AND HEALTH
INSURANCE.**

The Only Massachusetts
Non-Participating Company

The New Columbian Policies (Sept. '09)
are Unexcelled in Clearness and Liberality.

Good Contracts and Territory for
Good Producers.

ARTHUR E. CHILDS, President.

FOUNDED 1792

118th ANNUAL STATEMENT

**INSURANCE COMPANY OF
NORTH AMERICA.**

OF PHILADELPHIA, PA.

ASSETS.

January 1, 1910.

Real Estate\$ 364,410.00

First Mortgages on Real Es-
tate 373,803.43

Philadelphia, New York, Bos-
ton and other City and

State Loans 1,134,390.00

Pennsylvania, Philadelphia
and Erie, Lehigh Valley
and other Companies' Bonds

and Stocks 8,909,150.32

Cash in Bank and Bankers'
hands 1,134,635.83

Notes Receivable and Unset-
tled Marine Premiums.... 347,440.69

Net Cash Fire Premiums in
course of Transmission.... 1,069,510.62

Accrued Interest, and all
other property 52,160.57

Total Assets\$13,385,501.56

LIABILITIES.

Capital Stock\$ 3,000,000.00

Reserve for Re-insurance .. 6,813,862.47

Reserve for Losses 877,250.00

All other Liabilities 104,982.45

Surplus over all Liabilities.. 2,589,406.64

\$13,385,501.56

Surplus to Policyholders.....\$5,589,406.64

Increase in Reinsurance Re-
serve 349,934.71

Increase in Net Surplus..... 838,500.98

Increase in Assets..... 1,371,438.93

Eugene L. Ellison.....President

Benjamin Rush.....Vice-President

T. Howard Wright.....Secretary

Henry W. Farnum..Assistant Secretary

John O. PlattAssistant Secretary

Agencies in all Prominent Cities & Towns.

The Best, Safest, Most Liberal and Most Equitable Forms of Policy Contracts
are issued by the

JOHN HANCOCK MUTUAL LIFE

INSURANCE CO. OF BOSTON, MASS.

ROLAND O. LAMB, President.

WALTON L. CROCKER, Secretary.

Issues the Most Perfect Forms of Life, Endowment, Instalment and Term
Policies Greatest Sellers in the Market.

LIBERAL CONTRACTS TO THE RIGHT MEN.

ROBERT K. EATON, Supt. of Agencies, Boston.

WILLIAM N. COMPTON, General Agent, Metropolitan District,
St. Paul Building,

220 Broadway, New York.

UNITED SURETY COMPANY

BALTIMORE, MD.

HENRY G. PENNIMAN PRES.



PERSONAL ACCIDENT HEALTH
PLATE GLASS

JOHN B. MURPHY,

Resident Vice-President.

84 WILLIAM STREET - - NEW YORK

Telephone, John 1770 - 1771.

OLDEST
IN AMERICA

The

STRONGEST
IN THE WORLD

Mutual Life Insurance Co.

OF NEW YORK

Record of 1909

The close of the 67th year shows an increased amount of insurance in force, \$1,441,323,-848, and an increased amount of new insurance paid for, \$102,040,633. Other notable features marking the progress of the Company are:

Assets	\$500,122,367.61	Increase.....	\$21,083,399.48
Policy Reserves	445,388,997.00	Increase.....	12,251,281.00
Profits on Stocks, Bonds and Real Estate Sold..	6,409,839.04	Increase.....	5,804,543.90

Unprecedented Benefits to Policyholders

Dividends paid in 1909.....	\$11,005,914.96	Increase.....	\$2,694,659.07
Dividends apportioned for 1910.....	12,401,752.11	Increase.....	1,309,469.73
Total paid policyholders, 1909.....	55,142,815.65	Increase.....	2,183,534.88
Held for Deferred Dividends and Contingencies..	91,506,436.91	Increase.....	5,661,445.71

The Company continues to maintain its PRE-EMINENCE IN ECONOMY OF MANAGEMENT. In connection with a largely increased volume of new insurance, the ratio of Expenses (exclusive of taxes) to Total Income is lower than any other company doing a general life insurance business has been able to show in many years. The relative expenses of The Mutual Life have decreased more than 50 per cent. in the last five years, resulting in a steady and satisfactory decrease in the cost of insurance.

BALANCE SHEET, DECEMBER 31st, 1909.

ASSETS.		LIABILITIES.	
Real Estate (market value).....	\$26,289,286.53	Net Policy Reserve	\$445,388,997.00
Mortgage Loans on Real Estate.....	128,754,102.94	Other Liabilities on Policies.....	6,366,561.90
Loans on Policies.....	65,274,997.91	Premiums, Interest and Rentals Paid in advance	1,768,987.09
Bonds (amortized book value).....	271,526,503.63	Miscellaneous Liabilities	937,528.05
Stocks (market value).....	57,829,377.00	Reserve for Death Claims unreported..	500,000.00
Cash (not on interest).....	630,892.58	Reserve for Taxes, Licenses, etc., in 1910	1,252,104.55
Cash (deposited on interest).....	2,050,296.50	Dividends payable in 1910.....	12,401,752.11
Interest and Rents, due and accrued..	3,897,681.25	Reserve for Deferred Dividends	73,987,086.56
Premiums in course of collection.....	3,923,980.43	Reserve for Contingencies	17,519,350.35
Miscellaneous Assets	282,631.89		
Gross Assets	\$560,459,750.66		
Deductions	337,383.05		
Total Assets	\$560,122,367.61	Total Liabilities	\$560,122,367.61

For terms to producing agents address:

GEO. T. DEXTER, 2nd Vice-President

34 NASSAU STREET, NEW YORK, N. Y.

The Chronicle

VOLUME LXXXV.

NEW YORK, THURSDAY, FEBRUARY 17, 1910.

NUMBER 7

ALFRED B. DAWSON, President.
R. B. Dawson, Treasurer. Chas. D. O'Brien, Secretary.
Emil Schwab, Manager New England Department,
178 Devonshire Street, Boston, Mass.

All communications should be addressed to and remittances should be made to The Chronicle Company, Limited.
Entered at the Post Office, New York, N. Y., as Second Class Mail Matter.

PUBLISHED EVERY THURSDAY BY
THE CHRONICLE COMPANY, Limited.
No. 90 WILLIAM ST., NEW YORK.
Phone "567 John." Cable Address, "Chronogram," New York

Subscription Price:
Three Dollars a Year. Single Copies, Twenty-five Cents.
Postage Prepaid in the United States and Canada.

Their Last Stamping Ground.

The day of the professional promoter is fast nearing its ignominious end. Not that the insurance company promoter has not made a success of it in the promotion—for he has by his rake-off—can be said to be the cause, but the rude awakening of the investor to the final realization that even if he had bought his stock at par it would be years before he could expect any returns, is doing more to drive the vandals out of the business than all other conditions combined.

Public's Education Nearly Completed.

As evidence that the costly education which the American people have received in the last three years is at last having its effect, is the abandonment of one section after another, until there remains but the Pacific slope yet to be pillaged. A further proof that this territory is all that is left for "a killing" is the fact that after their many shifts it has been selected by Messrs. Pratt & Grigsby and O. L. Van Laningham as the final seat of operation. No matter what it costs the people of the Coast, they are contributing only their just share, even though a little late, toward the general tuition fee charged by all professionals for their educational services.

Past Record No Hindrance.

It is not necessary to have before one the wild and misleading literature of a previous promotion, together with its failure to ever materialize, to recognize the absolute disappointment in store for the stockholders of the Western States Life Insurance Company, when such extravagant promoting management is permitted.

Over a signed statement, early this month, Pratt & Grigsby said:

The sale of the \$1,000,000 capital stock of this company has been placed in our hands. The stock is issued in shares of \$10 par value each

and we are selling it at two for one, or \$20 per share.

Our proposition is now beyond the preliminary stage, as we have made the most phenomenal record in this short time, in which we have started, having already disposed of nearly \$200,000 worth of stock, and having over 300 subscribers.

Their "Fine Line Up."

We have the best proposition here that we have ever been connected with, especially by reason of the fact that we have been able to secure as officers and directors of this company, men of a very high standing in the business-world throughout the entire State.

There is no question about this, for they are as follows: Arthur K. Briggs, president, State Board of Trade, San Francisco; G. Howard Thompson, land department, Bank of California, San Francisco; Guy Van Alstyne, vice-president, San Francisco; James J. Hight, assistant cashier, The Old Bank, Hanford; Otto Irving Wise, attorney at law, San Francisco; George W. Peltier, vice-president, California National Bank, Sacramento; Harvey D. Loveland, State Railroad Commissioner San Francisco; Rt. Rev. W. H. Morland, Bishop of Sacramento; Hon. Warren R. Porter, Lieutenant Governor, State of California, president Pajaro Valley Bank, Watsonville.

Like Finding Money.

Pratt & Grigsby are quite correct in their supposition that they will have no difficulty in disposing of the stock of the Western States Life, for, as they say "when you take into consideration the remarkably fine line-up" and especially the fact that they "are paying 22½ per cent. commission for the sale of this stock," there is not a single worthless, unconscientious life solicitor in the country who would not jump at the chance to get in on such gravy.

Briggs Helps 'Em to the Gravy.

To show the strength of their position and their utter disregard as to who will be the victims the promoters offer the following additional "easy picking":

By reason of our president, Mr. Briggs' wide acquaintance over the State, we will be able to furnish you with personal letters of introduction to the influential moneyed men in the community where you will go.

Really Pitiable.

Not satisfied with the use of his good name as a director the salesmen are furnished with a copy of a letter from the Rev. W. H. Morland, Episcopal Bishop of Sacramento. When the fine old gentleman's intentions are considered with the ultimate purposes to which the letter will be put, and the many hands into which it may fall, the letter is really pitiable. It reads:

Mr. Guy Van Alstyne, Vice-Pres.,
Western States Life Insurance
Company,
San Francisco.

Dear Sir:

I have given considerable thought to your request that I act as one of the Sacramento trustees of local investments of the Western States Life Insurance Company. I have finally decided to accept the trust with these clear understandings:

"First, that I am to regard myself a guardian and watchman of the interests of policyholders in making these investments, rather than a promoter of company interests; that I shall be free to express without reserve objection or disapproval of any matters which may seem to me to warrant such attitude; and

"Second, that in assuming this trust I do so as an individual and not in an official or corporate capacity, so that the latter is not to be magnified or brought into prominence in advertising the company."

I believe in life insurance properly conducted as a wise and sacred

(Continued on Page 3.)

THE INEVITABLE DENOUEMENT.

The Great Southern Agency Company, which was organized by parties previously known to fame in connection with the injection of capital into the Southern Mutual Life Insurance Company of Fayetteville, N. C., on terms more favorable to themselves than to the company, has caused the expected to happen once more by finding its way into the courts under litigation in which both sides are taking the aggressive.

Col. Frank P. Bond, of Nashville, has been so inconsiderate as to attempt recovering, on grounds which go all the way from misrepresentation to much worse, some \$22,000, which his clients had been induced to invest in the corporation; and in this he seems to be backed by other subscribers situated in Chattanooga itself. There are 1,800 shareholders, it is said; and it is expected that of these 1,799 will ultimately join in the demand for the return of their money, which will surely be in vain. This will leave C. J. Hebert on the other side, if indeed he was so incautious as to subscribe.

The "Retort Courteous."

The agency company is said to have \$160,000 real money in sight, however; so that it does appear to be worth while to get this much of it back if possible. If the subscribers succeed, it will have the effect of preventing the payment of \$100,000 to capitalize the Great Southern Life Insurance Company, which is about to be organized. One thing which Colonel Bond has secured is an injunction, restraining the directors and officers from carrying out this plan. This he did, as a "retort courteous," so to speak, to the attempt of the promoters to enjoin his clients from prosecuting their claims or in any way interfering.

Charges of wild misrepresentations, of fictitious and misleading statements of possible profits and the like are included in the cross bill. Up to the present time the court has granted both injunctions temporarily; and things are at a standstill.

Promoters Leave a Little.

One of the charges in the cross bill is that most of the money collected has gone to pay salaries and high commissions to agents and that of over \$400,000 collected, only \$160,000 is left. It is also charged that one corporation cannot, under the laws of Tennessee, own and control another corporation; and that the proposed organization of a life insurance company, to be owned and controlled by

the Great Southern Life Insurance Company, cannot lawfully be carried out. It is also alleged that the Great Southern Agency Company is a foreign corporation and has never been domesticated, so that it has no right to transact any business whatever in Tennessee.

REMARKABLE PROGRESS OF MICHIGAN STATE LIFE.

In other columns of this issue of "The Chronicle" appears the annual statement of the Michigan State Life Insurance Company, of Detroit, showing that during the year 1909 the company made a gain in assets of \$70,885.83; a gain in surplus of \$17,558.92; and a gain in insurance in force of \$1,397,253.64.

This is only the third annual statement of the company, which commenced business in 1907; and it is most unusual and highly creditable for a new company, while showing continuous growth in new business, in premium income and in assets, also to show a net gain in surplus so early in its career.

The total surplus of the company, for the protection of policyholders now stands at \$216,337.33, out of total assets of \$299,850.50.

All of this indicates that the new business of the company has been transacted and is being transacted at a moderate rate of expense for the results obtained. It is gratifying to know that 1910 has started off at even a better pace than 1909.

The mortality experience of this company has been remarkably favorable, due chiefly, no doubt, to very careful selection of risks. There were no death losses in 1907; in 1908 only 20 per cent. of the expected; and in 1909 only 12 per cent. of the expected.

At the annual meeting of the company, held on Feb. 9, there were some changes in the official staff, Arthur Jones being added as vice-president and counsel, and Dr. Victor C. Vaughan, dean of the medical department of the University of Michigan, being elected medical director.

President Apps, Vice-President Lyman and Actuary and Secretary Mead were re-elected.

The Michigan State has made a special feature of total disability benefits, charging therefor adequate rates and putting up adequate reserves. Its actuary and secretary, Franklin B. Mead, has become known as one of the best informed actuaries in the country upon this subject, his paper read at the last meeting of the American Life Convention having attracted the attention of actuaries throughout the world.

THE "GOATS" MAY ESCAPE PUNISHMENT.

The Supreme Court has allowed an amendment to the perjury indictment against Hiram C. Reed and William H. Peck, the "goats" in the Peoples Mutual scandal. The defendants' attorney charge that the Insurance Department did not have authority to examine Reed and Peck in the way the investigation was conducted, in that the law under which the department took action did not apply to fraternal societies.

Inasmuch as Lieutenant Governor White and the other manipulators were not technically guilty of a crime, no great howl should be made if Reed and Peck escape.

It is further contended by the attorneys that the indictments do not allege that the matter of the defendants through the society being liable on the contracts, constituted a material question at the examination. It is further stated that the indictments do not allege whether or not the defendants thought the contract was a liability of the association or whether they believe the contracts constitute a binding and legal claim. It has not been shown, according to the demurrers, that the defendants had knowledge that the contracts were not legal, binding, valuable or a liability of the society.

To make matters more interesting, the National Assembly of the Peoples Mutual, which met on Wednesday of this week, adopted a resolution calling for the immediate liquidation of the society by the Insurance Department. They also ousted the five directors proposed by the Tevis-White office-buying syndicate. It is evidently the opinion of the ruling faction that the only chance the members have of getting back the \$150,000 Horace White and his friends so cleverly separated the society from and distributed among themselves is through the action already instigated by Superintendent Hotchkiss.

The Preferred
ACCIDENT INSURANCE COMPANY
of New York

SUPERIOR POLICIES

KIMBALL C. ATWOOD, President
290-292 Broadway, New York

THEIR LAST STAMPING GROUND.

(Continued from Page 1.)

trust, involving the welfare of widows and orphans, and it is with the idea of standing in some way as the representative of these I feel moved to accept your invitation to become a director.

Sincerely yours,
W. H. MORELAND,
Bishop of Sacramento.

Promoting the Promoters.

One of the amusing features of the promotion, in view of his supposed actuarial knowledge, is the publicity given to some choice selections from the pen of Frederic S. Withington. They read:

In reply to your request of recent date, I know of no men who have had more experience or who are better equipped for the work of life insurance company organization and management than Messrs. John R. Pratt and W. E. Grigsby.

I know personally that their methods are such as to deserve and inspire confidence. Stockholders of any life insurance company which has their services in an executive capacity can rely absolutely upon their judgment and experience in matters connected with organization as well as in the conduct of its affairs. * * *

I have full confidence in their desire to follow sound methods in actuarial matters and to base policy forms, rates and values strictly upon recognized standards.

\$650,000 For the Plotters; \$350,000 For Stockholders.

Assuming that Pratt & Grigsby get the usual promoters' allowance of 10 per cent. for all office expenses and their own fees over and above what is paid the agents, namely, 22½ per cent., and, as is the case, the stock sold at \$20, with \$10 par value, the stockholders will have given away \$650,000 to have procured a working capital of only \$350,000, for not a dollar of the capital can be used or held as anything but a liability.

Their Deception is Pathetic.

The officers and others lending their support to the promotion of the Western States Life, as has been the case in similarly organized companies, are not only deceiving their prospective stockholders as to the future value of the stock of the company, but themselves as well. Unintentionally or otherwise, they have dodged certain inconvertible facts.

If the present plans are carried to completion, there is the merest possibility that at the end of ten years the stockholders of this company can fairly expect dividends.

The National Convention of In-

surance Commissioners as its last annual meeting recommended the passage of State laws prohibiting the licensing of any corporation, the expense of organizing which **exceeded 5 per cent.** of the total sum paid by stockholders for their stock.

The average dividend paid stockholders by the American life insurance companies is estimated to be less than 7 per cent.

The few cases where an American life insurance company has earned a dividend before the end of three years, are held by all insurance experts to be most extraordinary.

The Western States Life Insurance Company begins business with two-thirds of its working capital gone—an absolute loss.

The dividends paid by the majority are the result of long years of up-building of the companies and the backing of them through years of loss.

The insurance conditions have so changed since the best dividend paying companies were organized that it is to-day impossible to have their sources of revenue.

Years ago the companies profited by lapses, non-payment of surrender values and through speculative investments, all of which are now prohibited by law.

The records of the most successful companies which promoters use to entice investors are not the records of companies whose stock was promoted.

The initial cost of getting business for a life insurance company is greater than in almost any other commercial activity.

CHARITY BY PROXY.

There is a story being told of a well known surety executive who is very prudent with his money. He rarely spends anything if he can get some one else to do the spending for him.

The other morning he was walking with a friend and they met a beggar who had a tale of woe that was amazing. He listened and asked some questions.

Then he turned to his friend and said: "John this man's story affects me greatly. Give him a quarter."

At the twenty-third annual banquet of the Life Underwriters Association of New York, to be held on February 24, at the Hotel Plaza, William H. Hotchkiss, Superintendent of Insurance of New York, will be the guest of honor. The entertainment committee promises that several speakers of national prominence will be in attendance.

WESTERN ASSURANCE Co.

HEAD OFFICE,
TORONTO, - - CANADA.

Incorporated 1851.

Hon. GEORGE A. COX.....President
W. R. BROCK and JOHN
HOSKIN, K. C. LL. D., Vice-Presidents
W. B. MEIKLE.....General Manager

United States Statement, Jan. 1, 1909.

Assets\$2,377,303.37
Surplus in United States..... 839,268.07

Pittsburgh Life and Trust Company

THE FIRST COMPANY LICENSED

By the New York Insurance Department to Transact Business in That State
Since the Armstrong Laws were Enacted

Ratio of Insurance Expense to Premium Income Only Sixty-five Per Cent.
of Amount Allowed by the New York Law

SEVENTH ANNUAL STATEMENT, JANUARY 1, 1910

W. C. BALDWIN, President.

ASSETS		LIABILITIES	
Real Estate	\$10,153,664.87	Liabilities to Policy	
Mortgage Loans . . .	3,437,899.00	Holders	\$21,697,064.82
Loans Secured by Col-		Capital	
lateral	20,657.82	Stock	\$1,000,000.00
Loans to Policy Holders	3,565,544.82	Unassigned	
Bonds and Stocks . .	5,316,057.00	Funds	955,124.70
Cash	711,114.62	Leaving a sum for	
Accrued Interest and		security to Policy	
Rents	176,274.24	Holders in Excess of	
Due and Deferred Pre-		Legal Liabilities of . .	1,955,124.70
miums	270,977.15		
TOTAL	\$23,652,189.52	TOTAL	\$23,652,189.52

STILL WEDDED TO HIS IDOLS.

Mr. Ekern Sees Nothing But Good In Wisconsin Laws.

The Mutual Benefit Life Insurance Company, of Newark, N. J., which under the construction of the new laws of Wisconsin, taking effect on January 1, 1908, by the attorneys consulted by it, withdrew from the State on December 31, 1907, has sent out correspondence with the department, entered into upon its invitation, during the year 1909 relative to the changes in the law, which will be necessary in order that the company will feel justified to return to the State.

"Expense Charge" on New Level Premium Basis.

At the last session of the Legislature the words "under the net level premium plan with uniform gross premium," it is called "loading," were stricken out of the definition of "Expense Charge" in the statute. This sentence, Vice-President Rhodes says, "was simply explanatory" and he is of the opinion that the "expense charge" under the law as it stands, is for a company which reserves on the net level premium basis, merely the loading over a net level premium, which would permit a commission of but 20 per cent. to be paid by his company on the premium of an ordinary life policy. He says also:

I am aware that a different construction has been placed upon the law; but the officers of this company cannot agree with such construction and do not believe that it would be sustained by the courts, and they do not, therefore, see their way clear to accept it.

Annual Dividend Requirements Decidedly Mixed.

Mr. Rhodes also objects to the requirement of the law that a life insurance company shall "annually ascertain and credit" the share of each participating policy in the profits which "shall be carried as a distinct and separate liability to such policy." This, according to his opinion, would require the same dividend to be actually credited and paid upon a policy with entire year's premium paid and upon another policy with only the first quarterly premium paid and no further payment of premiums thereafter.

Detailed Statements of Dividends Objectionable.

The company also objects strenuously to the requirement that statements of the detailed account, by means of which the dividend is computed, be sent to each policyholder, showing the percentage of mortality gain, etc. Concerning this Vice-President Rhodes says in part:

It is a common practice in com-

puting dividends, to use a portion of the mortality gains on new policies to help defray the expense of putting new policies upon the company's books. In fact, some companies do not distribute any mortality gains. Both practices are justified by sound business considerations, but such considerations cannot be made clear to an uninformed public, and the statement in question, instead of enlightening the policyholder, would tend to confuse and mislead him, and would be likely to produce unjustified litigation between a company and its policyholders.

Amendments Needed to Make the Law Fair.

The amendments which must be made to the Wisconsin laws before the vice-president of the Mutual Benefit would deem it wise for that company to return to the State, are as follows:

1. That the annual ascertainment of surplus be not compulsorily "as of the 31st day of December."

2. The entire provision, relative to crediting dividends and carrying them as a separate liability, should be repealed, as so irreconcilably confusing that it cannot be put into satisfactory form.

3. The requirement that the company mail each policyholder a statement of the details of the manner in which his dividend is computed, should be changed to "shall, if requested," in order that there may not be the inordinate expense of furnishing such statements to thousands of policyholders who do not desire them and who will misunderstand them.

4. The requirement that there be a disclosure of the "amount paid to sub-agents, the amount paid out in expenses of the agency, and the net compensation of the general agent" as to each general agent should also be repealed.

5. The provision relating to the limitation upon commissions and other costs of new business should be changed so that it applies to the aggregate only and not to each individual policy.

6. The term "expense charge" should be defined to mean the "maximum expense charge obtainable by employing any method of computing policy reserves established" in the valuation sections of the law. This would enable the maximum provision under the laws of Wisconsin to be availed of even though the reserve method did not correspond thereto.

Vice-President Rhodes' Closing Statement.

The letter of Vice-President Rhodes closes as follows:

My views regarding the necessary changes in the law might, of course, be modified if any changes were made at the recent session of the Legisla-

ture of which I am not aware, or by official rulings which are not in my possession. I cannot say whether the changes I have suggested, would be acceptable to other companies which have retired, as I have written this letter without conferring with them.

While I shall be very glad to engage in any discussion which has for its object the establishment of a better understanding between us, and would even be willing to visit Madison for that purpose, the company cannot make the same efforts to return to the State that we made to remain in the State when the present laws were under consideration. At that time our retirement was a serious blow. It meant the destruction of an agency force which had been years in building and which represented the investment by the company of a considerable sum of money. It meant, also, financial loss to our agents who had served us faithfully and whom we were anxious to protect. It also meant, possibly, a very heavy lapse rate with a consequent loss of business already secured. The situation now is very different. Our agency organization in Wisconsin is destroyed, and can be reestablished only at a heavy expense. Our lapse rate in Wisconsin has been even lower since our withdrawal from the State than it was before our withdrawal, implying, perhaps, that our policyholders, knowing they could not replace any lapsed insurance with new insurance in this company, have valued their policies more highly since the company's withdrawal than prior thereto, although our lapse rate in Wisconsin has always been low. We can truly say, therefore, that we are not as anxious to return to Wisconsin as we were to remain in the State, although we shall be very glad to return if the way is opened for us to do so.

After Many Delays.

This letter was sent on July 6, 1909, and its receipt was acknowledged on July 16, with a statement that "Commissioner Beedle is away on his vacation and the entire force is overworked."

No reply having been received, Vice-President Rhodes wrote again on October 8 to inquire what disposition was being made, and again on November 27. An examiner of the

The UNION CENTRAL LIFE of Cincinnati

Has several good openings for first-class men. It is the Company of companies for the agent who will make an aggressive campaign for business, and who wants to win in competition.

The Union Central earns the highest rate of interest on its investments of all American companies.

THE BEST COMPANY For The Policyholder.

Address

JESSE R. CLARK, President, or
ALLAN WATERS, Sup't of Agents.

department wrote on December 1, stating:

I am assured, however, by Commissioner Beedle and Deputy Commissioner Ekern that the suggestions which you have outlined in your first letter are being considered and that they will write you fully in regard to the matter next week.

A letter was sent by Deputy Commissioner Ekern on December 22, in which the success of the Northwestern Mutual Life Insurance Company, under the existing construction of the laws, which the attorneys of the Mutual Benefit have advised is erroneous and not to be relied upon, is cited as evidence that the Wisconsin laws are such that other companies could live under them. This may appear to be begging the question.

Commissioner Ekern on Net Level Premium Reserves.

Commissioner Ekern pays his respects to the net level premium method of valuation vigorously as follows:

Under the practice of life insurance companies as the business is conducted the reporting of this reserve on the net level premium plan for the first year and the next few years is the reporting of a fictitious reserve consisting wholly or in large part of the surplus taken from the older policyholders. It is admitted by all insurance men, as indeed argued by you, that this net level premium reserve can not be put up out of the first year's premium after providing for the current cost of insurance or the mortality charge and paying the expenses which the company incurs on account of the policy, and that this is equally true when applied to aggregates. Neither does any well managed company use such net level premium reserve in the first few years of the policy as a basis for loan or surrender values or paid up or extended insurance or other benefits. The real facts are that the company has no net level premium reserve and that such pretended reserve is made up from and conceals surplus of old policyholders. It forms an excuse for arguing that the expense cannot be met from the premium and consequently that the surplus must be dipped into for expenses to an unlimited extent. If it serves any purpose it is that of an arbitrary requirement for a surplus in excess of the real reserve, and so far as this may be desirable it can be met equally by a specific requirement for such surplus. This would disclose the real facts. But as our law imposes no limitation upon the amount of surplus a company may carry, companies from other States are, as before stated, permitted to report reserves on the net premium plan or any other plan which yields a higher reserve than that produced by the method used to determine the expense charge.

And of What Constitutes the "Expense Charge."

His construction of the "expense charge" is that the company may make it what it pleases, without regard to what it does concerning reserves, or in any other matter; and that, inferentially, if it has once elect-

ed that it be a certain amount, it is bound by that election. For this it would perhaps be difficult to find any warrant in the statute. The following is part of what he says upon this subject:

It appears as if a considerable amount of the difficulty in understanding our law has arisen from an inability to understand that the laws were intended to permit companies to prescribe their own method of doing business instead of the old system of net level premium values and the later arbitrary expense limitations being applied to all kinds of insurance and methods of doing business without regard to whether they fitted such plan or method or not. Of course if your company only wishes to adopt an expense charge for the first year of insurance, of \$5.27 on a \$1,000 policy at age 35, with a premium of \$26.35, on the American 3 per cent. table, that is a matter solely for your company, and if this is the expense charge adopted you will have to do business under that limit if you do business under our laws at all. But do not get away from the fact that there is no relationship between the expense charge and the amount of reserves which a company from another State is permitted to report to this State.

Is Impoundment of Surplus Thus Avoided?

Notwithstanding that he has thus divorced completely the "expense charge" from the method of valuation so that a company may put up out of the surplus of older policyholders or out of any other funds at its command the difference between a net level premium reserve and the amount

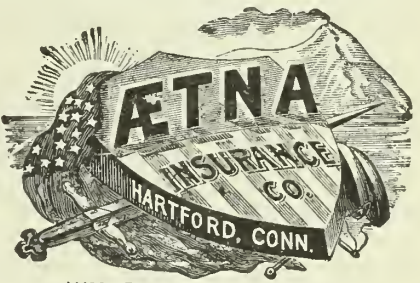
(Continued on page 10)

KEEPS UP ITS REMARKABLE PACE.

An examination of the sixty-seventh annual statement of the Mutual Life Insurance Co., of New York, which appears in this issue, shows that the company has this past year maintained the pace it set four years ago reducing its expense ratio, for otherwise it would not be in a position to set aside a general increase in dividends over those apportioned in 1909 of \$6,970,915.

The oldest life insurance company in America paid to its policyholders last year \$55,142,815. The increase in assets was \$21,083,399, and of the new business paid for in 1909 (\$102,040,633) the company claims its ratio of expense to total income is lower than any other company doing a general life insurance business.

"The Leading Fire Insurance Company of America."



WM. B. CLARK, President.
W. H. KING, Vice-President.
HENRY E. REES, Secretary.
Assistant Secretaries,
A. N. WILLIAMS, E. S. ALLEN,
E. J. SLOAN, GUY E. BEARDSLEY.

Michigan State Life Insurance Company

Home Office: Majestic Building,
DETROIT MICHIGAN

FREDERIC APPS President
E. A. LYMAN Vice-President
ARTHUR JONES Vice-President and Counsel

ASSETS.		LIABILITIES AND SURPLUS.	
First Mortgage Loans on Real Estate	\$218,435.32	Reserve on Policies including Disability Reserve..	\$81,685.00
(Loaned on Real Estate worth \$587,150.00)		Unpaid Death Claims.....	None
Municipal Bonds (Michigan)	16,295.09	All other Liabilities.....	1,828.17
Loans on Company's Policies	1,020.83	Total Surplus for protection of Policyholders....	216,337.33
Deposited in Banks and Trust Co.'s (on interest)	27,796.53		\$299,850.50
Due from Solvent Reinsuring Companies	326.15		
Renewal Premium Notes (Reserve charged in liabilities)	2,094.14		
Interest due and accrued on Mortgage Loans, Bonds and Deposits in Banks	4,145.17		
Net deferred and unreported premiums (Reserve charged in liabilities)	23,177.46		
Furniture, Fixtures and Supplies	6,559.81		
Total Assets	\$299,850.50		

GAINS MADE IN 1909.

Gain in Assets\$ 70,885.83
Gain in Surplus 17,558.92
Gain in Reserve 52,845.00
Gain in Insurance in Force 1,397,253.64

THE RETURN TO THE FOLD.

Now fire insurance men in the West are asking each other what is going to happen next, and nobody can answer. When Henry Evans and George E. Kline, of the Continental, met the committee of the Western Union last week it took only a few minutes to arrange the details for the Continental's application for admission to the big organization. The chief concession granted the Continental was two years in which to get its agency plant in shape. Considering the size of its plant, this was very reasonable.

Union managers, of course, are happy over such an accession to their membership and non-union managers rejoice because peace in the field is assured by this move. The non-union managers are not committing themselves, as that would stir up their local agents. Some of these agents went through separation once and have no desire for another experience, hence they are sensitive on this question. This feeling is the greater because they believe that if they should find it necessary to unionize they would not be able to wring from union companies all the concessions they have been able to get out of some non-union ones. The impression is pretty strong that there will be concerted action among a half dozen or more non-union managers and that they will enter the union at one time. Should this occur it is altogether probable that there will be a **procession of smaller companies** into the organization, for there are small companies which stand for reasonable commissions just as strongly as the big ones do and they do not fancy the prospect of being thrown into excess commission agencies. As the union had practically abandoned control of rates and all other functions of doubtful legality in anti-compact States, it is now little more than an organization of companies which follow certain underwriting practices and have a fixed scale of commissions. Companies on the outside which follow the union commission scale would have to give up but little of their liberty by joining the organization and in return they would get into agencies where all are on the same footing as regards commissions. Furthermore, there is a strong sentiment even among some non-union managers to get together for the general good of the business, aside from the commission question. They see the States encroaching more and more upon what they have regarded as their rights. They see taxes increasing and the margin of underwriting profit growing perilously narrow and they see the

need of the companies presenting a united front. The union is the only organization in the West which affords a basis on which to get together; so it is probable that those who do not like the union or are prejudiced against it, but still desire co-operation, will see the wisdom of being practical and using the means of grace at hand rather than sighing for the unattainable.

Two Years' Concession Absolutely Necessary.

Had it not been for the two years' concession already referred to, within which to readjust agency conditions, there was certain to be a pretty how-d'y do. The situation in the field of the Western Union is that there are three classes of agents, as a result of the separation rule adopted by the union some years ago, when it put into effect graded commissions.

First. Exclusively union agencies, in which all the companies belong to the Western Union and commissions are limited to 15 per cent., except that 20 per cent. is paid upon certain classes of hazards and 25 per cent. on certain other classes of hazards.

Second. Exclusively non-union agencies, in which commissions are in all cases somewhat higher than in union agencies on one or more of the classes of hazards, excepting possibly where the Continental and the Fidelity have had "contingent commission" contracts under which no profit has been earned by the company, and consequently no contingent commissions have been paid. Not infrequently some of the companies in these agencies have been paying materially higher commissions than the others.

Third. Mixed agencies, in which there are both non-union and union companies, the latter paying not to exceed 15 per cent. in any case, and the former whatever they agree to pay. These agencies have been maintained, only when it seemed so much against the interests of the union companies and of the agent himself to force separation that there was a choice of evils and the continuation of the mixed agency was accepted as the least of two evils. In such offices the union companies have naturally been receiving a large proportion of the business which is not ranked as of the preferred class, while preferred business has been going principally to the companies, paying a discriminating commission.

Agency Interference Avoided.

Had it been necessary for the Continental to readjust its commission rates completely and to comply with union requirements, including separation, the following choices only would

have been open to itself and its agencies, viz:

First, for the company to retire from the agency and go over to a strictly union agency or a mixed agency.

Second, for the agency to become a union agency, which, of course, would have necessitated the dismissal of all the other non-union companies. In many cases, this would not have been practicable.

Third, for the Continental to remain in the agency, which would from that time forward have been a mixed agency. Under the strict rules of the union, had this taken place, the Continental could have paid 15 per cent. commission on all classes of hazards and the distribution of the business of these agencies would inevitably have stirred up a good deal of trouble.

Presumably all of these difficulties are very materially reduced by the concession of two years within which to readjust the agency arrangements. The change, therefore, is likely to take place with a minimum of interference with agency conditions in the West.

The meeting of the stockholders of the Insurance Company of North America has been called for April 7, to vote on the proposed increase of stock of the company from \$3,000,000 to \$4,000,000.

The Philadelphia Life Insurance Company

North American Building.
PHILADELPHIA, : PA.

THE TEXAS BOOMERANG.

Taking the stand that to issue rates for any number of cities except the whole State is to discriminate and will prevent comparison, the Texas Fire Rating Board has directed the fire insurance companies to rescind the key rates which they have issued for three cities.

The commission is evidently fearful that it will not have enough cases to sit on to warrant its existence. This latest move is to set aside any uneasiness that may have been felt in that direction.

It will be a long time before the companies can complete the basic ratings for the whole State. Already there is a growing dissatisfaction and uneasiness over the probable increase in rates. This will be augmented by the delayed announcement, and it is safe to predict that the dissatisfaction over the delay in hearing their cases promptly among the assured by the commission will be as great as the kick over the rates.

If all the key rates are given out simultaneously, it will be absolutely impossible for the rating board to hear the protests and dispose of them rapidly enough in time to benefit the protestants.

The embarrassment in which the commission has placed the fire companies will turn into a boomerang and cause the citizens to question whether or not the fire rating board can render any real service.

INADEQUATE PROTECTION AT BALTIMORE.

The recent heavy losses in Baltimore caused a special investigation of the city's fire protection to be made by engineers of the fire prevention committee of the National Board of Fire Underwriters. They recommend that nine additional engine companies, three ladder and three hose companies be added to the present equipment to warrant reasonable service. The cost of Baltimore's fire department per capita is estimated to be \$1.55, while that of Boston is \$2.35, and that of Buffalo is \$1.96.

MERGER GOES INTO EFFECT MARCH 1.

The merger of the Fidelity and Phenix will become effective after the close of business, i. e., after 2 P. M., February 28, 1910. The business of the Fidelity-Phenix Fire Insurance Company will begin March 1, 1910. The directors will pass resolutions validating the policies issued on policy forms of either company after the merger by agents prior to the receipt of new policy forms.

HARTFORD'S FIRE CUSTOMARY RECORD OF SUCCESS.

The Hartford Fire Insurance Company has entered its centennial year with its customary record of success and faithful performance of its mission. Total assets to the splendid amount of \$23,035,701 embody a gain of \$2,660,884 during last year; reserve for reinsurance, \$12,742,135, was augmented by \$719,661; net surplus, \$6,713,748, shows a growth of \$1,652,156 in 1909, and, together with the \$2,000,000 of capital stock, exhibits the magnificent surplus to policyholders of \$8,713,748. The administration of the Hartford Fire presents not only the spectacle of a producer of extraordinary results in its field of endeavor, but also that of an educator of its field force and of the public at large in the monstrous extent of the fire waste and the possibilities of its reductions, and is thoroughly well equipped for another century of success.

The Aetna Indemnity Company has appointed Otto R. Cisky, of Port Huron, Mich., agent of its accident and health department.

LEADING FIRE COMPANY OF THE WORLD

(of Liverpool,

England.)

SUN**Insurance Office OF LONDON.**

FOUNDED 1710.

UNITED STATES BRANCH:

54 PINE STREET, NEW YORK.

WESTERN DEPARTMENT:

171 LA SALLE ST., CHICAGO.

PACIFIC DEPARTMENT:

Sansome & Sacramento Sts.,
SAN FRANCISCO, CAL.**AGENTS WANTED
AT UNREPRESENTED POINTS.****The
Star of
Success**

shines over the fields in which our agents work.

Why? Popular company, policies that cover public needs, low net cost, literature that prospects read.

Now writing the largest business in our history.

For agency information apply to

**Massachusetts Mutual
Life Insurance Company**
Springfield, Mass.

Incorporated 1851.

**THE
FIDELITY & CASUALTY
COMPANY**

97 TO 103 CEDAR ST., NEW YORK CITY.

ASSETS - \$8,649,885.66
Cap. & Surplus \$3,011,834.00
LOSSES PAID \$29,195,835.05
to Jan. 1, 1909,

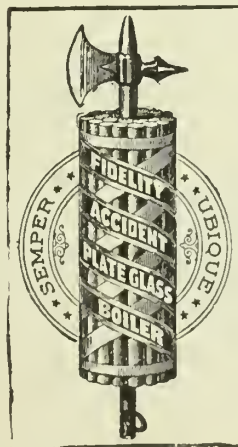
This Company grants Insurances as follows:

Bonds of Suretyship for Persons in Positions of Trust, Fidelity Bonds, Burglary, Plate Glass, Steam Boiler, Fly Wheel, Employers, Public, Teams, Workmen's Collective, Elevator and General Liability; Personal Accident, Health and Physicians' Liability.

OFFICERS:

GEORGE F. SEWARD, President.

Robert J. Hillas, V.-P. & Sec'y. Henry Crossley, Ass't Sec'y.
Frank E. Law, 2d Ass't Sec'y. George W. Allen, 3d Ass't Sec'y.



"THE RED PLAGUE."

At the annual meeting of the Illinois State Association of Local Fire Insurance Agents, held at Alton, Ill., yesterday, President Louis S. Amonson, of the Peoples National Fire Insurance Company, addressed the convention on the "Red Plague." This subject, naturally, is Mr. Amonson's hobby.

He said, in part:

Frequent reference is made to the great disparity in fire waste between America and other civilized countries, notably France and Germany, but I don't think that this has, as yet, been brought home forcibly enough to the heart and conscience of the American people. The company of which I have the honor of being president issued some time ago 500,000 blotters, and on each blotter we put this sentence: "Every fire is a crime," because every fire is due to one of three crimes—the crime of ignorance—the man don't know that certain conditions will burn his place; the crime of carelessness—the man don't care whether his place burns or not; the crime of dishonesty—the man wants to have his place burn and cash in at the expense of the American people. My friends, that is the problem of the red plague put in simple words.

Managers Not Free From Blame.

First of all I want to say that the responsibility rests with the executive officers of the fire insurance companies. When we hold an experience meeting and try to fix responsibility for the red plague, let us not forget ourselves. And I want to say to you that the managers of the companies are not free from blame for these conditions. They are often blinded by competition and in their greed for business and their desire to do everything that might advertise their companies, they pay losses whether they are straight or crooked. Some companies advertise that they pay losses on sight. They fairly shovel the money out to the man that burns up, and we must not forget that this is one of the causes for the wholesale destruction of life and property. We must not avoid our share of blame and so the fire insurance managers of the country, who pay losses without investigation, just as fast as they can shovel other people's money out—we must not forget that they share in that great and appalling waste of life and property.

Agents Tempt the Dishonest.

But there are others responsible with us, and next I will come to the local fire insurance agents. We have at this banquet to-night the flower of the Illinois fire insurance profession. Have you done all that you could to minimize this terrible national calamity? Have you done your full share to bring home to every customer that one great truth—that a fire is an absolute luxury; that it isn't at all necessary; that if a man takes every possible precaution a fire cannot occur outside of some great natural calamity that no man can foresee? Have you explained that every dollar that goes up in smoke makes Uncle Sam just so much poorer? Have you brought home to your people,

through your newspapers or your legislators that the great truth that a loss by fire is a permanent loss that can never be made good while the world stands? That in a million years you can never restore a single house that has been burned—the good muscle that went into the building of that house with the strokes of the hammer; the labor of the man who put the slate on the roof; the labor of the man who painted the wood; all is destroyed for time and eternity? Do you realize, also, that every time you issue a policy for more than the cash value of the property you put temptation before dishonest men, and that you are spreading the red plague of fire far and wide?

Puts It Up to the Agent.

Now, my friends, between the company managers, the company agents, the legislators, the newspapers and the insurance commissioners, we can bring to the American people a realization of the terrible waste and the needless waste of the nation's money. Not our money. It is the peoples money we are spending. Only one man in a hundred at the outside is ever the beneficiary of a fire. Ninety-nine per cent. of the people never have any occasion to collect a loss, and consequently if this subject is brought to their attention as you gentlemen can bring it to their attention it means that you will have ninety-nine per cent. of the population with you—ninety-nine per cent. of the honest citizenship of this country—in this great crusade that we ought to inaugurate to-night for the suppression of the red plague of fire.

To Hold Every Fire a Crime.

We ought to take one leaf from the book of experience across the water. There they do not, the minute a fire occurs, shovel the money out to the claimant. On the contrary, they say that no company can pay a loss until the police authorities have investigated it. That is a law that we want in the State of Illinois and in every State in the Union. A fire, like a murder, is, prima facie, a case for the police authorities. There should be an investigation of the cause, and after the man has proven himself innocent then, and not till then, should the companies have a right to adjust and pay. So I want to ask you to-night to join with me and to resolve that, as far as you are able, you will proclaim this gospel throughout this great State of Illinois, that every fire is a crime.

JOHNSON MADE WESTERN MANAGER.

It is announced that the Western department of the Insurance Company of North America will be removed from Erie, Pa., to Chicago, Ill., on May 1. J. F. Downing, who has represented the company in the Western field for nearly fifty years, is to retire. W. N. Johnson, for many years general agent of the company, will assume the reins as Western manager.

Mr. Johnson is a native of Illinois. He was special agent for the New York Underwriters in Illinois and Iowa for eight years and for the Hartford in Iowa for nine years before going with the Insurance Company of North America as general adjuster. For the last fifteen years he has been assistant general agent. He is a member of the governing committee of the Western Union and chairman of the committee on publicity and education.

When Chicago began to develop as the center of fire underwriting, it is said that the Erie headquarters was continued out of regard for Mr. Downing. He has been Western manager of the Insurance Company of North America since 1864. He will continue as general agent at Erie for the Pennsylvania Underwriters, which is made up of the Insurance Company of North America Fire Association.

Germania Fire INSURANCE CO.,

NEW YORK

ORGANIZED 1859.

Cash Capital.....\$1,000,000.00
Assets.....\$6,562,329.14
Net Surplus.....\$2,008,419.02
Surplus for Policyholders,\$3,008,419.02

HEAD OFFICE:

Cor. William and Cedar Streets.

THE HOME LIFE INSURANCE COMPANY OF AMERICA

Incorporated 1899.



THE COMPANY FOR THE AMBITIOUS AGENT who desires to sell "COMMON SENSE" insurance at LOWEST COST, and who seeks, through most liberal first year and guaranteed renewal commissions, to receive just recognition of service. All policies registered, signed and sealed by the Insurance Commissioner of the State of Delaware, making them truly

SAFE AS GOVERNMENT BONDS.

Address Executive Offices, 416-18-20 Walnut Street, PHILADELPHIA, PA.

JOHN LANGHAM, Jr.,
President.

JOSEPH L. DURKIN,
Secretary.

GEORGE M. NETTLESHIP,
Manager of Agencies.

OTHERS WILL FOLLOW LEAD OF CONTINENTAL.

That a number of strong non-union companies will soon follow the lead of the Continental, and join the Western Union, is only a question of time. It is understood that several of them have already been in conference with this point in view. As soon as an understanding can be reached, it is proposed that, to have thorough harmony, a committee be appointed to take up the negotiations.

When interviewed last week, President Amonson, of the Peoples National Fire, said:

The admission of the Continental and Fidelity-Phoenix to the Western Union offers an excellent reason why the Peoples National and other non-union companies should follow their example. So far as this company is concerned we are giving the matter careful consideration, and as soon as a conclusion is reached an announcement of our decision will be made.

ENJOIN COMMISSIONER FOLK.

The Lumber Underwriters, of New York, have filed a bill with the United States Circuit Court seeking to enjoin Insurance Commissioner Folk from revoking the license of the company to do business in Tennessee.

As announced last week, Commissioner Folk served notice on the company to appear by February 15 and show cause why its license should not be revoked, the charge being that the company had violated the insurance laws of Tennessee, by removing a suit from its State to the Federal court without the consent of the other parties to litigation.

The company contends this law violates the State and Federal Constitutions and relates only to suits brought by citizens of Tennessee. The suit was brought in Memphis on insurance on lumber in Mississippi. The case will be heard at Knoxville February 26.

1860 50th YEAR 1910

HOME LIFE

Insurance Company of New York.

GEORGE E. IDE, President.

Assets	\$23,626,018.63
Liabilities	21,858,691.52
(Including Deferred Dividend Fund)	
Dividend Endowment Fund	
(Deferred Dividends)	2,119,044.00
Net Surplus	1,767,327.09
Insurance in Force.....	92,532,583.00

The record for 1909 shows the following GAINS:

Insurance in Force	\$4,164,239.00
Assets	1,917,117.00
Deferred Dividend Reserve...	148,581.00
Contingency Reserve (Surplus)	655,149.17

MEMORIAL FOR WHITNEY.

Frank H. Whitney, vice-president of the Michigan Fire and Marine Insurance Company of Detroit, died on Wednesday, a week ago. Mr. Whitney was prominent in organization work and last year was elected vice-president of the Western Union. He entered the services of the Michigan Fire and Marine in the late 80's as a special agent, and succeeded Eugene Harbeck as secretary of the company when the latter went to Chicago as Western manager of the Phoenix.

President Lenehan, of the Western Union, has appointed the following committee to prepare a memorial: Cory L. Andrews, Detroit Fire and Marine; H. C. Eddy, Commercial Union; J. W. G. Cofran, Hartford Fire; John Marshall, Jr., Fireman's Fund, and M. F. Driscoll, Phoenix of London.

The annual reunion of the field men of the Western department of the Phoenix of Hartford was held at Cincinnati on Tuesday and Wednesday of last week. President Skilton and Vice-President Mulligan represented the home office. The excellent showing of the company during the past year paved the way for complimentary remarks on all sides.

Indictments have been returned against T. T. O'Leary, J. J. Keane, P. J. Needham, Dr. J. C. Rogers and Dr. C. G. Schott, in the alleged graveyard swindle of the Indiana insurance companies. All of the accused, who are charged with criminal conspiracy to defraud, are out on bail.

As "The Chronicle" goes to press, the National Association of Fire Insurance Agents is holding its mid-year conference in Cincinnati. The loss of trust lines to local agents will be the principal subject of discussion.

NOTEWORTHY ADVANCE.

The

BERKSHIRE LIFE Insurance Company,

OF PITTSFIELD, MASSACHUSETTS, takes an advanced step in the interest of the policyholder by the adoption of the following liberal features in its new policy contract:

Low premium rates.
Large surrender values.
Dividends at the end of each policy year.

Thirty-one days of grace in payment of all premiums after the first year.

Paid-up insurance or cash surrender value or extended insurance after two years' premiums have been paid.

Loans for the full cash surrender value.

Policy payable in one sum or in installments for terms of years.

Policy incontestable, and no restrictions upon residence, travel and occupation, after the first policy year, except as to military or naval service in time of war.

Right of the insured to change the beneficiary.

Liberal re-instatement privileges.

Every effort has been made to make this new policy the very perfection in a life insurance contract.

For further information apply to
JOHN H. ROBINSON, General Agent
For New York and New Jersey,
Postal Building,
253 Broadway, NEW YORK.

1801

CENTENNIAL YEAR

1910

Hartford Fire Insurance Co.

HARTFORD, CONN.

Capital Stock	\$2,000,000.00
Reserve for Reinsurance	12,742,135.49
Reserve for Outstanding Losses.....	1,379,817.62
Reserve for taxes not yet due.....	200,000.00
Net Surplus	6,713,747.50

Total Assets	\$23,035,700.61
Surplus to Policyholders.....	\$8,713,747.50

CHAS. E. CHASE, President.

R. M. BISSELL, Vice-Pres't.	THOS. TURNBULL, Sec'y.
Underwriting Manager.	FRED'K SAMSON, Ass't Sec'y.
J. W. G. COFRAN, Vice-Pres't.	S. E. LOCKE, Ass't Sec'y.

Western Department, Chicago, Ill.

COFRAN & DUGAN, Gen'l Ag'ts. W. C. BOORN, Ass't Gen'l Ag't.

Pacific Department, San Francisco, Cal.

PALACHE & HEWITT, General Agents.

Agencies in all the Prominent Localities throughout the United States and Canada.

STILL WEDDED TO HIS IDOLS.

(Continued from Page 5.)

which it has actually accumulated from past premiums after meeting all requirements as to expenses and losses, he is still of the opinion that by some hokus pokus the law as it stands, has the effect "to do away with the practice of using the surplus of old policyholders to pay for getting new business." The following is a part of what he has to say on this subject:

The effect of the requirement of our laws (Sec. 19500, laws of 1907, Ch. 057) that a participating company shall keep its aggregate first year expenses within the aggregate amounts it provides for that purpose in the first year premiums collected for the year, is to do away with the practice of using the surplus of old policyholders to pay for getting new business. It was this use of the surplus of old policyholders which led to the payment of commissions ranging up to 80 per cent. and 100 per cent., leaving the companies to pay the first year death losses and something more, as well as provide the so-called reserve, out of the surplus of old policyholders. Not only were the latter deprived of their dividends, but companies as a whole were losers on the enormous amount of policies which terminated at the end of the first year. Such a situation will be absolutely impossible under this section. Besides, if the amount which may be expended is limited to the amount collected for that purpose in the premium it is likely a pretty effective inducement to economy.

Believes Policyholders Wish the Itemized Statement.

He pays his respects to the proposition that most of the policyholders have no desire for an itemized statement as to the means of arriving at the dividend as follows:

The suggestion that the statement should only be made upon request is based upon the assumption, which is altogether too true, that it would rarely if ever be requested. The policyholder, engrossed with other affairs, pays altogether too little attention to the management of his company, so much so that if it happens to be a mutual company the existing management, with rare exceptions, finds no difficulty in perpetuating itself. If this information is put before the policyholder every year it is quite likely to be preserved by some and will be noted by a sufficient number to raise a vigorous protest against many practices which have heretofore been indulged in.

Query: Has any policyholder of the companies which are still doing business in Wisconsin, received such an itemized statement? The writer of this article has held policies in such companies for many years; no such statement has to his knowledge been sent to him, although large and satis-

factory dividends have been paid each year since this law went into effect.

Most of the remainder of the letter is given to a discussion as to whether the other points taken by the Mutual Benefit are well taken, a matter which can safely be left to the consideration of the counsel of the company.

The Company Invited To Send Other gestions for legislation."

The following is a peculiarly-worded invitation to a company to continue correspondence about the matter, and to submit further "suggestions for legislation."

We shall be pleased to consider any suggestions for legislation which will bring clearly home to the prospective policyholder the exact amount which his insurance is to cost him during each year on the assumptions of the company and which will place the policyholder in position to judge intelligently of the portion of such assumptions returned to him in dividends, if any. There is no mystery about life insurance and any attempt to invest it with that element is ordinarily a cover for fraud. Any suggestions that do not look to the ends above indicated will be time wasted. The argument for economy in expense in furnishing information to policyholders is ordinarily a cover for avoiding the disclosure of practices which enable the management to spend without question amounts compared to which the cost of informing the policyholder is a mere bagatelle.

Vice-President Rhodes Closes the Correspondence.

The following letter of Vice-President Rhodes in response thereto and closing the correspondence is so brief and to the point, as well as so thoroughly explanatory of what had occurred and of the existing conditions, that it is here given in full:

H. L. Ekern, Esq.,
Deputy Insurance Commissioner,
Madison, Wisconsin.

Dear Sir:

I have your letter of the 22nd instant, written in response to my letter of July 6, last to Mr. Edward A. Ketcham, an examiner of your department.

When Mr. Ketcham (of his own

volition so far as this company is concerned) called at this office and spent a part of two days discussing the insurance laws of your State and their effect upon the companies, it was natural, although as I now see a mistaken assumption on our part that you would be willing to consider such changes in the laws as, while fully protecting the interests of your citizens, would permit the companies which withdrew from your State to return.

The results of the insurance business of your State since the withdrawal of the companies may be as you suggest, satisfactory to the department, but one who has read the report of your investigating committee, as well as the reports of other investigating committees, would find difficult in believing that the companies now doing

Hanover Fire

INSURANCE
COMPANY
of New York



Agencies
in all the Principal Places
in the United States.

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS is unsurpassed for net low cost and care of interests of all members.

THE PENN MUTUAL LIFE INSURANCE COMPANY OF PHILADELPHIA

On January 1, 1909, rates were reduced and values increased to full 3% reserve.

OUR BOND—YOUR SECURITY.

T. J. FALVEY, President. JOHN T. BURNETT, Sec'y & Treasurer.



Massachusetts Bonding and Insurance Co.

Organized under the Laws of the Commonwealth of Massachusetts.

Home Office, 77-81 State Street, Boston.
Capital\$500,000.00
Surplus\$250,000.00
SURETY BONDS and BURGLARY and THEFT INSURANCE.

1860 49th YEAR 1909

HOME LIFE

Insurance Company of New York.

GEORGE E. IDE, President.

Assets	\$21,708,901.70
Liabilities	\$20,471,723.76
(Including Deferred Dividend Fund)	
Dividend Endowment Fund	
(Deferred Dividends)	\$1,970,463.00
Net Surplus	\$1,237,177.94
Insurance in Force	\$33,368,244.00

The Record for 1908 shows the following GAINS:

Insurance in Force	\$2,174,947.00
Assets	\$1,704,048.00
Deferred Dividend Reserve	\$175,443.00
Contingency Reserve (Surplus)	\$467,742.51

business in Wisconsin have a monopoly of virtue, or that many of the companies which withdrew are not to-day furnishing as desirable insurance in every respect as the companies which remained. Neither would anyone, I think, seriously contend that the companies doing business in Wisconsin to-day are in any essential respect, so far as the interests of their policyholders are concerned, conducting their business any differently than before the present laws were enacted. You say for example that, "The effect of the requirement of our laws (Sec. 19500, laws of 1907, chapter 657) that a participating company shall keep its aggregate first year expenses within the aggregate amounts it provides for that purpose in the first year premiums collected for the year, is to do away with the practice of using the surplus of old policyholders to pay for getting new business." No intelligent person would affirm that in this respect the practice of the companies doing business in Wisconsin on the net level premium reserve basis differs from that of the companies which withdrew. A lawyer who cared to undertake the business could, I think, become independently rich if he received a fee equal to 1 per cent. of the fines collectible under the laws as they now stand.

I would be glad to receive further light upon some of the statements contained in your letter. For example, I would like to know how, without disregarding the provisions of section 1946x, you conclude that in case of an ordinary life policy issued at age 35 for \$1,000 with an annual premium of \$26.35, the conditions of which require the company to hold a reserve according to the American Experience Table of Mortality and 3 per cent. interest, we are not limited to a maximum expense charge of \$5.27 for the first year of insurance.

Inasmuch, however, as you appear to be satisfied with the situation, or at least are unwilling to admit the need of any change of your laws, it seems useless to continue the correspondence and I can only express my regret that I was led to trouble you with my communication of July 6, last.

Yours very truly,
E. E. RHODES,
Vice-President.

TO PROHIBIT FIREWORKS.

Plans to make sure of a safe and sane Fourth of July are already under way in various parts of the country. The danger is, however, that they may all be forgotten before the evening of July 3. The New York Board of Aldermen are considering a measure which has been introduced, which proposes to prohibit the use of fireworks at any time except to persons who are duly licensed and for places designated by the fire commissioner. The measure has strong prospects of passage. It is being vigorously advocated by everybody except the small boy and his fool dad.

THE SECOND KNOCKOUT IS NOT ENOUGH.

Irrespective of the fact that for a second time the courts have held that the fire insurance companies were not operating in violation of the anti-trust laws of Kansas it is now said the publicity seeking Attorney General of that State will appeal the decision of Judge Dana.

The court held that the evidence introduced by the State to prove the alleged combination was insufficient, as the facts did not disclose any compact in violation of law. The gist of the charge had been that since the companies were all buying their advisory rates from the Eldridge Bureau there was naturally an illegal combination to maintain and enforce those rates.

The Illinois Insurance Department has asked the Peoples National Fire, of Philadelphia, to alter its charter. It contains a liberal provision for buying and selling real estate. The department holds that this clause must be so changed that the company will be prohibited from owning any real estate except such as is necessary in the conduct of its business.

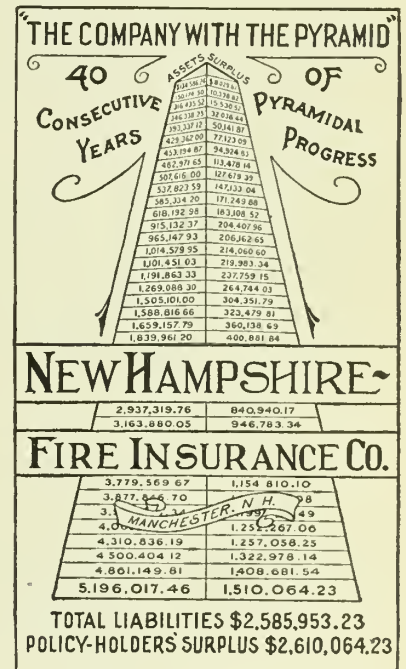
The Merchants' Fire Insurance Corporation, of New York, has been authorized by Superintendent Hotchkiss to commence business. The company has capital of \$200,000 and a surplus of \$300,000. Newnan & MacBain have been appointed New York City agents. The board of directors is made up of several of the most prominent men in the city.

HARTFORD LIFE

INSURANCE COMPANY,
OF CONN.

1909 Policies are Participating, or Non-participating, with Lower Rates and Values based on FULL RESERVE.

For Right Contracts,
Address, Second Vice-President,
Home Office, HARTFORD, CONN.



OLDEST
IN
AMERICA

STRONGEST
IN THE
WORLD

THE MUTUAL LIFE Insurance Company of New York

Mutual Life Agents Make Most Money
Because Mutual Life Policies Sell Most Freely

For terms to producing agents, address

GEORGE T. DEXTER

2nd Vice-President

34 Nassau Street

New York, N. Y.

IN NEW ENGLAND

The Wonderful Fireman's Fund.

The wonderful recovery of the Fireman's Fund Insurance Company, following the earthquake and fire disaster of 1906 at San Francisco, is one that can hardly be paralleled. On January 1 last the company had assets of \$7,431,401, which is \$200,000 more than it possessed on the same date preceding the catastrophe of April, 1906. All the other items of its statement show a splendid accretion of financial strength and rapid progress. President Dutton, in a statement to stockholders, notes that A. K. Simpson, of Boston, manager of the Eastern department, with the co-operation of Assistant Manager Little, has made that department one of the company's most profitable fields during the past year, which cannot fail to be gratifying to these gentlemen as it is to their numerous friends.

John Hancock Mutual Life.

At the annual meeting of the members of the John Hancock Mutual Life, at its home office in Boston Monday, the directors presented a report showing most satisfactory results for the past year. During 1909 the outstanding insurance of the company was increased by nearly \$42,000,000, and \$8,400,000, in round numbers, was returned to policyholders during that period. On January 1 the total admitted assets stood at \$64,945,610, whereof \$6,159,153 figures as surplus over all liabilities. W. O. Blaney, H. W. Cumner and W. L. Crocker were elected directors for four years.

Peace in Sight.

At a meeting held last Friday in the board rooms of the Employers' Liability at Boston, representatives of all the companies transacting burglary insurance in Massachusetts were present, with the object of forming an organization, to be known as The Massachusetts Burglary Insurance Underwriters' Association. Committees were appointed to draft a constitution and by-laws and rules governing the conduct of the business. The meeting was entirely harmonious, and looked like the preliminary to a speedy cessation of hostilities in the burglary insurance field.

Aetna Life Insurance Company.

At a meeting of the directors of the Aetna Life Insurance Company, of Hartford, last week, most of the old officers, headed by President Morgan G. Bulkley and Vice-President J. L. English, were re-elected; but a new vice-president and treasurer was chosen in the person of Morgan B.

Brainard, while Morgan G. Bulkley, Jr., son of the president, was made assistant treasurer, and John V. Adams was elected assistant secretary of the liability department.

B. L. U. A.

The twenty-seventh annual dinner of the Boston Life Underwriters Association will take place at Young's Hotel, Friday evening, the 18th inst., with President Edward Marsh in the chair. Special guests will be present, namely, Fred A. Howland, vice-president National Life, who will speak on the topic "The Field Man's Opportunity"; A. F. Sheldon, president Sheldon School of Chicago, topic, "Man Building as Related to Business Building"; Charles A. Bradley, second vice-president National Association of Life Underwriters, subject, "Elements of Successful Life Insurance Salesmanship."

Arthur L. Berry.

After a long and painful illness Arthur L. Berry, special agent for New England of the New York Underwriters' Agency, died last Friday at his home, 12 Willard Street, Newton, Mass., aged fifty-one years. For some weeks past there had been scarcely any hope for the recovery of Mr. Berry, who will be missed from the councils of New England field men. A true and kindly man and a capable underwriter was Arthur Berry, and the efficiency with which he handled the bureau of the stock companies after the big Chelsea fire, will not soon be forgotten.

New England Brevities.

Good progress is being made before the legislative committee in regard to amending that portion of the Massachusetts insurance law which forbids bona fide agents, whether of life insurance or otherwise, from drawing commissions on policies issued to themselves.

The Franklin Fire, of Washington, D. C., capital \$200,000, has applied for admission to Massachusetts.

The New York Assembly Insurance Committee has reported favorably the bill of Assemblyman Bates, amending the insurance law by requiring insurance companies, within five days after notice of loss or damage by fire, to deliver to the insured proper duplicate blanks for making proofs of loss. Service of the proofs of loss may be made upon the insurer or his accredited agent or any person in or connected with the office of the agent. Failure to furnish such blanks is to be considered a waiver on the part of the insurer of his right to demand proof of loss.

JOHN C. PAIGE & CO.

INSURANCE

65 KILBY STREET
BOSTON

Low Costs, High Guarantees,

liberal conditions and extensive advertising make the policies of The Prudential easy to sell.



The Prudential

wants managers and agents. There is a place for you. Ask for particulars.

THE PRUDENTIAL

Insurance Company of America.

Incorporated as a Stock Company by the State of N. J.

JOHN F. DRYDEN,
President.

Home Office,
NEWARK, N.

Write for Agency.

Royal Exchange Assurance

OF LONDON.

Incorporated by Royal Charter A.D. 1720.

UNITED STATES OFFICE:

92 William Street

New York City

UBERTO C. CROSBY, General Manager.

RICHARD D. HARVEY, Assistant General Manager.

WORTHY OF THEIR PROMOTION.

The annual election of the officers of the Empire State Surety Company was held on Wednesday. All the old officers were elected, and the recently vacated office of secretary was filled by the election of Gilbert Congdon. Alfred H. Hodson was elected a vice-president; and P. W. Koch was made assistant secretary.

The election of Mr. Congdon will not only meet with approval here, but throughout the company's entire agency force.

The election of Alfred J. Hodson as vice-president of the company is but a fitting tribute to his years of service in the home office of the company. The record he has made in the management of the Brooklyn office of the company is not only recognized by President Tomlins, but by the officers of other companies as well.

Secretary Congdon, as superintendent of agents for the Empire, not only measured up to President Tomlin's expectations, but won the admiration of the whole agency force. Prior to his coming with the Empire he was with the National Surety Company for about five years, occupying the position of assistant secretary and agency superintendent, and before that he had been for five years connected with the United States Fidelity & Guaranty Company, working up to the position of manager of the agency department.

ONLY A DESERTER IN NAME.

The Surety Association of America met Tuesday at the Waldorf-Astoria Hotel for the regular February conference. The Illinois Surety Company has resigned from the association. Its action is supposed to be due to the position of United States Circuit Court Judge Landis, of Standard Oil decision fame, in refusing to accept the bond of any surety company which is a member of the Surety Association of America. It is understood, however, that the Illinois Surety Company will continue to act in accord with the other surety companies.

Edward J. Bliven, formerly superintendent of agencies for Montgomery & Funkhouser, has been appointed special agent of the Jefferson Fire of Philadelphia, for Ohio, Michigan, Wisconsin and Minnesota, with headquarters in Chicago.

Col. Le Gage Pratt, formerly chief of the field forces of the Mutual Benefit, has taken a similar position with the Puritan Life of Providence.

WHERE HANDSOME PHIZES FAIL.

A pretty face and a comely figure, set off by fitting attire, have been known to effect an easy separation of a man and his money as well as his time. It is evident, though, that no matter what the personal attractions may be, the employment of two striking likenesses of such handsome men as Abraham Lincoln and Hon. Harry M. Cudrey, M. C. (and president) are not seductive enough to capture the men or the money. The Lincoln National Holding Corporation is now offering one dollar more per share commission for the sale of its stock than it did a week ago.

This should not be discouraging to the promoter though, the Honorable President M. C., for truly the Hon. Mr. Armstrong who despises as much as he personal mention and cheap notoriety, commenced operations with only his title and manly countenance and even for a'that had to practically turn the agents loose on the Treasury before he landed his company. And Harry has nothing on Bobbie in titles or good looks either. 'Tis sad, but sadder still for the poor stockholders who have to pay the freight.

PHENIX

Insurance Company

—OF—

BROOKLYN, N. Y.

NEW YORK OFFICE:

68 WILLIAM STREET
CUR

Course of Insurance Education.

Department for Furnishing Prospects.

New "Model Policy"

Will Plough the Field and Assure the Harvest for Good Agents.

Phoenix Mutual Life

INSURANCE COMPANY,

Hartford, Conn.

Write Home Office.

FINANCIAL STATEMENT OF THE

Federal Union Surety Company

HOME OFFICE, INDIANAPOLIS, INDIANA

WINFIELD T. DURBIN, President

CHAS. E. SCHICK, Secretary

As of December 31, 1909

ASSETS.

Real Estate	\$2,200.00
Bonds	86,649.81
Loans on Mortgages	290,296.32
Interest Accrued	6,405.64
Net Premiums in course of collection.....	53,987.67
Advance on Contracts (Secured)	1,775.54
Cash in Banks and Office	86,033.95
Special Deposit in New York City.....	43,796.50

\$571,145.43

LIABILITIES.

Capital Stock	\$300,000.00
Taxes on 1909 Premiums.....	2,000.00
Unearned Premiums Reserve.....	146,555.95
Reserve for Losses	39,475.62
Surplus	83,113.86

\$571,145.43

"SCRAP" TO END, MAYBE.

Chicago burglary insurance men are likely to reach an agreement in the very near future and bring to an end the disorganization which has existed there for months. Of course, there are still possibilities of snags which may prevent so desirable a consummation, but these possibilities appear remote.

A meeting of managers and general agents was held on Thursday of last week, when the situation was gone into thoroughly and the general terms of an agreement were arranged. Committees were appointed to see representatives of certain offices not represented at the meeting. Another meeting will be called later.

Everybody Is Disgusted.

Everybody in the general agency business in Chicago is sick and tired of the useless and senseless "scrap" in which a few companies have been indulging, to the detriment of the business generally. This mental state puts the managers and general agents in an attitude more receptive for reasonable plans for getting together. At the Thursday meeting the New York agreement was taken as a basis and modified. The sentiment in Chicago is pretty generally opposed to the differential in favor of class 1 fire agents as against brokers. Most of the general agents see no occasion for putting a fire agent between themselves and the brokers by enabling him to pay the brokers more than the general agents themselves can. It was practically decided that commissions to class 1 agents and brokers shall be uniform, 25 per cent. for residence burglary and 20 per cent. for other kinds. This represents considerable concession upon the part of a number of general agents who are opposed to paying over 20 per cent. for residence business. Still, in the interests of peace, they will give up one-half or one-third of their overriding commission. This is a concession chiefly to a few branch office managers who claim that they can not interest brokers at 20 per cent. for residence business and therefore are prevented from building up business as rapidly as they should.

It is understood that the fire insurance agents that burglary insurance shall not be treated as exchange business for fire insurance. This is a concession to A. U. Quint, of the American Bonding. This probably goes against the grain of one or two offices which have shown an aversion to conceding anything to Mr. Quint, but seemed rather to expect him as the latest comer in

town to accept what plans the older agents might agree to.

One Chance for Peace.

The tentative agreement probably does not satisfy anybody entirely but represents concessions by all for the sake of peace. Apparently the only real danger that stands in the way of a pretty general getting together is that somebody may do something unwise while the situation is delicate and spoil it all. In coming down from a demand for a differential against fire agents to a willingness to accept an agreement that burglary insurance shall not be treated as exchange business, Mr. Quint has made perhaps the largest concession of anybody. It is intimated that one or two have shown a little tendency to crow about this. If that is true, it is the height of folly. While Mr. Quint is very anxious for an end of the riotous conditions which have existed, he has not assumed a supplication attitude and if any unwisely mistake his desire for co-operation for unconditional surrender they will be apprised of their error in time to their own regret. This is an excellent opportunity for a display of good sense and an absence of the irritating arbitrariness which has been seen on some former occasions. If all will show the same spirit of co-operation which the majority are showing there is no good reason why peace should not prevail in Chicago in the very near future.

The Provident Savings Life Assurance Society of New York announces the appointment of J. M. Macfarlane as manager for the State of Illinois, with headquarters at Chicago, vice Benjamin Bevan, resigned. Mr. Macfarlane was formerly with the Pacific Mutual Life at their Chicago agency.

The exchange has appointed S. Mason stamp clerk at Pawtucket, and admitted Special Agent G. W. Hart of the Niagara to membership.

\$3,500,000.00

Of First Farm Mortgages.

Lowest Net Cost of Insurance of Any Company in America.

THAT'S WHY WE GROW.

Bankers Life Ins. Co., Lincoln, Neb.

COMMERCIAL - UNION

ASSURANCE CO.,

(LIMITED)

OF LONDON.

OFFICE;

Cor. Pine & William Sts.

NEW YORK.

New England Mutual Life

Insurance Company

87 Milk Street, BOSTON, MASS.

ASSETS, Jan. 1, 1909.....	\$47,980,647.74
LIABILITIES	44,476,655.63
	\$3,503,992.06

All forms of Life and Endowment policies issued. Cash distributions paid upon all policies. Every policy has indorsed thereon the cash surrender and paid up insurance values to which the insured is entitled by the Massachusetts Statute. Pamphlets, rates and values for any age sent on application to the Company's Office.

ALFRED D. FOSTER, President.
D. F. APPEL, Vice-President.
JACOB A. BARBEY, Secretary.
WM. F. DAVIS, Asst. Sec'y.
J. G. WILMAN, Asst. Sec'y.
NEW YORK OFFICE:
St. Paul Building, 220 Broadway.
SETH H. WHITELEY, Manager.

BONDS--CASUALTY

AGENTS
IF
YOU { Can Command Bond or Casualty business
Are seeking an Agency connection
Are not representing another like Company

ADDRESS, AGENCY DEPARTMENT,

The Empire State Surety Co.

NEW YORK

HOPKINS TAKES PRESIDENCY.

Former United States Senator Albert J. Hopkins has been elected president of the Illinois Surety Company, to succeed Fred M. Blount. Mr. Blount will remain on the board of directors. It is said that he has business interests in Colorado, and will make that State his home.

The Illinois Surety Company was organized by Senator Hopkins while he was still in the Senate. It is expected at the time that he intended to take the presidency. The position was offered to Mr. Blount upon his retirement from the banking business. The direct management of the company has been under his direction since its organization.

FRANKFORT'S 'FRISCO APPOINTMENT.

David Duncan, of San Francisco, has been appointed general agent of the Frankfort Fire, Marine, Accident & Plate Glass Insurance Company for the Pacific Coast.

Mr. Duncan's fifteen years' experience in casualty business and his general popularity should give the Frankfort its full share of the best of the Coast business. He will have charge of the efficient claim department which the company maintains at Frisco.

LUCE SUCCEEDS CRESSON.

E. T. Cresson, who has served as secretary of the Franklin Fire Insurance Company, of Philadelphia, for over twenty-one years, has resigned because of ill-health, and Edward P. Luce has been elected to succeed him. Mr. Luce has been connected with the Franklin since 1892, holding the position of special agent for New York State.

The Casualty Company of America will soon start writing automobile liability under a new and attractive policy form. It will not join the automobile conference, but will operate independently.

The Connecticut Mutual

That means the best life insurance to have and the best to sell. If you can sell life insurance, you can sell more of it for the CONNECTICUT MUTUAL.

Men of Character and Ability are invited to apply.

Conn. Mutual Life Ins. Co.,
Hartford, Conn.

Please mention this paper,

WILL ACCEPT PERSONAL SECURITY.

Insurance Commissioner Hawkins, of Texas, says that, inasmuch as the law does not specify that surety companies must furnish the bonds required of insurance companies of other States doing business there, that in some instances he will accept good personal security, but only that of persons residing in Texas.

SMITH ELECTED PRESIDENT.

Arthur L. J. Smith has been elected president of The Spectator Company. Mr. Smith first entered the service of the company at the age of seventeen. His many years of faithful service deserves all the recognition that The Spectator Company can give him. Colonel Thomson will remain as editor in chief, and W. S. Barnaby as assistant editor.

SEVENTEENTH ANNUAL STATEMENT

—of the—

UNITED STATES BRANCH

—of the—

London Guarantee and Accident Company, Ltd.**DECEMBER 31, 1909****INCOME.**

Premiums (Cash)	\$2,100,949.99	
Interest, etc.....	84,649.52	
		\$2,185,599.51

EXPENDITURE.

Losses	\$1,106,233.97	
Commissions and Salaries	736,780.55	
State Fees and Taxes	31,668.10	
All other payments.....	202,887.85	
		\$2,077,570.47

ASSETS.

State, Government and Municipal Bonds.....	\$1,201,953.40	
Railroad Bonds	787,465.90	
Cash on hand and in bank.....	229,383.69	
Interest due and accrued.....	26,672.06	
Premiums not over three months due in course of collection	406,469.95	
		\$2,651,945.00

LIABILITIES.

Claim Reserve:		
Accident, Health and Workmen's Collective Department	\$51,038.00	
Credit Department	43,504.48	
Burglary and Theft Department	990.00	
Liability Department (in compliance with Laws of the State of New York, Massachusetts, Illinois, Connecticut and California) ..	772,903.30	
Contingent Reserve maintained by Company...	100,000.00	
Special Reserve, Credit Insurance Department ..	57,253.74	
Reserve for Reinsurance (including \$88,986.48 Credit Reserve)	846,730.84	
Reserve for State Fees and Taxes.....	30,000.00	
Reserve for Commissions on outstanding premiums and all other liabilities.....	121,216.37	
		\$2,023,636.73
SURPLUS TO POLICYHOLDERS		\$ 628,308.27

Deposited with Insurance Departments and United States Trustees	\$2,203,919.30
---	----------------

Head Office,
206 LA SALLE ST., CHICAGO.

F. W. LAWSON,
General Manager.

LIABILITY, ACCIDENT, HEALTH, BURGLARY, BOILER AND CREDIT INSURANCE.

Eastern Department,
F. J. WALTERS, Resident Mgr.
45-49 Cedar Street, New York City.

JAMES RYAN'S SONS CO.,
General Agents Western New York.
400 Ellicott Square, Buffalo, N. Y.



The statement of the condition of the United States Branch on the 1st day of January, 1910, in accordance with the Laws of the State of New York, is as follows:

ASSETS	\$13,885,802.38
LIABILITIES	8,766,622.58
SURPLUS	\$5,119,180.30

As an illustration of the Company's practice in maintaining its assets in the United States in years of excessive loss, the following figures may interest policyholders:

Year.	Assets at January 1.	Income.	Expenditure.	Excess of Expenditure.
1871	\$3,054,361	\$3,163,901	\$5,122,653	\$1,958,752
1872	3,640,450	3,733,101	4,484,999	751,898
1873	4,165,290			

Thus showing excess of expenditure in the two years of..... \$2,710,650
And increase of assets in the same time of..... 1,110,929

Progress of the United States Branch: Net Fire Premiums: 1848, \$4,519; 1858, \$471,098; 1868, \$1,730,620; 1878, \$2,422,126; 1888, \$3,028,010; 1898, \$4,979,422; 1908, \$7,427,617.63.

LOSSES.—The amount paid in the satisfaction of fire losses in the United States to the beginning of the present year was over \$119,461,623.72. This large sum, in conjunction with the growth of the Company's business, evinces the confidence of the public and the faithfulness with which the Company's losses are adjusted and settled.

COMPARATIVE RESERVE TABLES

BY

MILES M. DAWSON

Consulting Actuary.

Containing Mean and Terminal Reserves for the
usual forms of policies and by the
following standards:

American Experience, Select and Ultimate $3\frac{1}{2}$ per cent.
American Experience, Select and Ultimate 3 per cent.
American Experience, Modified Preliminary Term $3\frac{1}{2}$ per cent.
American Experience, Modified Preliminary Term 3 per cent.
American Experience, Select and Ultimate 4 per cent.
Actuaries', Modified Preliminary Term 4 per cent.
American Experience, Committee of Fifteen, $3\frac{1}{2}$ per cent.
American Experience, Illinois and Tennessee, $3\frac{1}{2}$ per cent.
American Experience, Michigan, $3\frac{1}{2}$ per cent.
American Experience, Wisconsin, $3\frac{1}{2}$ per cent.
American Experience, New Jersey, $3\frac{1}{2}$ per cent.
H^M, Canadian Life Officers' Association, $3\frac{1}{2}$ per cent.
O^[M], Select and Ultimate, $3\frac{1}{2}$ per cent.

THIS covers all the standards, other than the net level
premiums, in use in this country. Tables showing
the first year margins set free by each method of valu-
ation are given.

Send all orders to the Publishers,

The Chronicle Co., Ltd.

No. 90 William St.

NEW YORK

IN PRESS

Survivorship Annuity Tables

Net Premiums, Mean and Terminal Reserves

**American Experience Table,
LIFE OF NOMINATOR**

**Danish Survivorship Annuitants' Table,
LIFE OF ANNUITANT**

And 3 1-2 Per Cent. Interest

BY

MILES M. DAWSON,
Consulting Actuary

Ready for Delivery April 1, 1910

Advance Sheets (now ready for delivery) giving net premiums for all combinations of ages, above 20 for annuitant and above 20 and under 61 for nominator, will be sent to any purchaser whose order is received before publication of the book.

SEND ALL ORDERS TO

The Chronicle Co. (Ltd.)

No. 90 William St.

NEW YORK

The Chronicle.

1866

Published by THE CHRONICLE COMPANY, Ltd., 90 William St., New York City.

1910

VOLUME LXXXV.

New York, February 24, 1910.

NUMBER 8

The Employers' Liability

Assurance Corporation, Ltd.

LIABILITY, STEAM BOILER,
ACCIDENT, HEALTH, FIDELITY
and BURGLARY INSURANCE.

UNITED STATES BRANCH.

SAMUEL APPLETON, United States
Manager,

Employers' Liability Building,
33 BROAD STREET, BOSTON, MASS.

EDMUND DWIGHT,
Resident Manager for New York State
56 MAIDEN LANE, NEW YORK.

AGENTS WANTED.

SAFETY FUND INSURANCE

NIAGARA

Fire Insurance Company

—OF—

NEW YORK

OFFICE:

46 CEDAR STREET, CITY.

THE BANKERS LIFE ASSOCIATION

DES MOINES, IOWA.

ERNEST E. CLARK, President.

Exceptional Record Dur-
ing twenty-nine years for

LOW RATE OF MORTALITY
ECONOMY OF MANAGEMENT
PROMPT PAYMENT OF CLAIMS
SECURITY OF ITS FUNDS

and satisfactory results
for its policyholders.

NATIONAL LIFE

Insurance Company,

MONTPELIER, VERMONT.

Established in 1850.
Operating in 37 States.

JOSEPH A. DE BOER, President.

FRED A. HOWLAND, Vice-President
JAMES B. ESTEE, 2nd Vice-President
OSMAN D. CLARK, Secretary
H. M. CUTLER, Treasurer
A. B. BISBEE, Medical Director
C. E. MOULTON, Actuary

This Company held January 1, 1910,
and gained during the past decade:

ASSETS . . .	\$47,490,998.98
GAIN, 167 PER CENT.	
LIABILITIES . . .	\$41,661,130.12
GAIN, 162 PER CENT.	
SURPLUS . . .	\$5,829,868.86
GAIN, 211 PER CENT.	
INSURANCE . .	\$161,423,115.00
GAIN, 79 PER CENT	

**Absolute Security and
Economy of
Management**

THE FRANKFORT MARINE, ACCIDENT AND PLATE GLASS INSURANCE CO. OF FRANKFORT-ON-THE-MAIN GERMANY ESTABLISHED 1865.

United States Department, 100 William Street, New York, N. Y.

TRUSTEES:

RICHARD DELAFIELD, Pres. of National Park Bank
ERNST THALMANN, of Ladenburg, Thalmann & Co.
STUYVESANT FISH, 214 Broadway, New York City.
C. H. FRANKLIN, U. S. Mgr. and Attorney JNO. M. SMITH, Sec. U. S. Branch

INSURANCES TRANSACTED
LIABILITY—
Employers, General, Vessel Owners, Burglary
Public, Landlords, Contingent, Workmen's Collective
Teams, Elevator, Druggists & Physicians. Individual Accident & Health
Industrial Accident & Health

AGENTS WANTED FOR UNOCCUPIED TERRITORY

CHICAGO'S GREATEST COMPANY

ILLINOIS LIFE INSURANCE CO.

OLDEST IN CHICAGO **CHICAGO** LARGEST IN ILLINOIS
JAMES W. STEVENS, PRESIDENT

We Guarantee where others Promise

The year 1909 was the most successful in this com-
pany's already splendid record of successful years.

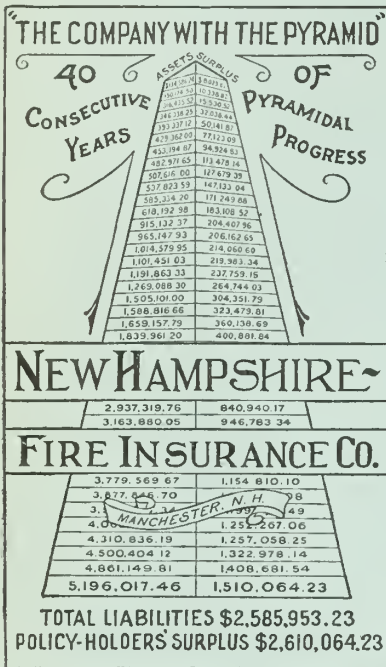
INSURANCE IN FORCE
FIFTY MILLION DOLLARS



of New York

SUPERIOR POLICIES

KIMBALL C. ATWOOD, President
290-292 Broadway, New York.



The
Columbian National Life
 INSURANCE COMPANY
 OF BOSTON, MASS.
LIFE, ACCIDENT AND HEALTH
INSURANCE.

The Only Massachusetts
 Non-Participating Company

The New Columbian Policies (Sept. '09)
 are Unexcelled in Clearness and Liberality.

Good Contracts and Territory for
 Good Producers.

ARTHUR E. CHILDS, President.

PHENIX
 Insurance Company

—OF—

BROOKLYN, N. Y.

NEW YORK OFFICE:

68 WILLIAM STREET

OLDEST
IN
AMERICA

STRONGEST
IN THE
WORLD

THE MUTUAL LIFE
Insurance Company of New York

Mutual Life Agents Make Most Money
 Because Mutual Life Policies Sell Most Freely

For terms to producing agents, address

GEORGE T. DEXTER

2nd Vice-President

34 Nassau Street

New York, N. Y.

The Northwestern
Mutual Life Insurance Co.
of Milwaukee

GEO. C. MARKHAM, President
A. S. HATHAWAY, Secretary



New Business Paid-For

1905		\$ 90,334,038
1906		93,563,452
1907		102,233,634
1908		109,773,709

Each year larger than any in the previous
 history of the Company.

Commenced Business 1858

INSURANCE MEN will note the significant increase in The Northwestern's new business during the past four years.

IMPORTANT FACTS relating to this business are shown by the following percentages:

	Expenses	Mortality	Interest
1905	12.15	67	4.73
1906	11.76	59	4.72
1907	11.81	58	4.76
1908	10.76	59	4.84

It is capable of easy demonstration that The Northwestern is the best Company to insure in.

See The Northwestern's policy contract with its Dividend Options, Paid-up and Endowment Options, Options of Settlement and the Premium Loan feature. Issues Partnership and Corporation Insurance. For further information or an Agency, address

H. F. NORRIS,

Superintendent of Agencies.

The Chronicle

VOLUME LXXXV.

NEW YORK, THURSDAY, FEBRUARY 24, 1910.

NUMBER 8

ALFRED B. DAWSON, President.
R. B. Dawson, Treasurer. Chas. D. O'Brien, Secretary.
Emil Schwab, Manager New England Department,
178 Devonshire Street, Boston, Mass.

All communications should be addressed to and remittances
should be made to The Chronicle Company, Limited.
Entered at the Post Office, New York, N. Y., as Second Class
Mail Matter.

PUBLISHED EVERY THURSDAY BY
THE CHRONICLE COMPANY, Limited.
No. 90 WILLIAM ST., NEW YORK.
Phone "567 John." Cable Address, "Chronogram," New York

Subscription Price:
Three Dollars a Year. Single Copies, Twenty-five Cents.
Postage Prepaid in the United States and Canada.

No Publicity This Year.

National Government Unlikely to Publish Insurance Reports.

According to the latest press advices, which have long since been made known to readers of "The Chronicle" through the daily papers, there is every likelihood that the publicity provisions of Section 38 of the Act of Congress of August 5, 1909, imposing an excise tax on corporations, joint stock companies, associations and insurance companies, will not take effect this year for want of an appropriation. It transpires that not only was the appropriation already made for carrying the law into effect insufficient but that in addition it was not available to employ persons within the District of Columbia, as, for instance, to pay for services in preparing the documents for publication, filing them so as to be conveniently consulted, etc.

So much was conveyed to the president by Hon. Charles D. Norton, assistant and acting secretary of the Treasury; and by the President this communication was transmitted to Congress, with his recommendation that a special appropriation of \$50,000 be made.

Objections Not Made by Insurance Companies.

There has been so much objection to the publicity features, on the part of corporations other than insurance companies, that at the present writing it does not seem likely that Congress will make an appropriation this year. There are difficulties to be overcome in securing such an appropriation which, while not insuperable, offer so many obstacles that it is generally admitted that favorable action is not probable during the present session of Congress.

The insurance companies are so

accustomed to publicity in apparently every respect which would be called for under this act of Congress, that there were no protests against this feature of the law as applied to them.

The Taxes, Expenses and Trouble Objected To.

By its provisions they were subjected to an offensive tax, deemed by many of them to be burdensome, especially as it comes as an addition to already over-heavy taxation on the part of States and in some instances, counties and municipalities.

There was also objection to the expense and trouble which might be imposed upon the insurance companies by reason of the provision of the act that the Federal Government might send persons to make special examinations for the purpose of ascertaining whether the statement of assets and liabilities and of profits earned were correct.

But as to the publicity features, concerning which there was so much complaint on the part of other classes of corporations, not a murmur of dissent was elicited from those who were interested in the management of insurance companies.

Proposed Publicity Probably Ineffectual.

Yet as the law stands it really looks as if all that could possibly have been accomplished in the matter of publicity, relating to insurance and insurance companies, would have been to gather together in one gigantic report, or set of reports, published by the National Government, the same returns precisely as were rendered by the respective companies to the State authorities. Therefore, the publication might have been perilously close to a waste of money and a mere duplication of information already obtainable.

Certainly reports, such as these, would have done little to make the publicity feature of this law so effectual as a measure of virtual regulation as to signalize the first step toward replacing meddlesome supervision by meritorious and thoroughgoing publicity.

Thus in life insurance there would have been reports of companies, all holding "reserve funds" of the sort "required by law" in their respective domiciles, such reserves being in a few instances two or even three-year term, and, to take the other extreme, in some instances net level premium, possibly with the Walter C. Wright addition thereto. If such a report were given out without suitable explanations in foot notes, it might be wholly misleading as to the relative strength and reliability of companies; and, if given out with foot notes explaining the varying significance of the term "reserve fund," it would inevitably be regarded as invidious and offensive by some of the companies.

It is difficult to see, therefore, just what useful purpose would have been served by requiring all this publicity of such an incongruous and confusing character that comparisons could not well be instituted and if instituted, would more likely mislead than inform.

A similar situation, likewise, would be found in fire insurance where a new company might seem to be steadily losing money, when all that it is really doing is locking up additional funds in its reserves on account of a rapidly growing business, such reserves to the amount of fully 40 per cent. thereof, representing pure surplus, or what ought to be a special reserve fund against conflagrations.

(Continued on Next Page.)

Some Would Have Liked It, but Is It Fair?

Doubtless this want of uniformity and of true publicity would have been borne by many insurance companies with complacent resignation, and, in fact, would have been supported by them much better than true publicity, which would enable enlightening comparisons to be drawn. That, of course, is one of the reasons why the feature was not regarded objectionable.

But the act was drawn for the purpose of imposing a tax in an equitable and undiscriminating manner. The tax feature still remains, likewise, even though the publicity feature seems likely to fair for want of a new appropriation. The appropriation is large enough to enable the tax to be levied, and there will be no indisposition to attend to that part of it, either on the part of Congress or of the administration.

Inequitable Distribution of the Tax Burden.

As the law stands, especially in this matter of reserves, it must necessarily result in a very inequitable distribution of the burden of these taxes. The taxes are laid upon the earnings of the year, being "the yearly net income over and above \$5,000 received by it from all sources during the year, exclusive of amounts received by it as dividends upon the stock of other corporations, joint stock companies of associations or insurance companies, subject to the tax hereby imposed."

This net income is described, as to its source and as to the various deductions to be made from it, in identical language as applied to all classes of businesses, including insurance, excepting that as to insurance companies, there is the further deduction of "the net addition, if any, required by law to be made within the year to reserve funds."

Except as to companies domiciled in the State of New York, these words will mean "the amount added during the year to the reserves as computed by the standard employed by the company"; for the reason that elsewhere, excepting in Massachusetts, where the reserve is net level premium in all cases, the sort of reserve which the company is to carry is determined by the language of its policy contracts, upon which the reserve law of the State applies, quite as automatically as upon policies which are level premium by their terms.

How It Will Work Out.

In consequence there will be the following situation, viz.: that of, say, eight new life insurance companies, with the same premium income, the same expenses of all kinds and dif-

ferent reserve methods, the first carrying net level premium reserves; the second, select and ultimate reserves; the third, modified preliminary term; the fourth, reserves of the Ohio or Committee of Fifteen variation; the fifth, the Illinois modification; the sixth, the Michigan variety; the seventh, full preliminary term, and the eighth, two or three-year preliminary term. Of these it would be possible for the reserve method to make all which carried reserves lower than the Ohio or Committee of Fifteen plan, for instance, to show a loss, whereas all who carried reserves lower than by that standard would show a profit. The latter accordingly, would pay taxes upon their so-called net income, while the former would escape taxation.

Of the companies which were called upon to pay taxes, likewise, those which carried the lowest reserves, would pay the highest tax—always assuming that the premium income and expenses have been the same throughout the eight companies.

Not So True of Well-Established Companies.

There would not be so great a variety nor so great apparent inequity after a good many years have passed by and the business in each of the companies has become more stable; because in that case the comparison would be merely between the increases in reserves under the different plans and not between the entire reserves in the earlier years of the policies. In other words, the net income of a well-established net level premium company, after deducting its increase in reserves, is perhaps not much different from what would be its net income, after deducting the increase of reserves, were the latter computed by a method which did not have the effect of keeping a considerable part of the surplus locked up in so-called reserves. What takes place when the business is stable, is virtually to release a large part of this surplus and then immediately impound it again on account of the new policies of that year. After the company has reached a virtual equilibrium there will probably be very little difference in the profit and loss statement for the year, whether reserves are computed on the net level premium basis, or on some basis more nearly corresponding with the facts.

Does Apply to the Army of New Companies.

But there are many small and new companies throughout the country at the present time, and these conditions do apply to them and will continue to apply for a considerable period to come if the basis of the law is not

made more uniform and equitable in its application to all the companies. In other words, under the existing conditions there must inevitably be large over-payments of this tax by some and a total escape from it by others, the actual earnings of which are as large as those of the companies which pay the tax, but are concealed, instead of being set up by the companies themselves.

In recent issues of "The Chronicle" there has been favorable comment concerning the operations of several of the smaller companies, notably two, which, upon completing their third year, show net earnings for the year, one setting up reserves by the straight modified preliminary term plan and the other by the Michigan modification of that plan. Had the former held reserves on the same standard as the latter it would have shown a very considerable increase in apparent net earnings, and had the latter held reserves as stringent as the former it might have shown no net earnings whatever. Both of them would have shown enormously greater earnings, had their reserves been computed by the full preliminary term plan, and, of course, both would have shown no earnings at all, had their reserves been computed by the net level premium method.

(Continued on Next Page.)

Germania Fire

INSURANCE CO.,
NEW YORK.

ORGANIZED 1859.

Cash Capital.....\$1,000,000.00
Assets\$6,562,329.14
Net Surplus.....\$2,008,419.02
Surplus for Policyholders,\$3,008,419.02

HEAD OFFICE:

Cor. William and Cedar Streets.

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS is unsurpassed for net low cost and care of interests of all members.

THE PENN MUTUAL LIFE INSURANCE COMPANY OF PHILADELPHIA

On January 1, 1909, rates were reduced and values increased to full 3% reserve.

Has This Unfairness Any Advantages?

It may be thought that this is a good feature in the incidence of the taxation because it serves to penalize the carrying of too weak reserves, as, for instance, by the two or three-year preliminary term plan, such companies being liable for taxation upon their apparent surplus, although most of it should be in the reserves. This might be a virtue, if there were an opportunity for companies to have policies which were written in a particular way, valued by any one of the eight methods mentioned; but such is not the law, except in New York, as stated. The valuation is in other States fixed by the terms of the policy, several of the States, however, requiring that a certain method shall be the minimum allowed, even by special policy provision. Therefore, the lesson is likely to be lost; since the company which finds itself being taxed upon an alleged surplus, although it ought really to strengthen its reserves, is not in position to adopt a stricter reserve standard for its existing business but can do so only as to new business.

The Lowest Standards Do Not Encourage Earnings.

Another difficulty about the matter, also, is what, while theoretically the companies with low reserves ought to show relatively large surplus earnings, such has, to the present time, failed to be the case except in rare instances. In other words, the invitation to extravagance has been too much for the powers of resistance of the managers of most of these companies; and, instead of the money thus released from reserves going into the surplus fund, it has only too frequently been wasted.

Precisely the Contrary Effect in Fire Insurance.

In fire insurance, the law has precisely the contrary effect, in that it distinctly favors new companies. It is the first thing in a good many years' legislation that has seemed to favor them, and it is to be regretted that the assistance is altogether too small to render their paths materially smoother. But since the burden of the statutory reserves naturally falls heavily upon a fire company during its earlier years, it is not likely that most of the newer companies will have a large amount to pay out in these taxes; while older companies, with heavy reserves and stable businesses, find the concealed profit locked up in their reserves, gradually working its way out into net income as defined by the statute. Such companies will, therefore, bear the heavier burden of the taxation.

Uniform Reports Not Urgently Sought For.

There is probably no very great demand by insurance companies in any quarter of the United States for a uniform system of reports which will actually reveal in deadly parallel both the achievements of the managements of the various companies and also their failures and partial successes. Yet, if there could ever be conditions under which the companies would welcome penetrating and significant publicity, it would be when, as in the present case, the powers of the National Government were limited to such publicity and the reforms, if any are needed, would necessarily be left to the natural disposition of all men to remedy evils when they become a public by-word, and, therefore, intolerable.

The worst objection to such publicity, unquestionably, would be that there are still some 50 States, each of them in the regulating and supervising business and quite ready, no doubt, to seize upon scraps of information, which might come through the Federal department's activities, as an excuse for more meddlesome and burdensome tyranny under the name of supervision. If there could be any real assurance that these matters would be permitted to work themselves out by means of publicity alone, it is not unlikely that a full measure of effective publicity, along lines so uniform that close and discriminating comparisons could be made, would be welcome by all the strongest and best men and institutions in all the branches of insurance.

An opinion by Mr. Holcombe, Attorney General of Connecticut, holds that dividends declared by mutual life insurance companies should be exempt from taxation.

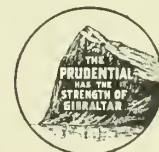
ONE OF THE BEST.

The efficiency of the present management of the Union Central Life Insurance Company is best emphasized by an examination of the annual statement of the company, published in this issue. For a company controlled by stockholders, President Clark has reason to point with pride to the envious low net cost at which the Union Central has furnished insurance to its policyholders by reason of its most liberal dividends.

The evidence that this company has been a real servant to its patrons is borne out by what it did for them in 1909. The total cash paid to policyholders during the year was \$5,691,056.20, in the following manner: Dividends, \$1,504,633.60; death losses, \$2,341,849.01; matured endowments and annuities, \$943,904.01; surrendered policies, \$900,669.58. In addition to this, \$1,329,265.89 has been put aside for dividends to policyholders in 1910, and \$526,729.00 has been added to the surplus of the life rate endowment policyholders, and \$1,392,248.46 was loaned to policyholders upon their policies as sole security.

Low Costs, High Guarantees,

liberal conditions and extensive advertising make the policies of The Prudential easy to sell.



The Prudential

wants managers and agents. There is a place for you. Ask for particulars.

THE PRUDENTIAL

Insurance Company of America.

Incorporated as a Stock Company by the State of N. J.

JOHN F. DRYDEN,

President.

Home Office

NEWARK, N. J.

Write for Agency.

The Bankers Reserve Life Company

BASCOM H. ROBISON, President, OMAHA, NEBRASKA.

FINANCIAL STATEMENT, DECEMBER 31st, 1909.

RESOURCES.		LIABILITIES.	
Registered County, Municipal and School Bonds.....	\$1,202,877.28	Reserve on all Policies in force	\$1,573,303.00
Real Estate First Mortgages	470,800.00	Premiums paid in advance..	5,250.35
Loans to Policyholders.....	234,673.22	Policies Surrendered for Cash Value	2,741.84
Renewal Premium Notes.....	61,955.64	Death Claims Reported, not due	9,750.00
Cash in Office	392.58	All Other Liabilities.....	25,660.00
Cash in Banks	52,538.34	Excess Security to Policyholders	442,494.05
Accrued Interest on Securities	21,924.24		
Premiums in Process of Collection	14,037.94		
Total	\$2,059,199.24	Total	\$2,059,199.24

Insurance in Force, \$25,500.00

A Solid Progressive Prosperous Company

Excellent Opportunities for District Managers

THE EQUITABLE'S FINE SHOWING.

At the annual meeting of the board of directors of the Equitable Life Insurance Society, which was held on the 17th, the following old officers were re-elected: Paul Morton, president; W. A. Day, first vice-president; George T. Wilson, second vice-president; William Alexander, secretary; C. E. Phelps, treasurer; Gerald R. Brown, comptroller; H. L. Rosenfeld, insurance assistant to the president; Leon O. Fisher, auditor; F. C. Wells, M. D., and T. H. Rockwell, M. D., medical directors.

Mr. Morton's report covered the operations of the society for the last four years and described in detail the economies and improved methods which have been put into effect by the present management, together with their results. The statement of the society's financial condition at the close of last year shows aggregate assets of \$486,109,637.98, an increase for the year of \$13,770,129.15. The total liabilities, including the reserve of \$393,223,558, amounted to \$400,837,318.68, and the total surplus is \$85,272,319.30, an increase of \$4,004,852.40.

The new insurance paid for last year was \$110,943,016 as compared with \$91,262,101. For the first time since 1905 the amount of outstanding insurance shows an increase, which was \$8,869,439. In 1908 the decrease was \$13,647,814. The total amount paid policyholders in 1909 was \$51,716,579.04, of which \$20,102,318.67 were in death benefits. The dividends to policyholders aggregated \$9,609,040.

Mortgage Loans Increased.

The report stated that the total mortgage loans outstanding on December 31, 1905, amounted to \$86,530,982 and were distributed throughout ten States. On December 31, 1909, the total of these loans had increased to \$97,532,648 and they were distributed through 31 States. The policy of the present administration to invest the society's assets equitably in those sections of the country which produce the premiums, so far as it can safely be done, was evidenced by the fact that in the last four years the mortgage loans in New York State have been decreased by nearly \$2,500,000, while those outside of the State have been increased by more than \$13,000,000.

Loans in the West and South are being increased as fast as desirable applications are received, and it was made known in all of the large cities that the Equitable is in the market for loans of this kind. It has not been necessary for the society to take over a single piece of property on account of a mortgage loan, made since July 1,

1905. In the last 15 years the mortgage loans made by the Equitable have aggregated \$165,762,922, and in only seven cases has it been compelled to take over property through foreclosure. In six of these cases the property was subsequently sold at a profit and in the other case the property is held at a higher valuation than the amount of the loan.

In the last four years \$98,574,843 was invested in domestic bonds, at an average rate of 4.71 per cent. The bonds sold and matured in the same period totaled \$64,201,455 and showed a profit of \$674,649. In 1907 and 1908, when the bonds purchased yielded 5.13 per cent. and 4.85 per cent. respectively the sales by the society were on a basis of 4.28 per cent. In 1909 the purchases were made at an average yield of 4.44 per cent. and the sales were made on a basis of 3.39 per cent.

Sold Its Stocks at Profit.

Since January 1, 1907, when the law went into effect requiring life insurance companies to dispose of their stock holdings within five years, the Equitable has sold stocks amounting to \$4,514,143, at a net profit of \$363,605, in addition to which there was a profit of \$254,597 from the sale of rights. The society still owns stocks which are carried on the books at a value of \$40,866,282. The investments in collateral loans, which were placed at an average rate of 5.40 per cent., were as follows: 1906, \$9,350,000; 1907, \$11,412,000; 1908, \$6,500,000; 1909, \$390,000. Loans on policies were as follows: 1905, \$29,340,265; 1906, \$35,354,295; 1907, \$49,615,393; 1908, \$57,053,555; 1909, \$59,954,933. The gross rate of income from invested assets has increased from 3.90 per cent. in 1904 to 4.50 per cent. in 1909.

The first year premium receipts were \$2,651,734 in 1906, \$2,300,652 in 1907, \$2,753,277 in 1908 and \$3,786,293 in 1909. The premium rate for \$1,000 was \$34.80 in 1906, \$35.11 in 1907, \$31.39 in 1908 and \$35.35 in 1909. The ratio of first year commissions was reduced from 59.60 per cent. in 1905 to 45.19 per cent. in 1909 and the ratio of renewal commissions from 8.09 per cent. to 6.19 per cent., representing a total saving in 1909 over 1905, based on the income of 1909 of \$1,426,392.

Though the number of employes was increased from 882 to 993 the active home office payroll decreased from \$1,794,230 in 1905 to \$1,465,596 in 1909. The total salaries of officers, heads of departments, associates, assistants and employes receiving \$5,000 a year or more, was reduced from \$833,300 in 1905 to \$459,700 in 1909. Legal salaries were reduced from \$102,200 to \$45,200, though there was no falling off in the amount of legal work.

CAUGHT.

The efforts of Superintendent Drake to suppress unnecessary insurance "noises" in the District of Columbia has been successful in one instance at least, as the following from yesterday's Washington "Herald" indicates:

After eluding the police of many cities for more than six months, Harry L. Waring, who was indicted for using the name of President Taft in connection with the Bank Depositors Insurance Company transactions last July, has been arrested at Rochester, N. Y. He will be brought to Washington to stand trial late this week.

Waring and his partner, Edward M. Carroll, were indicted July 30, 1909, charged with using the United States mails with intent to defraud. He evaded arrest and finally escaped.

The discovery that the name of the President had been used in some of the alleged deals spurred the authorities to new efforts, and last Friday a report stated he was on his way to Rochester. Postoffice Inspector Carter B. Keene found Waring registered under the name of Harry Walton at the Powers Hotel and took him into custody.

He has consented to come back to Washington without extradition papers. He admitted his identity when he was placed under arrest, and declared he could prove his innocence before an impartial jury.

Waring and Carroll fell into the clutches of the law through their scheme to insure banks and trust companies against loss to their depositors in the event of failure. Claiming the company was incorporated by Congress and approved by President Taft, the pair gathered many banking institutions on their books, and it was not until a small bank in Philadelphia went to the wall that it was charged the concern had no intention of keeping its agreements.

The first annual banquet of the Fire Underwriters of Baltimore, last Thursday, was such a success that it has been decided to make it an annual affair in the future. Many prominent guests from New York and Philadelphia were present. General Warfield acted as toastmaster.

\$27,000,000

Insurance in Force



CITIZENS LIFE

INSURANCE COMPANY

LOUISVILLE, KY.

W. H. GREGORY, President

A WIFE'S DIARY.

A few of the choice morsels which John Smith brings home daily for his poor wife to munch on.

BY JANE SMITH.

(Copyrighted by The Chronicle Co.)

Agents Given the Double-Cross.

When John expressed himself as being thankful that his dear old father had died happily, never suspecting him of ever entering a profession worse than plain burglary, I must admit I was taken back for a moment; but, when I remember all I've heard John say about the doctors, how a trip across Nassau street could cure organic heart trouble, and the many other ways in which the agent is given the "double-cross," as John says, I guess he is right. John is firmly of the opinion that what the Legislature neglected to reform is far more important than all the evils which it is supposed to have cured.

Rhodus Bros. Enter New York.

But what seemed to stir John more than his own personal troubles this week was the report that a set of the most unscrupulous tricksters in the business could get a leave of absence from the sheriff of Chicago, come here to New York, and open their shop at No. 256 Broadway, right under the nose of the State officials and of enough insurance laws to swamp a Carnegie library.

John went up to the offices of the American National Selling Organization, the selling agent for the Consolidated Life Securities Company, but it was little information he could get. He found there a Miss or Mrs. M. C. Scully in charge, who, a friend had told him, had been in the employment of the Rhodus brothers for a number of years and was as slick as Birch himself. John was so disgusted with his failure to get a real line on them that he had to content himself with a statement that "it wasn't as bad for the public to be trimmed by a scheming promoter as by a symptom-finding doctor."

Fault Lies with the Agents.

I sometimes suspect that John might be more successful if he took less interest in the business as a whole; but he claims it is the lack of real interest on the part of the agents that is the very root of all the evils. "Take the association, for instance," says John, "has not its officers for years been permitted to voice the payment of such first-year commissions as to make rebating and twisting a certainty, simply because the agents would not make it known that it was not the sentiment of the agents, but

the wishes of a limited number of general agents which made up the association?" John realizes, though, that if there were not agents willing to sign away their future renewals there would be no general agents to give away insurance.

Titles a Factor in Promotions.

While on this subject John expressed his regret that there were not other avenues besides the promoting schemes open for the services of those agents seeking easy money. In other words, the barnacles have not really been driven out of the business, but just into a new branch of it.

Talking on this same subject John says that one of the conundrums of the day is whether or not Congressman Coudrey can get his promotion under way before his term of office expires.

Outside of the high commissions paid the salesmen, about the only thing to make the promotion go is the use of Abraham Lincoln's name and the titles of the promoter. "Naturally enough," says John, "if so much dependence is to be placed on titles, the outcome is a question, for, as Dr. Parkhurst says:

Titles are often like the hafts of Egyptian drinking cups, so much more conspicuous than the cups themselves as to compose almost the entire thing. In that case breaking the handle practically demolishes the whole vessel.

(To Be Continued.)

VOLUME A SECOND CONSIDERATION.

The annual statement of the United States Annuity and Life Insurance Company, of Chicago, which is printed in this issue, gives every indication

that the management is not sacrificing the policyholders' interests for the sake of making a showing in volume of new business.

The greatest part of the business of this company is scattered among the farmers and in the small cities in the Middle West, and with this distribution of risks, and all of its business in small policies, the company has experienced very favorable mortality, all of which is indicative of capable management.

The gain in insurance in force last year was \$1,316,537, and the gain in assets \$101,588.81. With its present surplus to policyholders equal to over half of its total admitted assets of \$490,000, the officers of this company have made it all that the policyholders have reason to expect, and if the present pace is maintained the progress of this company should be gratifying.

LEADING FIRE COMPANY
OF THE WORLD



ANNUAL STATEMENT

United States Annuity and Life Insurance Co.

OF CHICAGO, ILLINOIS

DECEMBER 31, 1909

ASSETS.		LIABILITIES.	
Mortgage Loans on Real Estate.....	\$172,801.29	Reserve on Policies	\$173,176.09
Real Estate	172,436.00	Death Claims	None
Bonds and Stocks Owned (market value)	102,100.00	Bills Outstanding and Taxes	4,900.33
Cash in Office and in Banks.....	17,184.03	Accrued	18,797.57
Accrued Interest	4,283.32	Dividends Apportioned to Policyholders	293,232.19
Net deferred Premiums (Reserve charged in Liabilities).....	20,524.35	Surplus to Policyholders	\$490,106.09
Premium Notes and Loans on Policies Secured by Reserve.....	3,839.83		
Furniture and Fixtures	3,084.29		
Gross Assets	\$496,253.11		
Deduct assets not admitted, Furniture and Fixtures.....	6,147.02	Gain in Income.....	\$54,618.03
Total admitted assets	\$490,106.09	Gain in Assets	101,588.81
		Gain in Insurance in force.....	1,316,537.00

President, HENRY A. SALZER.

Sec'y. and Treas. WM. T. SMITH.

WHAT'S COMING?

Yesterday at Albany three bills were introduced, based on the report and recommendations of Superintendent of Insurance Hotchkiss, which repeal the articles of the insurance law controlling co-operative fire insurance companies and all sections of the law having to do with Lloyds associations.

One prohibits the organization in this State of a company for the purpose of insuring domestic animals and live stock on the co-operative insurance plan. Another bill pending in the Legislature will make it possible for stock insurance companies hereafter to do a live stock insurance business. This will also permit stock companies of other States to write insurance of this kind in this State.

The second bill authorizes the insurance department to make an investigation of every Lloyds association which does business in the State and determine whether it is for the best interests of the State that it continue to do an insurance business.

The most important of the three bills introduced is that which relates to town and county co-operative fire insurance. It divides the companies of this class into advance premium companies and assessment companies, and the latter into town companies and county companies. It recognizes all existing companies and associations of this kind and permits them to continue in business on obtaining a certificate of authority from the Superintendent of Insurance.

It limits their operations too. Advance premium companies which have \$1,000,000 of insurance in force may do business throughout the State on obtaining a certificate from the department; county companies cannot do business outside of five contiguous counties and town companies outside of one county.

The several statutory changes recommended by Superintendent Hotchkiss, if made, will work some very material changes, especially among the casualty operations, in this State at least. It indicates the general well-defined purpose of the whole United States to improve on the prevalent antiquated system of regulating insurance. The employers liability agitation and the disturbed conditions at Washington over the proposed model Federal insurance code which has been hanging fire for years, together with the Federal incorporation bill now before Congress, may tend to delay any insurance legislation in any of the States until disposed of or settled in some more or less definite form. There seems to be a universal feeling among legislators that insurance has reached

a dignified age and must be treated respectfully and given the square deal. Footballled, banged and battered in the past it has attained a position now that makes the legislator and the political grafter take notice. For this reason it is quite probable that immediate future insurance legislation is not imminent.

ANOTHER MISCARRIAGE.

The life of the professional insurance company promoter is not always a rosy bed of ease. Some make a good get-away, but the amateurs are almost certainly headed for disaster.

The genius that conceived the idea of an American omnibus insurance concern modestly stated that it contemplated a few co-related lines. That was going some, but it fell flat. Then another scion of Solomon arose, cometlike, and raised the 16 to 1 ratio to 94 varieties.

This may be progression, evolution, or simply common sense. There is indicated in the numerous changes of the insurance laws at Albany that the country is growing in intelligence equally with the birth rate and the death rate and the other unreliably gathered statistics of the expert sharks who juggle figures for pay.

Between these aviations of the promoting thermometer there have been various ambiguous and anonymous company formations announced and out of the whole number of 60 new ones announced and started in 1909 not a single one was pulled off, unless an exception is made of the emasculated couple of concerns that tried to get into the business.

Comes now the explosion of the great Southern proposition to hang everybody by the heels. It proposed to write about 57 varieties of insurance. Its location was somewhere in Tennessee. Its address was almost anywhere the postoffice directory gives a name in that State. Its apparent head was the same gentleman whom the authorities of South Carolina have been trying to extradite for trial under an indictment for divers and sundry charges in connection with the operation of the Seminole Securities Company, organized to promote a similar concern at Columbia.

Thus it is that the cat must have a cellar.

FOR NEW LINES.

Chamney S. S. Miller, assistant president of the Continental Casualty, is in the city to arrange for the new lines which the company has for sometime contemplated entering. He is gay as a lark over getting back to Broadway.

COMMERCIAL - UNION ASSURANCE CO., (LIMITED) OF LONDON.

OFFICE;

Cor. Pine & William Sts.

NEW YORK.

T H E PROVIDENT LIFE AND TRUST COMPANY OF PHILADELPHIA

Insurance in Force, \$214,509,255.00
(Paid for Basis)

Assets \$70,514,350.45
(Market Value, Dec. 31, 1909)

Contingency Reserve . \$9,207,276.38
(Inclusive of Capital Stock, \$1,000,000.)

The Provident has been particularly distinguished for the development of a highly trained force of agents. The systematic instruction which its agents receive has resulted in their being recognized as representatives of exceptional knowledge of the business and of marked efficiency.

A first class life underwriter with a successful field record, and an untarnished reputation can secure good open territory by addressing

SECURITY MUTUAL LIFE
INSURANCE COMPANY
Binghamton, N. Y.

ACTUARY VAN CISE RESIGNS.

The veteran actuary of the Equitable Life Assurance Society, Joel G. Van Cise, F.A.S., resigned his post on Thursday of last week on account of illness, and his resignation was regretfully accepted. No successor has as yet been appointed.

Mr. Van Cise was at the same meeting appointed consulting actuary of the Equitable, which will, therefore, continue to have his services, so far as he is able to give attention to its affairs. He is at the present time ill with a severe attack of influenza, at his home in Summit, N. J., and as he is 66 years of age, recuperation is a slow process. His connection with the Equitable dates from 1867, covering, therefore, nearly 43 years. He has been in the actuarial department from the start; and there his remarkable mathematical abilities early attracted the attention of the late Geo. W. Philips, actuary of the company, with the result that he was made assistant actuary in 1872, and upon the death of Mr. Philips was appointed actuary in 1898.

HIGH-SOUNDING SENTIMENT?

"Is policyholder control in actual practice anything more than a high-sounding sentiment?" is asked by the president of a stock life insurance company. The opinion of President Clark can be inferred from the following excerpt of a recent statement to the policyholders of the Union Central Life.

Much has been said in these days about control of life insurance companies by policyholders as being the model method of organization. Legislators have gone so far as to provide a way for stock companies to mutualize.

A mutual company properly managed is no better than a stock company so managed, and vice versa. An improper management in either form has its remedy under statute.

A report recently issued by an insurance commissioner gives the result of the last reported elections held by the mutual companies operating in his State. Tabulation of them is as follows:

No. of Policies.	Present at Election.	Assets.
978,209.....	62	\$557,286,670.76
639,746.....	93	539,038,968.13
200,819.....	59	121,129,631.65
177,518.....	1,715	99,722,403.26
78,538.....	495	47,961,705.34
59,770.....	27	25,948,801.10
58,950.....	79	17,064,351.43
48,595.....	159	32,490,143.67
26,671.....	139	5,230,126.46
6,130.....	9	1,863,052.21

2,274,946.....2,829\$1,447,735,854.01

It is evident that the policyholders

in these ten mutual companies were perfectly willing to allow the control and management of their one and a half billion of assets to rest in the hands of an almost infinitesimal fraction of their number.

A recent effort of policyholders, so-called, to reorganize a large company,

that is to say, to put out the "ins" and put in the "outs," resulted in absolute failure, with large financial loss and discredit to the originators of the movement. Upon the other hand, public sentiment recently compelled three presidents of mutual and stock companies to resign.

FORTY-THIRD ANNUAL STATEMENT

—OF—

The Union Central Life Insurance Co.

OF CINCINNATI

FOR THE YEAR ENDING DECEMBER 31, 1909

Paid-for Basis

ASSETS

Cash on Hand and in Bank	\$894,637.95
First Mortgage Loans on Real Estate.....	57,720,820.15
Home Office Property and Other Real Estate.....	458,756.70
Cash Loans on Company's Policies.....	10,310,151.15
United States Bonds deposited with Treasurer of Virginia.....	25,406.25
Premium Notes on Policies in Force.....	2,047,699.39
Net Deferred and Unreported Premiums.....	462,874.38
Interest and rents due and unpaid.....	165,193.11
Interest accrued, not yet due.....	2,438,427.20

Admitted Assets December 31, 1909.....\$74,523,966.28

LIABILITIES

Reserve Fund required by law.....	\$59,811,069.00	
Policy claims in process of adjustment.....	138,273.00	
Dividends on deposit and Premiums Paid in Advance.....	117,220.25	
Instalment Policy Death Claims not due.....	728,836.00	
Commissions not due and all other obligations.....	546,433.78	
Surplus credited on special forms of Policies.....	9,653,205.00	\$70,995,037.03

Surplus derived from participating business, assigned and unassigned	2,299,891.40	
Surplus derived from non-participating business.....	729,037.85	
Capital Stock	500,000.00	\$3,528,929.25

\$74,523,966.28

RECEIPTS

Premiums	\$10,209,903.92
Interest and Rents	4,212,217.05
Profit and Loss	79,737.68
Other Receipts—Sundry Accounts	60,017.02

\$14,554,875.67

DISBURSEMENTS

Death Claims	\$2,341,849.01
Matured Endowments and Annuities	943,904.01
Surrendered and Cancelled Policies.....	900,669.58
Dividends to Policyholders	1,504,633.60

Total Payments to Policyholders.....	\$5,691,056.20
Taxes	388,220.66
Commissions and all other expenses	2,273,885.56

Total Disbursements	\$8,353,162.42
Excess of Receipts Over Disbursements.....	6,201,713.25

\$14,554,875.67

INSURANCE ACCOUNT

Total Number of Policies in Force	148,258
Total Amount Insured	\$284,906,828.00
Policies Revived and Increased in 1909, 337, Insuring.....	\$779,564.00
Policies Issued and Paid for in 1909, 12,952, Insuring.....	\$31,723,515.00

GAINS IN 1909

Gain in Admitted Assets.....	\$6,590,720.88
Gain in Outstanding Insurance	5,815 Policies for \$15,839,528.00

EXECUTIVE STAFF**JESSE R. CLARK, President**

E. P. MARSHALL, Vice-President.	E. D. HAYNES, Auditor.
PAUL E. WILLIAMS, 2d Vice-Pres.	GEORGE L. WILLIAMS, Asst. Secretary.
JOHN D. SAGE, Secretary.	R. F. RUST, Assistant Treasurer.
LOUIS BREILING, Treasurer.	JESSE R. CLARK, JR., 2d Asst. Treas.
CLARK W. DAVIS, Medical Director.	WM. MUHLBERG, Asst. Med. Director.
ALLAN WATERS, Supt. of Agents.	J. R. L. CARRINGTON, Asst. Actuary.
E. E. HARDCASTLE, Actuary.	MAXWELL & RAMSEY, Gen. Counsel.

THEIR 1909 EXPERIENCE.

The annual statements of fire and fire and marine insurance companies, as of December 31, 1909, filed with the Insurance Department at Albany gives the following interesting figures:

COMPANY.	Premium Income.	Losses Paid.	Losses Unpaid.
Aachen & Munich	\$1,126,202	\$518,829	\$117,424
American Druggist, Cincinnati	46,757	11,873	1,019
Assur. Co. of America, New York	89,606	62,068	17,328
Austin, Dallas	222,105	136,186	15,897
American Central, St. Louis	2,506,731	1,204,573	208,432
Alliance, Philadelphia	867,020	431,768	105,845
Aetna	7,334,253	3,653,396	622,207
American, Philadelphia	292,111	134,124	50,919
Atlanta Home	182,912	108,474	18,604
Allemannia, Pittsburg	753,828	334,722	82,319
Adirondack	274,128	167,017	13,379
Albany	316,378	148,971	24,700
Agricultural, Watertown, N. Y.	1,653,436	634,234	126,425
Alliance Assurance, London	20,935	98,271	258,369
American National, Rock Island	244,669	112,662	23,773
American, Newark, N. J.	3,443,880	1,672,100	257,950
Atlas Assurance, London	1,731,795	762,008	117,539
Ben Franklin	494,106	248,656	42,056
British America Association Co., Toronto ..	973,546	470,857	89,259
Boston	2,856,608	1,294,669	331,226
Buffalo Commercial	343,875	171,664	24,477
Buffalo German	601,264	256,027	32,149
Commonwealth, Dallas	217,306	122,829	19,885
California	723,008	267,151	43,415
Citizens, Charlestown, W. Va.	150,145	63,085	9,399
County Fire, Philadelphia	378,532	164,878	32,701
Concordia, Milwaukee	946,890	470,357	78,066
Commercial Union Asso. Co., London	4,398,611	2,174,775	788,833
Commerce, Albany	265,447	104,490	16,513
Citizens, Missouri	562,779	316,489	38,422
Capital, Concord	464,140	262,921	57,301
Camden	1,261,879	637,061	131,546
Calumet, Chicago	492,933	197,512	66,549
Cologne	935,002	439,013	89,498
Commercial Union, New York	345,234	125,474	36,788
Colonial, New York	61,159	17,775	4,725
Cooper, Dayton, Ohio	183,767	53,483	7,985
City of New York	389,454	178,445	31,974
Commonwealth, New York	672,789	213,432	40,817
Continental, New York	6,668,802	2,970,149	424,536
Caledonian-American, New York	14,232	5,844	1,819
Caledonian, Edinburgh	1,411,627	633,019	121,103
Connecticut, Hartford	3,825,805	1,846,741	295,005
Dixie, Greensboro, N. C.	760,344	739,183	68,449
Dubuque Fire & Marine	639,538	301,651	24,965
Dutchess	463,036	242,987	44,287
Detroit Fire & Marine	575,722	296,598	62,747
Delaware, Philadelphia	1,679,357	807,756	146,715
Eastern, Atlantic City	199,315	220,181	50,427
Empire City, New York	525,681	243,554	67,953
Equitable Fire & Marine, Providence	940,217	522,949	72,983
Farmers', York	525,056	319,460	52,349
Freeholders, Topeka	168,664	86,967	28,762
First Russian	642,107	301,124	47,762
Franklin, Philadelphia	1,208,426	501,288	104,253
Fidelity, New York	1,042,778	427,039	90,022
Fire Association, Philadelphia	4,143,457	2,106,150	822,875
Firemens, Newark	1,884,047	829,033	196,232
Firemans Fund, San Francisco	4,645,111	2,207,734	442,948
Girard Fire & Marine, Philadelphia	861,386	370,114	48,593
German, Peoria	461,905	342,034	40,668
German, Pittsburg	714,049	369,856	66,187
German-American, Baltimore	207,600	89,949	17,537
Georgia Home	746,597	428,518	91,818
Granite State	568,472	197,483	70,248
German Alliance, New York	558,174	260,940	78,086
German American, New York	6,886,301	3,307,004	708,598
German, Wheeling, W. Va.	247,650	96,424	22,763
Glens Falls	1,971,850	861,341	120,211
Germania, New York	2,907,416	1,193,928	220,751
Globe & Rutgers, New York	2,810,704	1,586,441	298,573
Humbolt, Pittsburg	521,657	206,110	64,085
Hamburg-Bremen	1,331,328	871,153	97,655
Hartford Fire	14,989,009	7,548,275	1,380,379
Hamilton, New York	6,328	2,390	1,261
Home, New York	11,363,530	5,321,641	958,539
Hanover, New York	2,361,529	1,114,792	236,423

"PERFECTION" POLICIES
are issued only by the

Continental Casualty Co.

CHICAGO, ILLINOIS.

When better accident and health policies can be written, we will write them.

Good Contracts in Good Territory
to Good Men. Producers address

H. G. B. ALEXANDER,
President and General Manager,
1208 Michigan Ave., Chicago, Illinois.

WESTERN ASSURANCE Co.

HEAD OFFICE,
TORONTO, - - CANADA.

Incorporated 1851.

Hon. GEORGE A. COX.....President
W. R. BROCK and JOHN
HOSKIN, K. C. LL. D., Vice-Presidents
W. B. MEIKLE.....General Manager

United States Statement, Jan. 1, 1910.
Assets\$2,377,303.37
Surplus in United States..... 839,268.07

The Star of Success

shines over the fields in which
our agents work.

Why? Popular company, pol-
icies that cover public needs,
low net cost, literature that
prospects read.

Now writing the largest busi-
ness in our history.

For agency information ap-
ply to

Massachusetts Mutual
Life Insurance Company
Springfield, Mass.

Incorporated 1851.

International, New York.....	1,921,890	263,159	123,348
Insurance Co. of State of Ill.....	817,876	351,302	26,057
Insurance Co. State of Penn.....	723,241	377,763	87,534
Ins. Co. of No Am. Philadelphia.....	8,599,001	4,397,831	879,950
Imperial, Denver.....	160,059	70,114	9,993
Jakor, Moscow.....	1,316,540	270,498	150,244
Jefferson, Philadelphia.....	744,477	451,273	113,991
Law, Union & Crown, London.....	402,103	153,756	35,470
Liv. & Lon. & Globe, Liverpool.....	7,839,471	3,689,244	630,569
Liv. & Lon. & Globe, New York.....	228,001	101,586	20,891
London Assur. Corp., London.....	2,018,264	779,274	118,674
London & Lancashire, Liverpool.....	2,363,932	950,977	125,505
Lumbermens, Philadelphia.....	264,925	115,844	26,306
Lumber, New York.....	300,681	175,154	14,445
Millers National, Chicago.....	361,562	466,366	44,030
Milwaukee.....	342,217	144,038	24,489
Michigan Commercial.....	937,886	590,679	91,209
Milwaukee Mechanics'.....	1,594,570	674,738	122,105
Mechanics, Philadelphia.....	397,608	182,957	41,901
Michigan.....	603,398	253,631	46,500
Munich Reinsurance Co.....	4,524,816	2,286,316	775,441
Mechanics' & Traders', New Orleans.....	701,231	324,301	70,970
Moscow.....	1,545,751	683,925	130,862
National Brewers'.....	33,386	1,271	2,362
North British & Mercantile, London.....	4,806,162	1,988,547	384,531
National Lumber, Buffalo.....	232,758	107,267	36,917
Northern Assurance, London.....	2,926,977	1,350,960	331,721
National Union, Pittsburg.....	1,685,999	800,046	134,680
Newark.....	379,069	146,536	29,792
Northwestern National.....	2,077,504	767,429	129,402
National, Pittsburg.....	777,761	321,734	82,936
Northern, New York.....	668,972	311,792	53,977
North British & Mercantile, New York.....	514,817	108,082	30,573
Nassau, Brooklyn.....	539,235	277,232	72,333
National, Hartford.....	5,608,325	2,680,915	537,863
North River.....	1,552,001	794,276	132,543
Niagara, New York.....	3,184,329	1,455,614	261,930
Norwich Union.....	1,710,369	1,232,373	162,749
New Brunswick.....	484,521	228,368	21,160
New Hampshire.....	2,151,924	1,136,908	225,177
Orient, Hartford.....	1,360,355	584,065	108,200
Old Colony, Boston.....	459,938	245,833	51,766
Phenix, Brooklyn.....	6,307,988	3,550,652	547,403
Palatine, London.....	1,674,347	841,711	361,810
Prussian National.....	1,043,745	460,803	106,052
Peter Cooper, New York.....	322,320	164,685	42,035
Phoenix, Hartford.....	4,889,175	2,151,337	499,345
Phoenix Assurance Co., Limited.....	2,412,755	1,239,434	187,171
Providence-Washington.....	2,638,522	1,378,719	310,607
Peoples National, Philadelphia.....	1,320,371	211,024	77,767
Pennsylvania.....	3,368,539	1,742,683	313,047
Pelican Assurance, New York.....	315,089	160,554	24,686
Pacific, New York.....	413,361	230,163	43,571
Queen of America, New York.....	4,493,507	2,157,449	379,074
Rochester German.....	1,471,619	722,071	134,586
Reliance, Philadelphia.....	970,722	434,341	101,938
Rhode Island.....	400,402	153,957	41,748
Rossia.....	3,954,532	1,957,699	522,912
Richmond, New York.....	155,647	71,753	24,490
Royal Exchange Assurance, London.....	1,423,065	869,708	148,035
Royal, Liverpool.....	7,368,762	3,557,453	576,735
Russian Reinsurance Company.....	985,756	379,229	68,011
Shawnee, Topeka.....	1,505,073	919,828	88,691
Standard, New Jersey.....	307,158	165,604	32,726
Spring Garden.....	2,342,773	1,269,718	275,234
Springfield Fire & Marine.....	5,307,622	2,522,980	381,912
Salamandra.....	1,409,424	1,002,596	353,005
St. Paul Fire & Marine.....	4,726,642	2,401,305	314,006
Sun, New Orleans.....	666,861	353,099	50,566
Svea, Sweden.....	706,360	354,711	63,222
Sun, London.....	3,077,118	1,423,766	244,069
Stuyvesant, New York.....	701,481	348,172	73,963
Skandia.....	1,106,040	603,604	173,157
State, Omaha.....	128,573	45,169	4,703
Scottish Union & National, Edinburgh.....	2,068,182	953,022	203,965
Security, New Haven.....	1,499,888	687,237	126,611
Teutonia, New Orleans.....	828,636	491,169	42,175
Teutonia, Allegheny.....	505,030	228,755	40,990
Union, Philadelphia.....	769,008	381,784	78,851
United States, New York.....	246,241	120,063	31,360
Virginia Fire & Marine.....	732,115	411,038	88,349
Washington, Seattle.....	384,111	239,411	41,572
Western, Pittsburg.....	518,982	244,500	51,627
Western Assurance, Toronto.....	1,743,353	907,543	223,414
Westchester, New York.....	2,583,860	1,275,869	229,029
Western Reserve, Cleveland.....	236,227	228,950	25,034
Winona, Minneapolis.....	531,349	301,234	74,054
Williamsburg City.....	1,748,246	934,788	177,029

HARTFORD LIFE

INSURANCE COMPANY, OF CONN.

1909 Policies are Participating, or
Non-participating, with Lower Rates
and Values based on FULL RE-
SERVE.

For Right Contracts,
Address, Second Vice-President.
Home Office, HARTFORD, CONN.

201st Year. SUN Insurance Office OF LONDON.

FOUNDED 1710.
UNITED STATES BRANCH:
54 PINE STREET, NEW YORK.
WESTERN DEPARTMENT:
171 LA SALLE ST., CHICAGO.
PACIFIC DEPARTMENT:
Sansome & Sacramento Sts.,
SAN FRANCISCO, CAL.

AGENTS WANTED
AT UNREPRESENTED POINTS.

Organized 1871 Life Ins. Co. of Virginia, Home Office, Richmond, Virginia.

J. G. WALKER, President.
T. W. PEMBERTON, 1st Vice-President.
W. L. T. ROGERSON, 2d Vice-President.
E. D. HARRIS, Secretary.

The OLDEST Southern Life Insurance
Company.
The LARGEST and STRONGEST South-
ern Life Insurance Company.
The PIONEER Southern Industrial Life
Insurance Company.
Its policies are clear and definite in
their provisions and their values are ab-
solutely guaranteed.

Assets Dec. 31, 1909..... \$5,372,691.99
Liabilities Dec. 31, 1903..... 4,312,405.32
Insurance in Force Dec. 31,
1903..... 68,337,613.00
Total Payments to Policy-
holders since Organization 9,820,412.49

"The Leading Fire Insurance Company
of America."



WM. B. CLARK, President.
W. H. KING, Vice-President.
HENRY E. REES, Secretary.
Assistant Secretaries,
A. N. WILLIAMS, E. S. ALLEN,
E. J. SLOAN, GUY E. BOWDLESLEY.

IN NEW ENGLAND

A Feast of Reason.

"Plain living and high thinking" were in evidence at the annual dinner of the Boston Life Underwriters Association at Young's Hotel last Friday evening. The newly elected president, Edward Marsh, was in the chair, and his introductions of speakers were felicitous and of gratifying brevity. In his opening address he touched upon the value of life underwriters associations bearing particularly upon their usefulness when the critical situation arose in New York State. The second part of his address was mainly an admonition to his colleagues to forget the woes of the past and to set their faces towards the morning.

Vice-President Howland, of the National Life of Vermont, discoursed upon "The Field Man's Opportunity." He approached the subject with a fund of witty and appropriate anecdotes. He saw in the broadening appreciation of life insurance, not only by the public at large, but also by the head of the Nation, and other men of importance, a large element of the field man's opportunity. During the present clamor about the cost of living and the elevation of prices, life insurance was the one thing that had reduced its price and increased its values. He then adverted to the recent time when business men, unable to raise money in any other way, except at exorbitant rates of interest, were able to procure it at a reasonable rate by means of loans on their life insurance policies. Mr. Howland extolled the quality of insurance supervision in Massachusetts in the highest terms, and wove a chaplet of respect to the memory of Elizur Wright. He recalled how Mr. Wright, alone and unaided, pitted his conviction against that of the actuarial authorities of Great Britain in regard to the case of the International Life Insurance Company; how those authorities had regarded the then obscure insurance commissioner with disdain, only to acknowledge later that he was right when the International Life went down to its doom. The speaker regretted the absence of any fitting memorial to Mr. Wright, and volunteered the opinion that the erection of such a memorial was a project which the Boston Life Underwriters Association might well set in motion.

A. F. Sheldon gave a strong talk on "Man Building as Related to Business Building." He considered that the salesman was both bought and

made. Nature unaided fails, but the training of the natural powers develops success. Each man has qualities that can be developed best in some particular line of effort. The three great divisions of mental effort are: Knowing, feeling and willing. Faith is also a great attribute of the salesman. He must not say or do or teach anything that will not build confidence. He must have faith in his company, faith in the applicability of a certain policy for a certain man, regardless of the premium involved, and his reward will come in the natural course of compensation. The two devils of Doubt and Fear have killed more successes than battles have killed men. The business builder must be progressive. He must be able to answer in the affirmative such self questionings as: "Is your judgment better this week than last?" "Are you making a better use of your time?" "Are you learning things that are new and good?" The salesman must have an honest desire to be of service and that immediately. A popular motto brought up to date says: "Do it right, right now." A satisfied patron is the best advertisement for a salesman, whether he be in life insurance or other lines of effort.

The last speaker was Charles A. Bradley, representing the Metropolitan Life in Maine, and also second vice-president of the National Association of Life Underwriters. His talk turned upon "The Elements of Successful Life Insurance Salesmanship," and, while unpretentious, was strong and pointed. He set forth the value of personality in a life agent. He must be a good "mixer" and of pleasing address, a student of the business, having a knowledge of his own company, and of other companies, to enable him to meet all arguments. System and a carefully compiled list of prospects would prove a regular source of renewal of business. Mr. Bradley alluded to the condition that, while the elements of successful soliciting were well known and frequently repeated, yet the successes were comparatively few. He accounted for this by the fact that so many men do not do their level best in applying what they know, nor, when they do it, do it at the time it ought to be done. These obstacles can be overcome by a resolute training of will power.

The usual orchestra was present at the dinner, and its blatant strains were a great preventative of conversation.

Capital Subscribed.

It was announced last Thursday that the Standard Fire Insurance Company of Hartford, Conn., had perfected

its organization, and would begin underwriting operations in March. The entire authorized capital stock of \$500,000 has been subscribed for on the basis of \$200 a share, thus rolling up a capital stock of \$500,000 and a surplus of an equal sum. The first payment of 50 per cent. was made last week, and the second one is due March 15. As soon as final payment is made, the company will make arrangements to enter various States, establishing agencies and begin issuing policies.

Special Agent Cowee.

Geo. F. Cowee, for the past 12 years in charge of the local department of the Field & Cowles agency, and for over twenty years in the service of that firm and its predecessors, will, on March 1, enter the service of the National Fire of Hartford as special agent for New Hampshire, Eastern Massachusetts and Rhode Island, and, in that capacity, assistant to Special Agent W. H. Lewis. Mr. Cowee, who is in the prime of life and is one of the popular figures of the Boston "street," has the good wishes of hosts of friends in his new field of endeavor.

A Model Fire Insurance Company.

The superb record of the Phoenix Insurance Company of Hartford, Conn., as a dependable purveyor of indemnity for fire loss, receives another notable addition, as disclosed by its 111th semi-annual financial statement, as of January 1, 1910. The total cash assets of the company on that date were \$9,941,424.23, of which \$3,066,837.38 was net surplus over all liabilities, including the cash capital of \$2,000,000, the reserve for re-insurance of \$4,293,241.71, and proper reserves for other purposes. During the year the Phoenix gained \$1,107,152.33 in assets, \$325,744 in reserve, and \$897,662.80 in surplus. The company's surplus to policyholders is \$5,066,837.38, and it has paid total losses since organization in excess of \$65,696,000.

1860 50th YEAR 1910

HOME LIFE

Insurance Company of New York.

GEORGE E. IDE, President.

Assets	\$23,626,018.63
Liabilities	21,858,691.52
(Including Deferred Dividend Fund)	
Dividend Endowment Fund	
(Deferred Dividends)	2,119,044.00
Net Surplus	1,767,327.00
Insurance in Force	92,532,583.90

The record for 1909 shows the following GAINS:

Insurance in Force	\$4,164,239.00
Assets	1,917,117.00
Deferred Dividend Reserve	148,581.00
Contingency Reserve (Surplus)	655,149.17

NEW YORK THEATRE INSPECTION.

Rhinelanders Waldo, commissioner of the fire department, has issued orders for a more rigid inspection of theatres. The order conveys instructions to all companies regarding the duties of men detailed at theatres. Among other things the men must test alarms at five-minute intervals before a performance, cause the asbestos curtain to be raised and lowered before each performance and lowered at the close; inspect all fire appliance, and in other ways see that fire and panic-preventing equipment are in condition for instant use. The order reads as follows:

Members of the department detailed to theatre duty will report to theatres at 1:30 o'clock for afternoon performances and 7:30 o'clock for evening performances. On arrival at the theatre, they will immediately make inspections to determine whether all exits are open, lighted and numbered, and all outside fire escapes, courts and approaches thereto are free from obstruction, especially of ice and snow, and are properly lighted.

They will inspect all fire appliances for the purpose of learning its condition and readiness for immediate use, and see that the keys are properly placed.

They will inspect all parts of the theatre, especially the stage, wings, traps and flies, and see that there is no accumulation of rubbish.

They will cause all doors in the proscenium walls to be closed during the performance.

They will see that the border lights are properly protected by shields.

They will send two rounds of test signals on the Morse key of the special building fire alarm box at intervals of five minutes and will enter on reports whether replies were received from the telegraph bureau.

Where explosives, fire alarms, color fire, or materials of a hazardous character are used, they will cause pails of water to be placed near by for cases of emergency.

They will cause all articles used for color fire to be properly cooled before put away.

They will inspect the permit of the bureau of combustibles authorizing the use of explosives.

Members of the theatre detail will report all violations or infractions of department regulations and any unusual occurrences while on duty.

Last week Senator Harden introduced in the New York Legislature a bill amending the present insurance law by providing that a person negotiating fire insurance who delivers to insured a policy of a fire insurance corporation authorized to do business in the State shall be deemed to be agent of the corporation; that receipt by him of premium shall be deemed payment to corporation, and that the policy shall be binding upon that corporation unless it shows that such persons in negotiating insurance acted without its authority.

NEW ENGLAND BREVITIES.

At the Massachusetts hearing on the bill to authorize insurance against flood damage, there was no opposition, and George P. Field spoke in its favor. The bill to permit insurance upon the lives of domestic animals was also unopposed, while two speakers gave arguments for its enactment.

A bill to permit life insurance companies to issue policies against permanent total disability to an extent not exceeding the amount of life insurance covered by the same policy, was the subject of a hearing by the Massachusetts committee last week, and while strong arguments were presented in its favor, a number of dissenters were also heard.

William A. Deming, for some time in the service of the American Central, will become special agent for New England of the City of New York Fire.

THE 1910 POCKET INDEX.

The Spectator Company has just issued its 1910 Fire Insurance Pocket Index. As usual, this chart is the first published, presenting the latest statistics of all the fire insurance companies transacting business in the United States. It gives the comparative statements for the preceding ten years and contains much other interesting information in its eighty pages. Besides the information in the main tables, it contains a list of unlicensed companies, the Lloyds and retired companies, monthly fire losses for six years, large fires in the last two hundred years, recent conflagration losses, etc., etc., with the usual table of contents.

The Massachusetts legislative insurance committee reported last Thursday in the House a bill empowering insurance agents to receive commissions on policies taken out for themselves.

111th Semi-Annual Financial Statement

of the

Phoenix Insurance Co.

OF HARTFORD, CONN.

JANUARY 1, 1910

Cash Capital, - - - - \$2,000,000

ASSETS.

Cash on Hand, in Bank, and with Agents.....	\$1,524,957 64
State Stocks and Bonds.....	10,400 00
Hartford Bank Stocks.....	596,150 00
Miscellaneous Bank Stocks.....	525,237 00
Corporation Stocks and Bonds.....	1,005,604 00
Railroad " ".....	5,481,887 00
County, City, and Water Bonds.....	502,425 00
Real Estate.....	141,013 38
Loans on Collateral.....	15,200 00
Real Estate Loans.....	52,983 33
Accumulated Interest and Rents and other Claims.....	85,566 88

Total Cash Assets..... \$9,941,424 23

LIABILITIES.

Cash Capital.....	\$2,000,000 00
Reserve for Outstanding Losses.....	499,345 14
Reserve for Re-Insurance.....	4,293,241 71
Reserve for Contingencies and all other Liabilities.....	82,000 00
NET SURPLUS.....	3,066,837 38

\$9,941,424 23

Increase in Assets,	\$1,107,152.33
Increase in Reserve,	325,744.00
Increase in Surplus,	897,662.80

Surplus to Policyholders, \$5,066,837.38

Total Losses Paid since Organization of Company,

\$65,696,377.03

D. W. C. SKILTON, President. EDWARD MILLIGAN, Vice-Prest.
JOHN B. KNOX, Secretary, THOMAS C. TEMPLE, Secretary.
LOVEJOY & SPEAR, Managers Western Department, Cincinnati, Ohio.
GEORGE H. TYSON, General Agent Pacific Department, San Francisco.
J. W. TATLEY, Manager Canadian Department, Montreal, Canada.

WESTERN UNION CONDITIONS.

There are no really new developments in the situation growing out of the Continental and Fidelity Underwriter's entering the Western Union. It is the one live topic in the West. Everybody is seeking information, and there is nobody to give it. While it was expected that there would be something of a rush of non-union companies to the union if the Continental took the lead, no rush has developed. All around it is a case of "want to but dassent." In conversation a number of managers admit freely that the leading non-union companies ought to go into the union, that if they would go in in a body it would be a fine thing for the business, that personally they favor unionizing. But in all cases there is a string attached—it must be a general movement; and so far nobody appears to have taken the initiative to start a general movement.

President Louis S. Amonson of the Peoples National was in Chicago last Friday and Saturday. He called on a number of non-union managers as well as some union ones. He is heartily in favor of the unionization of a number of leading non-union companies and his would be one of them, but he is not ready to go it alone. Neither would it look well for him, an easterner and head of a very young company, to call a meeting of the Western non-union managers, men who have been on the ground for years and represent large interests in the West. Presidents Dunham of the Firemens, Hoadley of the American and Stevens of the Agricultural were in Chicago last week. Mr. Dunham was out to see the company's new Western department, but it is understood that Messrs. Hoadley and Stevens did some canvassing of the situation. One company which has been mentioned as a possible candidate for union membership has called its Western field man to the home office to discuss the situation.

"Union Forever."

There still is good reason to believe that there will be considerable unionization. It seems impossible that a number of managers should express the views they do and not eventually find among their number a Moses to lead them out of the wilderness. The question is not entirely up to them in every case. It is known that some of the Eastern executives are much dissatisfied with the heavy expense ratios their companies are running up in the West. While this does not show in their statements necessarily, as lower expenses in the East and South help

to neutralize the high ones of the West, the executives know it and are insisting upon improvement. In some instances the Western manager has never forgotten a disagreeable experience he had with the union and would not consider joining it, but the home office people are inclined to put on pressure.

The Field's Force.

The influence from the field is also likely to be felt soon. The local agents are considerably stirred up. They want to know, so they ask the field men and they cannot tell them. Some field men are now going through the experience those of the Phenix went through a month or two ago. The agents are not satisfied with assurances that they will not be disturbed. They will be disturbed. Even if no other companies should follow the Continental and Fidelity Underwriters into the union and these two companies should take the full two years allowed them to get their houses in order, many an agent is going to be called upon to make choice between running a non-union, a mixed or a union office. The more companies are uncertain as to their movements, the longer the agents are going to be unsettled. It is not unlikely that a number of companies will have to declare themselves within a few weeks. If they continue to attempt to sit on the fence, it will weaken the confidence of their agents in them and lay them the more liable to the attacks of those companies about whose continued non-affiliation there is no doubt.

The "Silent" Voters.

There is another element in this situation which will have some influence. A number of managers of first class non-union companies are ashamed of the company they are keeping. As one manager, a non-union man, put it, "They feel like 'scabs' outside of a labor union." They know that they have not the standing they would have if they were in the union. Nearly every union company is an institution of good standing and, notwithstanding numerous lapses, most of them do business in a creditable way. The non-union companies, on the other hand, are a nondescript class, varying from some of the very best down to the every poorest that can pass muster with insurance departments. It is not pleasant for a high grade manager to be classed in a general way with the bobtails for which he is not accountable and of which he is ashamed. The field men are more or less in the same boat. While the union specials have the commission

question settled for them, a non-union special has to be suspicious of most of his associates, for he does not know which ones of them are undermining his business by paying 5 per cent. extra for it on the quiet. While there are some splendid field men representing non-union companies, they recognize the fact that there are as many others that are not high grade. There are plenty of them who down in their hearts would be glad if they belonged to the State Board instead of the field club or league or whatever the non-union organization is called.

DONNELLY MUST STAND TRIAL.

The courts of Ohio have overruled the demurrer attacking the validity of the indictment of Judge Michael Donnelly, former president of the defunct Ohio German Insurance Company, upon two counts of perjury returned by the Grand Jury in January, 1909.

Two of the specifications made by Donnelly's counsel as regards the item of unpaid licenses and claims of the insurance company were sustained by the court, but he held that the contention of the defense to the effect that nothing contained in the affidavit went to show that the Ohio German was an insurance company, or that the affidavit upon which the perjury was based was made without intention of filing it with the State Insurance Commissioner were not well taken.

Judge Chittenden cited several Supreme Court decisions and declared that the Legislature had expressed disapproval of certain technical objections often urged against indictments. The demurrers were overruled upon the general ground that perjury may have been committed by Judge Donnelly when items set forth as fact in an annual statement are charged to have been false, and which statement was made by Judge Donnelly under oath.

TO WIN IN COMPETITION

Represent the Company whose agents have the strongest fighting material and the most telling arguments. Everyone knows the superiority in low cost to policyholders, (due to high interest earnings, low death and expense rate) of

THE Union Central Life Insurance Co. of Cincinnati.

Assets, \$74,523,966.28
Liabilities, \$72,324,302.92

JESSE R. CLARK, President.
ALLAN WATERS, Sup't of Agents.

TO LIMIT COMMISSIONS BY LAW.

Insurance Commissioner Hardigan, of Minnesota, has caused a bill to be prepared to be introduced in the next session of the Minnesota Legislature, limiting the amount of commission to be paid by fire companies to fifteen per cent. The Commissioner holds that underwriting profits are not excessive, and that the only way to reduce the cost of fire insurance is in a reduction of the losses and the expenses, and he believes that if the companies are unable to cope with the situation, the amount of commissions paid should be regulated by the State. It is reported that Commissioner Hartigan found that some agents in his State had contracts calling for a commission as high as forty-five per cent.

While this action of Commissioner Hartigan may appear to be premature, in view of the general investigation as to the expenses of fire insurance companies which is being carried on by a special committee of the insurance commissioners, it is indicative that legislative action is certain to follow their report.

It is understood that a public hearing will be held by the first of May, at which insurance company officials and others can present their views to the commissioners.

It may be well expected that representatives of several of the strongest commercial organizations will be there to advocate a reduction in commissions as a step toward generally reducing the fire insurance rates. In this they never fail, though their support in reducing the fire hazard is sadly lacking.

As Evans Sees It.

Henry Evans, president of the Continental, when interviewed concerning Commissioner Hartigan's action, said:

The regulation of commissions through State laws is, in my opinion, sure to take place, and at any early date, unless the companies and agents get together and control this feature of the business themselves. Personally I favor a flat commission of 12½ per cent., with an added contingent or profit sharing commission of 12½ per cent. more, these payments to cover all charges at the agency, postage, exchange, license, local tax, etc., thus preventing any charge for extras.

We may as well face the situation and get busy. If we do not, the public, acting through the insurance commissioners and the legislatures, will do the work for us, and every State will do something different, probably. I believe in fully compensating the local agent, but over compensation leads to excess competition rebates and in the end less profit for the agent than if the commission were limited to a reasonable figure in the first place. No sane man can do other than deplore the fire waste in this country,

and in my opinion it will be soonest reduced by the adoption of a contingent or profit sharing commission and the general use of details scheduled for the making of rates on all classes of risks.

THE STANDARD FIRE TABLES.

"The Standard," of Boston, announces the first copies of the 1910 edition of the Standard Fire Insurance Tables were issued last Saturday, and orders will be shipped as rapidly as possible.

The new edition has been enlarged to 104 pages and now presents the ten-year statistics of 238 companies to-

gether with the profit and loss and comparative rank tables given only in this publication; list of state officials; reinsurances and retirements from 1905 to 1909 inclusive, and two new lists, one of underwriters' agencies and the other of surplus line companies.

The form and arrangement of previous editions have been conserved and the same care in the compilation of the statistics presented which has secured for the publication its high reputation for accuracy and a constantly increasing sale, has been exercised in the preparation of the present edition.

Peoples National Fire Insurance Co.

— PHILADELPHIA —

ASSETS.

Bonds and Stocks	
(market value)	\$1,465,055.62
Mortgage Loans	556,975.00
Cash in banks.....	287,346.98
Balances due Company	130,778.82
Interest accrued to Jan-	
uary 1, 1910.....	28,253.46
Total Assets Jan-	
uary 1, 1910.....	\$2,468,409.88

LIABILITIES.

Set aside for losses in	
process	\$77,767.87
Set aside for Taxes,	
etc., due 1910.....	28,058.69
Reserve for reinsurance	745,009.34
Net surplus (N. Y.)...	617,573.98
Cash Capital	1,000,000.00
	\$2,468,409.88

INCOME AND DISBURSEMENTS.

NET PREMIUMS (less cancellations and re-	
insurance)	\$1,324,947.08
Total Losses Paid (15.8 per cent)	\$211,024.36
Losses in process (5.8 per cent)	77,767.87
Expenses (38.4 per cent)	520,178.76
Total Losses and Expenses.....	808,970.99
Excess of Premiums after deducting all Losses and	
Expenses	\$515,976.99
Net Interest Earnings for 1909 (including accrued interest) ..	74,729.97
Increase in value of securities.....	14,152.36

Surplus to Policyholders, \$1,617,573.98

Premium receipts were \$515,876.99 over and above the combined Losses and Expenses for the year, while the gain from interest, and increase in the value of securities amount to \$88,882.33. We have set aside and established a Reserve of \$745,009.34, and with Total Assets of \$2,468,409.88, our Investment Income will show a large increase in 1910.

LOUIS S. AMONSON, President

Howard M. Van Court, Vice-Pres.

J. Hector McNeal, Vice-Pres.

Jas. D. Hallowell, Treasurer C. G. Yates, Secretary.

HON. E. C. STOKES, Chairman Board of Directors,

THE FIRST FRUITS OF COMPENSATION.

The Casualty Company of America, under President DeLeon, is out with the first attempt of the employers liability insurance companies to supply the growing demand for compensation as distinguished from liability insurance. It has put out an "Employers' Compensation Policy," providing for the payment for each employe killed or injured by accident in the course of his employment the following benefits:

For loss of life, or for the loss of two limbs, or sight of both eyes, a sum equal to one full year's wages as earned by such employe; one-half of that sum may be paid for the loss of one limb, and one-third for the loss of sight of one eye; for minor injuries, the list of fixed compensation is correspondingly extended.

For temporary disability from accident, one-half of the weekly wages or salary earned may be paid during the time of disability.

The employer is himself authorized by the company to make these settlements immediately upon the occurrence of the accident; and the company agrees to refund all money, thus expended by him, without regard to negligence on the part of either the employer or the employe. It is also provided that differences as to amount of compensation may be referred to arbitration.

In case an employe will not accept the compensation given by the policy and resorts to the courts under the employers' liability law, the company agrees to defend the suit or adjust the claim if possible, and generally to indemnify the employer, precisely as under the regular forms of employers' liability policies.

The Casualty Company of America has reached a large number of employers and is daily enlisting the interest of others in this manner. In connection with this work President DeLeon states in a letter addressed to a prominent employer, that the company has engaged the services of an expert who is familiar with the practical operation of the plans followed with great success in other countries, and is in a position to give interesting information on the subject.

The expert referred to is Herman Leroy, a gentleman formerly connected with one of the large life companies as executive special agent, and more recently as general manager of the Liberty Life Insurance Company of New York. Mr. Leroy is known to have devoted a great deal of time to the study of the problems of workmen's compensation, with the direct purpose of initiating at the earliest

possible moment a plan of this nature.

The introduction of this policy renders it unnecessary for the American manufacturer or other employer of labor, who is alive to the equities that ought to govern the compensation of workmen and their families for the ruinous consequences of industrial accidents, to wait for the slow process of the amendment or repeal of our present barbarous laws.

CREDIT INSURANCE.

Of all the forms of insurance underwriting, credit insurance is the least understood by, and the most difficult to explain to, the general public. Companies writing this form of indemnity are besieged with inquiries and importunings for insurance against "bad debts," as the Credit Men's Association would term it.

Landlords, grocers and small dealers in retailing the ordinary commodities of life, ask for a guarantee that one John Brown will pay his account promptly. Even some agents of companies writing this line send in applications for insurance of leases and rentals and borrowings involving a financial endorsement, or, in other words, the endorsement of a promise to pay, do not seem to grasp the idea of credit insurance in the sense in which the term is technically used in underwriting.

Credit insurance, to make it perfectly plain, is issued on exactly the same principle as employers' liability insurance. A manufacturing or wholesaling concern is selling goods on credit, and its records show a loss on sales, say of an average of ten per cent., for the past several years. Then the credit insurance company will undertake to insure it, under agreed (and improved) conditions against any excess over that loss for the coming year, this to be determined by a comprehensive and intelligent system of keeping accounts and records.

For instance, the Pennsylvania Railroad Company can figure to an exact nicety at the beginning of its fiscal year what its results will be at the end of that year. This is due to the fact that every ordinary avenue to loss and leakage has been covered by insurance available. It buys every known form of policy that can protect its revenues. Its employes are under fidelity bonds, its bank deposits are guaranteed, it carries employers liability insurance, fire insurance, boiler insurance, elevator insurance, burglary insurance, and about any form that is offered of value. Thus it can figure out its "terminal."

Credit insurance is in effect a stop-gap for excessive losses. Like all

other lines of underwriting, it is based on the law of average and the expectation of a profit for its service. And, like the fidelity companies it depends upon the preventing of losses for its profit. In fact the prevention, and inspection system of any insurance company is its sole salvation, and in this lies its value to the holder of indemnity against loss.

Speaking along this line the magazine, "Independent," in the current issue, has this to say:

Credit insurance is exceedingly helpful to the credit man, in establishing his limits. It is likewise a safeguard and valuable protection to the interests represented by him. While merchandise is in the warehouse or salesroom of the firm engaged in its merchandising, and this merchandise stock is protected by fire insurance, the value of it is well defined, but upon the delivery of these same goods to a transportation or public service company, they pass from under the control of the shipper and without credit insurance the selling merchant has nothing but the entry on his books to show as an asset. Generally speaking, the selling merchant has no collateral security, and were it not a fact that the average purchaser is honest, business could not be conducted at all. No bank could extend credit as the merchant does with comparative safety, and in these days it is coming more and more to be a fact that no merchant can afford to do it in the long run. Experts have held that panics would be entirely eliminated if a sufficient line of credit insurance were carried by manufacturers and jobbers, since panics are to a very large extent the result of loss of confidence and a sense of insecurity. Such a loss of confidence and such a sense of insecurity would be impossible if the merchants' profits were guaranteed against loss by a judiciously selected line of credit.

Application for admission to Massachusetts and Rhode Island has been made by the Central National Fire of Chicago, which is to be represented in Boston by Crain, Jones, Bixby & Company, and at Providence by John Eddy & Son.

New England Mutual Life

Insurance Company

87 Milk Street, BOSTON, MASS.

ASSETS, Jan. 1, 1910.....	\$51,269,293.00
LIABILITIES	47,050,672.15
	\$4,218,620.85

All forms of Life and Endowment policies issued. Cash distributions paid upon all policies.

Every policy has indorsed thereon the cash surrender and paid-up insurance values to which the insured is entitled by the Massachusetts Statute.

Pamphlets, rates and values for any age sent on application to the Company's Office.

ALFRED D. FOSTER, President.

D. F. APPEL, Vice-President.

JACOB A. BARBEY, Secretary.

WM. F. DAVIS, Ass't Sec'y.

J. G. WILDMAN, Asst. Sec'y.

NEW YORK OFFICE:

St. Paul Building, 220 Broadway.
SETH H. WHITELEY, Manager.

POLITICS AND SURETYSHIP.

The change in presidents of the Illinois Surety and its retirement immediately afterward from the Surety Association of America has caused much comment at Chicago. At the company's office the statement is given out that it considered it wise to withdraw from the organization on account of the prevalent strong feeling against combinations. No statement has been made of Mr. Blount's reason for resigning the presidency, but there is reason to believe that it had a close connection with the company's decision to leave the surety organization.

The surety business of the American Trust & Savings Bank of Chicago is of considerable importance and has been much sought by representatives of surety companies. It was written for some years at a cut rate, and it was a recent attempt to raise the rate to tariff which brought the question of tariff rates to the attention of Judge Landis and resulted in his making his famous announcement that he would accept no more corporate bonds because the companies were in a combination and were charging extortionate prices. This pronouncement by Judge Landis is cited by the Illinois Surety as an indication of the sentiment against combinations. There are those who believe the Illinois Surety is getting in shape to do business in his court, and, incidentally, to capture the line of the American Trust & Savings Bank.

Former President Blount appeared to take much pleasure in his membership in the Surety Association of America. He made some good friends among the Eastern executives and enjoyed having them for friends. There is no statement to the effect that he was opposed to the company's withdrawing from the association, but it is quite likely that he was.

It is a noticeable fact that immediately upon the withdrawal of the Illinois Surety from the Surety Association the minimum rate on bonds for receivers and trustees was reduced from \$10 per \$1,000 or more, to \$5 for \$1,000 or less. This cuts exactly in half the rate on a bond for \$1,000, which Judge Landis usually requires in small cases.

What's the Game?

The new president was formerly a United States Senator from Illinois and was largely instrumental in the conception and organization of the Illinois Surety, and in political circles, it is freely asserted, for the purpose of cornering the Federal business at Washington and the political business

in Illinois, but his failure of re-election caused something of a misarrangement of the original plans of the architects necessitating material changes.

Hopkins is a self-reliant man and the breaking away from the surety association is characteristic. Every man who has freshly entered the insurance field in an executive capacity

knows it all and with his little broom and buncombe starts out without chart or compass to be a prodigy. If he does not fall by the wayside he may attain wisdom. And so there is hope that President Hopkins may soon learn that politics and insurance won't mix for long. Incidentally he will probably realize that he tore a big hole in his shirt by turning rebel.

CONDENSED FINANCIAL STATEMENT

OF

**The American Credit-Indemnity Company
OF NEW YORK**

FOR THE YEAR ENDING DECEMBER 31st, 1909.

CREDIT INSURANCE**ADMITTED ASSETS**

First Mortgage Bonds (taken at Departments' Valuation).....	\$1,458,300.00
Cash in Banks and Office	37,731.64
Premium Notes	75,563.66
Accrued Interest	10,493.33
	\$1,582,088.63

LIABILITIES

Reserve for Losses on policies expiring in October, November and December, 1909, being 50 per cent. of premiums received on said policies, less losses paid during said months on losses under said policies	\$209,599.68
Reserve on Gross Earned Premiums upon all unexpired risks running one year or less from date of policy, Special Reserve 50 per cent.	292,587.03
Reserve on Gross Premiums upon all unexpired risks one year or less from date of policy, unearned premiums pro rata	475,976.29
Reserve for Claims in Process of Adjustment	28,227.30
Reserve for Resisted Losses	60,077.09
	\$1,066,467.39
Commissions due or to become due to Agents.....	3,283.12
Miscellaneous Accounts Accrued.....	13,443.36
State Taxes due or accrued	14,945.88
Return Premiums	450.00
Premiums Paid in Advance (100 per cent.), 1910 Business.....	8,012.50
Agents' Credit Balances	3,210.75
Liability on Outstanding Guarantees to Policyholders.....	22,300.00
Liability on Salvage Agreement.....	37,968.13
Surplus to Policyholders	412,007.50
	\$1,582,088.63

The statement of the Company for the year ending December 31st, 1909, has been verified by the Examiner of the New York and Massachusetts Insurance Departments.

OFFICERS

I. H. LIONBERGER , Chairman	C. E. UDELL , Treasurer
E. M. TREAT , President	J. J. CROSS , Secretary
A. L. SHAPLEIGH , Vice-President	A. J. LOFTUS , Auditor
EDWARD BROWN , Manager Adj. Dept.	

Great New York Department
302 Broadway.

ALFRED B. TREAT,
General Agent.

THE AMERICAN CREDIT INDEMNITY.

Four issues back "The Chronicle" made this comment:

The American Credit Indemnity Company has safely passed the refining process of the crucible and emerges with the highest possible evidence of soundness and security.

During the period of its examination and subsequent reorganization, covering the past few months, the company has been the target for bitterest attacks from some competitors that were utterly reckless in mendacious energy.

But the company survived in good form and that fact is its best asset today. Few companies have ever weathered the fierce, biting blasts from which it has calmly emerged to a safe anchorage. The wolfishness of the pack toward its wounded is a sad commentary on insurance human nature.

A Square Deal.

This comment was a square deal, and was based on an official statement from the Superintendent of the New York State Insurance Department, in which he said:

After an inquiry into its affairs which has been most exhaustive, it finds that even after a necessary reduction in the capital to \$350,000, there is a surplus to policyholders of \$360,000.

This department is informed that agents of rival companies are making statements not based upon facts for the purpose of twisting this company's business to their companies. In considering any such statements, you should consider the fact that this department has determined, after a most exhaustive examination, to permit the company to continue business, and that this would not have been done had it not felt that such continuance was entirely safe for present and future policyholders.

In computing the reserves of this company we used a much higher ratio than ever before for credit insurance business, a basis which, it is confident, will be at all times sufficient to fully protect policyholders. The same rule of reserving will hereafter be applied to all credit insurance.

Permit me to add that the election of E. M. Treat as president of this company, and the choice of Isaac H. Lionberger as chairman of its board of directors and finance committee, and thus its financial executive, has the approval of the department.

A Good Deed.

This statement of Superintendent Hotchkiss is impregnable and is unique in that it is the first instance on record where a State insurance official has gratuitously come to the proper defence of a company that had received a temporary wound and was being hounded. The figures he names were the result of two examinations, the increased reserve ratios and the second a very elaborate one by New York and Massachusetts jointly. But the increased reserve ratio and the assets unadmissible—but available—the surplus to policyholders is easily

half a million. The company is in far better financial condition because of the "storm" than it was before.

There are a few points that it will be well to bear in mind in connection with the matter, as follows:

The admitted assets are upon a practically cash basis, consisting of only four items:

First mortgage bonds, cash, premium notes, accrued interest.

The management felt that it would be the best policy to make the statement on a basis of quick assets, excluding such slow and doubtful assets as "Premiums in Course of Collection," etc., etc.

While premiums in course of collection not over three months due may be legally used as an asset, yet it is not an asset in hand, and its statement embraces only solid substantial securities—cash or its equivalent.

The total reserves carried, are in excess of the year's writings.

The NET amount paid to policyholders for losses during 1909 amounted to \$941,196.

It must be remembered that in credit insurance the policies run twelve months, so that the losses paid during a given year represent losses on policies written on premiums paid during the preceding year.

The net premiums for the panic year 1908 amounted to \$1,387,000, whereas the losses paid amounted to \$941,196, which shows a gratifying conservatism of judgment in credit underwriting.

The company has paid to its policyholders, as a result of excessive losses sustained by them through insolvency of their customers about \$7,000,000.

During the latter part of 1907 and the business depression in 1908, there was never a let-up in the reimbursement of its policyholders.

In the last two years alone the company has paid its policyholders for excess losses under its credit policies the sum of \$2,286,987.

President E. M. Treat thus expresses himself in discussing the matter with "The Chronicle":

"I am sure that you realize that a time of reconstruction is always hard, at least for a time, for any institution, but in our opinion it will result in our case in building on deeper foundations. As more solid success, more real profit and genuine progress came to life insurance companies after their "reconstruction" and a greater development of courage, faithfulness and determination upon the part of agents was likewise had, I believe that there will now follow greater strength and prosperity for our company and its interests than heretofore."

IN TROUBLED WATERS.

The surety people are all in the air about the immediate future. The standard manual of rates is practically a "dead one." The principal point of disturbance (and what threatens the whole structure) seems to be fidelity and burglary rates for banks.

Some of the companies write both lines and are thus in position to make concessions on one line in order to secure the other. This is a big handicap to the single line companies, and the human equation must be reckoned with when it comes to the drawing of fine distinctions and the delicate balancing of the scales of exact justice and fairness. This disturbs the "mutuality" of the surety and burglary associations.

For some weeks there has been ominous weather conditions in the surety sky. The burglary war has been active and now it is indicated that a general riot is imminent. The peculiar feature of the present outlook is that the trouble threatened is not due to the youngsters, as in former days, but to the older heads and the fathers in Israel. Just what the result may be would require the wisdom of two Solomons to forecast. In the meantime everybody is speaking easy and watching the weather.

MEN OF ENERGY ARE OFFERED WORK OF MOMENT

in desirable localities representing a sixty-year old institution, with modern, liberal, law-conforming policies, and helpful Home office co-operation. Much good territory available. Many opportunities for advantageous positions. Inquire NOW.

UNION MUTUAL LIFE INSURANCE COMPANY PORTLAND, MAINE

FRED E. RICHARDS, President.

ALBERT E. AWDE,
Supt., 336 Congress St.,
Portland, Maine.
THORNTON CHASE,
Supt., 405 Exch. Bldg.,
Los Angeles, Cal.

Address
either:

The Connecticut Mutual

That means the best life insurance to have and the best to sell. If you can sell life insurance, you can sell more of it for the CONNECTICUT MUTUAL.

Men of Character and Ability are invited to apply.

Conn. Mutual Life Ins. Co.,
Hartford, Conn.

Please mention this paper.

IN PRESS

Survivorship Annuity Tables

Net Premiums, Mean and Terminal Reserves

**American Experience Table,
LIFE OF NOMINATOR**

**Danish Survivorship Annuitants' Table,
LIFE OF ANNUITANT**

And 3 1-2 Per Cent. Interest

BY

MILES M. DAWSON,
Consulting Actuary

Ready for Delivery April 1, 1910

Advance Sheets (now ready for delivery) giving net premiums for all combinations of ages, above 20 for annuitant and above 20 and under 61 for nominator, will be sent to any purchaser whose order is received before publication of the book.

SEND ALL ORDERS TO

The Chronicle Co. (Ltd.)

No. 90 William St.

NEW YORK

BONDS--CASUALTY

AGENTS IF YOU { Can Command Bond or Casualty business
Are seeking an Agency connection
Are not representing another like Company

ADDRESS, AGENCY DEPARTMENT,

The Empire State Surety Co.
NEW YORK

THE HOME LIFE INSURANCE COMPANY OF AMERICA

Incorporated 1899.



THE COMPANY FOR THE AMBITIOUS AGENT who desires to sell "COMMON SENSE" insurance at LOWEST COST, and who seeks, through most liberal first year and guaranteed renewal commissions, to receive just recognition of service. All policies registered, signed and sealed by the Insurance Commissioner of the State of Delaware, making them truly

SAFE AS GOVERNMENT BONDS.

Address Executive Offices, 416-18-20 Walnut Street, PHILADELPHIA, PA.

JOHN LANGHAM, Jr.,
President.JOSEPH L. DURKIN,
Secretary.GEORGE M. NETTLESHIP,
Manager of Agencies.

FOUNDED 1792

118th ANNUAL STATEMENT

**INSURANCE COMPANY OF
NORTH AMERICA,
OF PHILADELPHIA, PA.**

ASSETS.

Real Estate	January 1, 1910.	
First Mortgages on Real Estate		\$ 364,410.00
Philadelphia, New York, Boston and other City and State Loans		373,803.48
Pennsylvania, Philadelphia and Erie, Lehigh Valley and other Companies' Bonds and Stocks		1,134,390.00
Cash in Bank and Bankers' hands		8,909,150.32
Notes Receivable and Unsettled Marine Premiums		1,134,635.88
Net Cash Fire Premiums in course of Transmission		347,440.69
Accrued Interest, and all other property		1,069,510.62
		52,160.57

Total Assets\$13,385,501.56

LIABILITIES.

Capital Stock	\$ 3,000,000.00
Reserve for Re-Insurance ..	6,813,862.47
Reserve for Losses	877,250.00
All other Liabilities	104,982.45
Surplus over all Liabilities..	2,589,406.64

\$13,385,501.56

Surplus to Policyholders	\$5,589,406.64
Increase in Reinsurance Reserve	349,934.71
Increase in Net Surplus	838,500.98
Increase in Assets	1,371,438.93

Eugene L. Ellison.....President
Benjamin Rush.....Vice-President
T. Howard Wright.....Secretary
Henry W. Farnum.....Assistant Secretary
John O. Platt.....Assistant Secretary

Agencies in all Prominent Cities & Towns.

Philadelphia Casualty Co.

WALTER LE MAR TALBOT, Pres't.

Capital \$500,000
Total Assets, April 1, 1909.....\$1,427,564
Surplus (Policyholders)..... \$714,598

SAFE SUPERIOR SATISFACTORY POLICIES

Personal Accident, Health, Liability,
Automobile, Plate Glass and
Credit Insurance.

Agency Correspondence Solicited.

INCORPORATED 1833.

**British America
Assurance Company**

HEAD OFFICE, TORONTO, CANADA

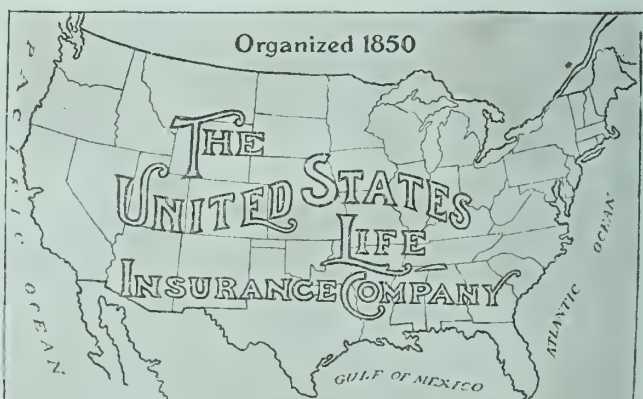
UNITED STATES BRANCH.

JANUARY 1, 1910.

Assets\$1,556,740.94
Liabilities 902,438.61
Surplus\$ 654,302.33

Hon. GEORGE A. COX, President.
JOHN HOSKIN } Vice-Presidents.
W. R. BROCK }
W. B. MEIKLE, General Mgr.

Organized 1850



ISSUES GUARANTEED CONTRACTS

JOHN P. MUNN, M.D.
PRESIDENTFINANCE COMMITTEE
CLARENCE H. KELSEY
Pres. Title Guarantees and Trust Co.WILLIAM H. PORTER
Pres. Chem. Nat. BankEDWARD TOWNSEND
Pres. Importers & Traders Nat. Bank

Good men, whether experienced in life insurance or not, may make direct contracts with this company, for a limited territory if desired, and secure for themselves, in addition to first year's commission, a renewal interest insuring an income for the future. Address the Company at its Home Office, No. 277 Broadway, N. Y.

The Chronicle.

1866

Published by THE CHRONICLE COMPANY, Ltd., 90 William St., New York City.

1910

VOLUME LXXXV.

New York, March 3, 1910.

NUMBER 9

PACIFIC COAST CASUALTY COMPANY

SAN FRANCISCO,

CALIFORNIA

E. F. GREEN, President

JANUARY 1, 1910

ASSETS.

Cash in Office and Banks.....	\$ 56,222.38
Investments—Bonds	
" Market Value	640,744.59
" First Mortgages	141,500.00
" Collateral Notes	9,000.00
Accrued Interest	2,013.15
Premiums Uncollected	119,634.48
All other Assets	1,011.08

\$970,125.68

LIABILITIES.

Capital Stock	\$400,000.00
Surplus	278,509.63
Due Agents	41,586.88
Legal Claims Reserve	52,127.67
Voluntary Claims Reserve.....	62,400.00
Taxes Accrued	2,055.94
Reinsurance Reserve	131,497.06
All other Liabilities	1,948.50

\$970,125.68

COMPARATIVE CONDITION.

	Assets.	Reinsurance Reserve.	Surplus.
1903.....	\$321,471.19	\$ 48,883.34	\$ 58,715.13
1904.....	394,164.15	65,533.01	85,961.78
1905.....	479,856.03	87,136.11	95,675.81
1906.....	548,410.95	97,996.79	128,493.46
1907.....	581,377.39	109,031.74	146,132.01
1908.....	629,181.16	97,458.77	194,352.75
1909.....	970,125.68	131,497.06	278,509.63

Premiums Written in 1909: **\$380,754.06**

"The Leading Fire Insurance Company of America."



WM. B. CLARK, President.
W. H. KING, Vice-President.
HENRY E. REES, Secretary.

Assistant Secretaries,
A. N. WILLIAMS, E. S. ALLEN,
E. J. SLOAN, GUY E. BEARDSLEY.

Germania Fire INSURANCE CO., NEW YORK.

ORGANIZED 1859.

Cash Capital.....\$1,000,000.00
Assets\$6,562,329.14
Net Surplus.....\$2,008,419.02
Surplus for Policyholders,\$3,008,419.02

HEAD OFFICE:
Cor. William and Cedar Streets.

WESTERN ASSURANCE Co. HEAD OFFICE, TORONTO, - - CANADA. Incorporated 1851.

Hon. GEORGE A. COX.....President
W. R. BROCK and JOHN
HOSKIN, K. C. LL. D., Vice-Presidents
W. B. MEIKLE.....General Manager

United States Statement, Jan. 1, 1910.
Assets\$2,377,303.37
Surplus in United States..... 839,268.07

The Connecticut Mutual

That means the best life insurance to have and the best to sell. If you can sell life insurance, you can sell more of it for the CONNECTICUT MUTUAL.

Men of Character and Ability are invited to apply.

Conn. Mutual Life Ins. Co.,
Hartford, Conn.

Please mention this paper.

OUR

Course of Insurance Education.
Department for Furnishing
Prospects.

New "Model Policy"

Will Plough the Field and Assure
the Harvest for Good Agents.

Phoenix Mutual Life
INSURANCE COMPANY,
Hartford, Conn.
Write Home Office.

SAFETY FUND INSURANCE

NIAGARA*

Fire Insurance Company

—OF—

NEW YORK

OFFICE:

46 CEDAR STREET, CITY.

SPECIAL OPPORTUNITIES of-
fered now in Southern States to
Representatives of

CITIZENS LIFE INSURANCE CO.

W. H. GREGORY,
President.

COMMERCIAL - UNION ASSURANCE CO., (LIMITED)

OF LONDON.

OFFICE:

Cor. Pine & William Sts.
NEW YORK.

NOTEWORTHY ADVANCE.

The BERKSHIRE LIFE Insurance Company,

OF PITTSFIELD, MASSACHUSETTS,
takes an advanced step in the interest
of the policyholder by the adoption of
the following liberal features in its new
policy contract:

Low premium rates.
Large surrender values.
Dividends at the end of each policy
year.

Thirty-one days of grace in payment
of all premiums after the first year.

Paid-up insurance or cash surrender
value or extended insurance after two
years' premiums have been paid.

Loans for the full cash surrender
value.

Policy payable in one sum or in instal-
ments for terms of years.

Policy incontestable, and no restric-
tions upon residence, travel and occupa-
tion, after the first policy year, except as
to military or naval service in time of
war.

Right of the insured to change the
beneficiary.

Liberal re-instatement privileges.
Every effort has been made to make
this new policy the very perfection in a
life insurance contract.

For further information apply to
JOHN H. ROBINSON, General Agent
For New York and New Jersey,
Postal Building,
253 Broadway, NEW YORK.

Royal Exchange Assurance OF LONDON.

Incorporated by Royal Charter A.D. 1720.

UNITED STATES OFFICE:

92 William Street New York City

UBERTO C. CROSBY, General Manager.

RICHARD D. HARVEY, Assistant General Manager.

The Chronicle

VOLUME LXXXV.

NEW YORK, THURSDAY, MARCH 3, 1910.

NUMBER 9

ALFRED B. DAWSON, President.
R. B. Dawson, Treasurer. Chas. D. O'Brien, Secretary.
Emil Schwab, Manager New England Department,
178 Devonshire Street, Boston, Mass.

All communications should be addressed to and remittances should be made to The Chronicle Company, Limited.
Entered at the Post Office, New York, N. Y., as Second Class Mail Matter.

PUBLISHED EVERY THURSDAY BY
THE CHRONICLE COMPANY, Limited.
No. 90 WILLIAM ST., NEW YORK.
Phone "567 John." Cable Address, "Chronogram," New York.

Subscription Price:
Three Dollars a Year. Single Copies, Twenty-five Cents.
Postage Prepaid in the United States and Canada.

Department Bills in Albany.

Among the bills offered on behalf of the Insurance Department at Albany in addition to the important "standard provisions" bill offered by Assemblyman Allen to regulate personal accident and sickness policies, are to be found the following:

A bill amending section 70 providing under subdivision 3 for insurance "against loss or damage to property caused by losses or by any vehicle drawn by animal power and for loss or damage the person insured is liable"; under subdivision 4 for "guaranteeing the performance of insurance contracts where surety bonds are accepted by States or municipalities in lieu of actual deposits"; under the present subdivision 8 substituting for "against any other casualty specified in the charter which may lawfully be the subject of insurance," the following, upon the lives of horses, cattle and other live stock"; under the present subdivision 9, repealing the same relating to automobile insurance and substituting the following: "Against loss or damage to automobiles and against loss by legal liability for damage to property resulting from the maintenance and use of automobiles."

Amending as to Reserve on Reinsurances.

Another bill introduced by Assemblyman Allen, amending section 22, wiping out the Henry Evans rule for computing the reserve upon reinsurance at a pro rata portion of the net reinsurance rate, and requiring the reinsured corporation to be liable for the remainder of the reserve originally charged against it, and substituting the following:

When a reinsurance agreement is made between other than life insurance corporations, the parties to such agreement shall, upon the policies involved, compute their unearned pre-

mium funds as follows: The reinsurance or ceding corporations shall, upon the portion of its liability not reinsured, maintain a reserve to be computed in accordance with section 118 of the insurance law; the corporation assuming liability by reinsurance from the corporation issuing the original policy shall maintain a reserve equal to that which the reinsuring corporation would have been required to maintain upon the amount reinsured had it retained the liability ceded by it.

This would have the effect of requiring the company which takes over business by reinsurance to carry as large a reserve as the reinsured company was required to carry.

Automatic Sprinkler Insurance Authorized.

The same bill provides for amendments to sections 25 and 56 permitting companies which prior to October, 1892, were licensed to transact both fire and marine insurance, to continue to do so, and also amending section 10 by permitting fire insurance companies to cover

against loss or damage by water to any goods or premises arising from the breakage or leakage of sprinklers, pumps or other apparatus erected for extinguishing fires, and of water pipes, and against accidental injury to such sprinklers, pumps or other apparatus.

and requiring

that a corporation including in its charter a provision to assume any of the risks of ocean marine insurance as specified in section 150 of this chapter must have a capital, paid in in cash, of at least four hundred thousand dollars.

This bill also amends section 121 so as to permit a standard fire policy to be "printed, written or typewritten, with any size of type or any size or shape of paper which shall have the written approval of the Superintendent of Insurance."

Important Amendments to Article 1.

Under another bill offered by Assemblyman Allen article 1 of the insurance law as amended in section 6 so as to make the fee for filing the charter of fraternal societies \$30 instead of \$10, as at present; and section 7 so that the limitation of \$50 per annum for examination of live stock companies, is removed.

The most important amendment of section 7, however, is that indicated by the heavy face type in the following paragraph, as amended:

No insurance corporation, or any officer or director thereof, shall either directly or indirectly pay by way of gift, credit or otherwise, any sum of money or other valuable thing to the superintendent or any clerk or employee of the insurance department or any examiner for extra service or for purpose of legislation, or by way of a loan, or on any other pretense whatsoever.

May Refuse Licenses to Domestic Companies and Fraternal Societies.

An amendment is offered to section 9, authorizing the Superintendent to refuse to issue a certificate "to a domestic or foreign corporation if, in his judgment, such refusal will best promote the interests of the people of the State," and striking out the following sentence:

This section shall not apply to any existing domestic insurance corporations existing on the 1st day of October, 1892, or to fraternal insurance associations organized on the lodge system.

Must Have 50 Per Cent. Paid-In Surplus.

An amendment is offered to section 12, requiring every new insurance company organized in this State with capital stock, to "have a surplus equal to 50 per cent. of its stock, which surplus shall also be for paid-in cash."

Section 13 relating to the deposit

of securities is amended in several respects, but chiefly so as to give the Superintendent the right to require the deposit to be made good if the market values at any time decline below the sum for which they were deposited.

Section 16 is amended in a manner more completely declaring the meaning, but apparently not materially changing it.

Amortization Applies to Life Companies Only Except in Discretion of Superintendent.

Section 18 is amended so that the amortized plan of valuing bonds applies only to those which are "held by any life insurance corporation authorized to do business in this State," but giving discretion to the Superintendent to "require any insurance corporation authorized to do business in this State to value its bonds or other evidences of debt in accordance with the foregoing rule.

Consent of Superintendent Necessary for any Total Reinsurance.

Section 22 is amended so as to extend the requirement that the consent of the Superintendent to reinsurance must be obtained in advance, to "the reinsurance of any domestic insurance company other than a life insurance company." This is in addition to the requirement concerning unearned premium liability which has already been set forth. Section 26 is amended so as to more clearly require the deposits by corporations of other States to be governed as already provided.

Special Deposit Law Changed.

Section 28 in relation to special deposits expunges the requirement in regard to deposits of abstracts of titles, etc., together with bonds and mortgages and adds the requirement that foreign fire companies may be authorized to transact marine insurance upon making an additional deposit of \$200,000.

Companies May Remove Cases to Federal Courts.

Section 30 is amended by striking out the provision against a corporation doing business in New York, applying to remove an action to the United States court.

Amendments as to Examinations and Reports.

Section 39 is amended so as to require the examination of life companies every three years and other companies and societies every five years, and also:

into the affairs of any corporation organized under any law of this State or having an office in this State, or which corporation is engaged in or is

claiming or advertising that it is engaged in organizing or receiving subscriptions for or disposing of stock of, or in any manner aiding or taking part in the formation or business of, an insurance corporation or corporations, or which is holding the capital stock of one or more insurance corporations for the purpose of controlling the management thereof as voting trustee or otherwise.

Section 44 is amended so as to require all the mutual fire companies, assessment societies and fraternal societies to make reports.

Section 46 is amended so that the reports to be printed by the department are to be "as such statements and reports shall be found and corrected by him."

The present sections 47 and 48 in regard to deceptive statements and contents of advertisements are repealed and practically enacted in approved form in a new section 47.

Anti-Discrimination Law for All Branches.

A new section 48 is offered prohibiting rebating and discrimination on the part of other classes of insurance companies as well as fire companies. The language of the provision is very similar to that of the present prohibition of rebating and discrimination on the part of life insurance companies and agents.

Section 49 is amended so as to apply to agents representing New York companies as well as others.

Section 52 is amended so that the making of an examination by the department is optional with the Superintendent when a company is amending its charter under the provisions of this section.

Section 57 is amended so as to bring fraternal societies, co-operative insurance companies, etc., under the provisions of article 1.

Important Amendments to 63 Relating to Fraternal Societies.

Section 63 is amended so that if fraternal societies and corporations for the insurance of domestic animals are found upon examination to be in such condition that they "could not meet the requirements for incorporation specified in such articles respectively" the Superintendent may apply to wind them up. This would apply to a fraternal society if its membership fell below 200, its assets below \$4,000 or its insurance in force below \$400,000. The special paragraph 7 of this section relating to the validation of the taking charge of the Washington Life Insurance Company is repealed and instead a section is added providing that upon the court's ordering liquidation the Superintendent may apply for dissolution of the corporation.

A SOUND AND PROSPEROUS LIFE COMPANY.

The State Life Insurance Company of Indiana reports in its 15th annual statement, just at hand, unassigned surplus of \$1,174,606.34; total assets of \$8,580,930.58, and an increase in surplus of \$314,044.74 during the year, out of the total increase in assets of \$1,201,977.14.

The company carries with the Auditor of the State of Indiana a deposit of securities of the value of \$8,000,000, amounting to more than \$848,861 more than the amount required by law, which is the aggregate amount of the reinsurance reserves of the company.

The management of this representative Western company is especially to be congratulated upon the excellent results of its operation, and particularly upon the large surplus earnings of the year and the very handsome increase in surplus. This means especially handsome returns for policyholders. The increase in surplus is the more noteworthy because of the change of the reserve basis by the State of Indiana, which now charges a much heavier reserve upon new business than was previously the case.

The company offers liberal commissions to agents, with renewal commissions and contracts direct with the company.

The Philadelphia Life Insurance Company

North American Building.
PHILADELPHIA, : PA.

HIGHEST COURT RENDERS IMPORTANT DECISION.

The Supreme Court of the United States, on February 28, handed down a decision in the case of the City of New Orleans vs. New York Life Insurance Company, relative to local taxation, which will be of much interest, by reason of the distinction which it makes as to policy loans made directly by the company.

The entire decision has not yet come to hand, but it is to the effect that loans to policyholders are not subject to local taxation. A similar decision had already been rendered by the United States Circuit Court for the Eastern District of Louisiana, and enjoined the collection of the tax on the ground that these loans were in effect "partial and anticipated settlements," rather than mere loans. There is also involved the technical ground that the company advanced the money from its home office in New York, and that all transactions were through the mails, interest likewise being payable at the home office of the company in New York. It is not known at the present moment on which ground the Supreme Court has upheld the company's contention.

A suit brought by the Metropolitan Life Insurance Company three or four years ago to enjoin a collection of a

tax upon its policy loans, was decided by the Supreme Court against the company. In that case, the loans had been made through an agent in New Orleans, who also collected the interest and to whom the notes themselves were sent for delivery, whenever the policyholders desired to pay up. It was held that under the circumstances the company was liable, the court holding as follows:

"The notes and securities were in Louisiana whenever the business exigencies required them to be there. Their removal with the intent that they shall return whenever needed, their long-continued, though not permanent absence cannot have the effect of releasing them as the representatives of investments in business in the State from its taxing power. The law may well regard the place of their origin to which they intend to return as their true home and leave out of the count temporary absence, however long continued."

On this ground it was there held that the imposition and collection of the tax were not in violation of the 14th amendment to the Constitution.

GRAVEYARD INSURANCE IN MINNEAPOLIS.

Telegraphic reports from Minneapolis, Minn., are to the effect that a

well-organized conspiracy for getting moribund invalids into fraternal insurance societies has been unearthed there, the insurance being procured by false statements as to age and condition of health.

It is said that the Knights and Ladies of Security have 200 certificates in force there which have been thus secured and the Court of Honor about 100.

Among the other societies which are said to be more or less affected are the Independent Order of Foresters, the Ladies of the Maccabees of the World, the Ladies of the Modern Maccabees, the Loyal Mystic Legion, the Modern Brotherhood of America, the Modern Woodmen of America, the Supreme Tribe of Ben Hur, the Woodmen of the World, the Mystic Toilers and the Mystic Workers of the World.

It is said that officers of the local lodges, as well as medical examiners, have taken part in the conspiracy.

At the annual meeting of the stockholders of the Volunteer State Life Insurance Company of Chattanooga, Tenn., the report of Vice-President Craig showed that in the year 1909 the company had increased its net income \$82,788, making a total net increase in assets of \$171,707. The amount of new business written was nearly \$1,000,000.

Perfect Protection Policy

\$10,000, AGE 30, PREMIUM, \$297.30

1. Death Benefits in one Sum, or in any form of annuity.
2. Disability Benefits, \$50 per week.
3. Old Age Pension. Annuity of \$1,000 at 70, for ten years and as much longer as Insured may live.

IN ONE CONTRACT

Protection for Family, Earning Power and Old Age

Contracts direct with producers on maximum commissions and renewals allowed by New York Law.

LIBERTY LIFE INSURANCE COMPANY

111 Broadway, New York City

WM. H. LYNN, President

WILBUR S. TUPPER, Vice-Pres. and Gen. Mgr.

"PERFECT PERSONAL PROTECTION."

Tupper Upon the New Policy of the Liberty Life.

In connection with the new policy of the Liberty Life Insurance Company, supplying life insurance, health insurance and old age annuity all for one premium, Vice-President and General Manager Wilbur S. Tupper has sent out the text of a little brochure, prepared by him, upon the subject of "Personal Protection."

Mr. Tupper's exceedingly clever address upon "The Partial Loss in Life Insurance," delivered before the students of the University of Michigan some years ago, when he was vice-president and general manager of the Conservative Life Insurance Company of Los Angeles, will long be remembered by all who are interested in life insurance. The brochure now at hand is along the same lines, but is at once more elaborate and simpler. The first paragraph sets forth, however, the correct view, previously brought forward by Mr. Tupper, as follows:

"The Partial Loss in Life Insurance."

It will be plain, upon analysis, that all forms of insurance which pertain to human life and indemnify against the loss of its earning power, must be life insurance, and ought to be so classified. Just as death means a total loss of life, so must anything that impairs or interrupts the earning power of life be regarded as a partial or temporary loss of life. Indemnity furnished for this partial or temporary loss (generally termed accident and health insurance) is in reality life insurance, just as certainly as is indemnity for death."

This is followed by a discussion of the manner in which insurance against total loss and insurance against partial loss have developed separately, the separation even extending to parting accident insurance from other forms of disability insurance. This portion of this interesting presentation closes as follows:

Why Should They Be Separated?

With a clear recognition of the partial loss in life insurance, it is unnecessary and often impossible to determine whether the same be due to accident or sickness. The first cause is generally unknown. It may be disease resulting from accident, such as infection following a wound; or it may be accident which would not have occurred, except as some disease made it possible. We may conceive of insurance against any personal happening, wholly regardless of any infraction of health; but this would not be legitimate life insurance of any kind. The important consideration is,—Has there been a partial or temporary loss of life's productive power, regardless of how caused?

Better in Every Way When Together.

There follows mention of the introduction; in the policies of some of the life insurance companies of indemnity against total and permanent disability. This brings Mr. Tupper to his main proposition, as follows:

Perfect personal protection means all forms of personal insurance in one contract. The perfect protection policy provides death benefits in the fullest form; pays disability benefits until age 70, and then provides an old age pension to take care of insured for the rest of life. What other insurance does partially, this does completely. It not only insures; it **assures**.

He proceeds to discuss reasons "why personal insurance should be combined in one contract," which reasons may be enumerated in his own language, as follows:

First. "Disability insurance involves an increasing risk."

Second. "It therefore requires increasing reserves analogous to life insurance."

Third. "The insured should have the right to continue his protection by the payment of premiums; otherwise he may find it terminated when he needs it most."

Fourth. "Why should the insured carry his personal protection in two or three contracts, with as many companies and agents to deal with, when one will suffice?"

Fifth. "A combination policy covering various kinds of personal protection means a saving of cost."

Sixth. "The moral hazard is largely eliminated."

Seventh. "The benefits of medical examination and inspection are had without extra cost."

A Great Saving in Expense Cost.

All of these points are briefly elaborated and illustrated as, for instance, in regard to expense cost:

Nearly half the premium is used, not only the first year, but in succeeding years, for renewing the policy. Combined with life, the renewal commissions could not, under the New York law, exceed $7\frac{1}{2}$ per cent. The disability insurance will renew as a matter of course, the premium being properly a part of the life rate.

The Virtues of the Combination Many and Convincing.

The following may be regarded as the peroration of this extremely persuasive argument.

Life insurance fulfills its mission but partially when it disregards the partial loss of life. Those who most need indemnity in case of death, likewise most need insurance against the temporary loss due to disability. The average insurer is a producer whose family depends upon his current income. To indemnity against a temporary loss of that income is most important. When the bread-winner is

prostrated by typhoid fever, life insurance for total loss only is not an unmixed blessing. Household expenses do not stop when income stops. The rent goes on, and the doctor's bill must be paid. Many a life insurance policy lapses, when it comes to a choice between paying the premium or feeding the children. Neither the "twister" nor the "rebater" is to blame for lapses which come at such a time. The insured in such cases cannot protect others without first protecting himself.

The prudent insurer will welcome a plan that protects himself as well as his family. He knows that the partial loss may come many times; the total loss but once. Moreover the partial loss, occurring as permanent disability, means a greater financial loss than death. Productive power is gone, and the helpless subject involves a greater cost than when in health.

A Most Attractive Combination for Agents to Handle.

Mr. Tupper has had wide experience in the sale of combination policies of this general type. He introduced it in connection with the Conservative Life and afterwards, in connection with the Pacific Mutual Life Insurance Company, while he was president of the latter; and, though no commission was paid upon the extra premium representing the charge for sickness and accident insurance, it was found so attractive an addition to a life policy that nine-tenths of the total business transacted—

FOUNDED 1792

118th ANNUAL STATEMENT INSURANCE COMPANY OF NORTH AMERICA. OF PHILADELPHIA, PA.

ASSETS.

	January 1, 1910.
Real Estate	\$ 364,410.00
First Mortgages on Real Estate	373,803.43
Philadelphia, New York, Boston and other City and State Loans	1,134,390.00
Pennsylvania, Philadelphia and Erie, Lehigh Valley and other Companies' Bonds and Stocks	8,909,150.32
Cash in Bank and Bankers' hands	1,134,635.88
Notes Receivable and Unsettled Marine Premiums....	347,440.69
Net Cash Fire Premiums in course of Transmission....	1,069,510.62
Accrued Interest, and all other property	52,160.57
Total Assets	\$13,385,501.56

LIABILITIES.

Capital Stock	\$ 3,000,000.00
Reserve for Re-Insurance ..	6,813,862.47
Reserve for Losses	877,250.00
All other Liabilities	104,982.45
Surplus over all Liabilities..	2,589,406.64
	\$13,385,501.56

Surplus to Policyholders....	\$5,589,406.64
Increase in Reinsurance Reserve	349,934.71
Increase in Net Surplus....	838,500.98
Increase in Assets	1,371,438.93
Eugene L. Ellison.....	President
Benjamin Rush.....	Vice-President
T. Howard Wright.....	Secretary
Henry W. Farnum.....	Assistant Secretary
John O. Platt	Assistant Secretary
Agencies in all Prominent Cities & Towns.	

which, by the bye, was phenomenally large, likewise, and secured at moderate cost—was upon the combination plan. Experience proved that it was more attractive by far to the agents than any other feature of the company's policies and that it outweighed offers of considerably larger commissions by other companies upon the premiums of policies which did not contain this feature. This phase of the matter is set forth in the closing paragraph of the brochure:

Because it appeals to the prospective applicant, this form of insurance also appeals to the agent. Life insurance, as generally presented, is an old story. But this is a new proposition, and one that appeals to the heart of the average applicant. Many men want something to lighten life's burden **here** and **now**, rather than something to take the place of life altogether. It is a new and attractive contract, and will interest many who will not consider insurance for a death benefit alone. Perfect protection policies are written more easily than those for death benefits only, and there is less competition. The entire contract is made more desirable on account of the weekly indemnity, and it renews better for the same reason.

President Lynn and the Liberty Life are especially to be congratulated upon having secured the services of Mr. Tupper. Under his energetic and enthusiastic management, and with a policy presenting so many, various and unusual attractions, the Liberty Life is likely to make a new record for new business during the coming year, which will forever set at rest all grumblings that new companies cannot be established and be built up under the restrictions of the Armstrong laws.

PRAISE FROM THE HIGH QUARTERS.

In an address of President L. G. Fouse, of the Fidelity Mutual Life Insurance Company, before the legislative commission of Pennsylvania, upon the revision and codification of the revenue laws of the commonwealth, and in answer to a question by the counsel of the commission "What State, in your opinion, has the best insurance laws?" the following answer was returned:

"I would say that New York, since its laws were amended and changed, is about as near right as any. There all companies pay a 1 per cent. tax and all are treated alike."

President Fouse was presenting an argument against the present method of taxing life insurance companies in the State of Pennsylvania, which exhibits the following peculiarities:

Stock companies are taxed five per cent. on their capital stock, while mutual companies are taxed .004 on their investments, which in the case of a company like the Penn Mutual Life Insurance Company, runs up to a very heavy aggregate.

Pennsylvania companies are taxed .008 on their premiums.

Companies of other States are required to pay a tax of 2 per cent. upon their premiums.

Of course, one result of this discrimination is that in all States where there is a so-called reciprocity law—it would better be named a retaliation law—the Pennsylvania companies are taxed at the maximum rate demanded in Pennsylvania of out-of-the-State companies.

The program recommended by President Fouse, who was speaking not only for his own company, but on behalf of the National Association of Life Insurance Presidents, was that Pennsylvania should adopt the same provision as in New York. He expressed the opinion that there would be no appreciable loss in revenue if this were done.

MILLAR ELECTED PRESIDENT.

Over one hundred members and guests attended the twenty-third annual banquet of the Life Underwriters Association of New York, which was held at the Hotel Plaza on February 24.

C. V. Dykeman served as toastmaster. William H. Hotchkiss, Superintendent of the New York Insur-

ance Department, was a guest of honor.

Mr. Hotchkiss expressed his confidence in agents' organizations, and, naturally, paid a tribute to the Insurance Department of which he is head.

However, by far the most interesting address of the evening was that of Vice-President D. F. Appel, of the New England Mutual. He furnished much meat for solid thought in his review of the last four years.

William J. Tully, general counsel of the Metropolitan Life, next spoke, giving particulars of insurance legislation last year.

Rev. George R. Van de Water spoke enthusiastically of the life agent's future.

Hugh G. Millar, junior member of the firm of Goulden & Millar, managers for the Connecticut General Life, was elected president. The other officers elected were as follows:

W. T. Diefendorf, first vice-president; William McElligott, second vice-president; Edward W. Allen, third vice-president; F. C. Stanland, secretary; C. A. Wardle, treasurer. Executive committee—C. V. Dykeman, chairman; J. S. Myrick, W. C. Johnson, Edward W. Lee and G. H. Linsz.

At a special meeting of the directors of the Continental Insurance Company, held last Friday, it was voted to make a stock dividend of 100 per cent. It is rather interesting to know that this action was taken, subject, of course, to the approval of the stockholders. They have been called together for a special meeting on March 18.

**OLDEST
IN
AMERICA**

**STRONGEST
IN THE
WORLD**

THE MUTUAL LIFE Insurance Company of New York

**Mutual Life Agents Make Most Money
Because Mutual Life Policies Sell Most Freely**

For terms to producing agents, address

GEORGE T. DEXTER

2nd Vice-President

34 Nassau Street

New York, N. Y.

STATE'S RIGHTS IN THE DOMINION OF CANADA.

The National Supervision Question Much Mixed, Up There.

They are having their own troubles in Canada, as well as in the United States, in relation to national supervision of life insurance. It was supposed that the difficulties had been virtually entirely surmounted, since for a number of years there has been established at Ottawa in the department of the Minister of Finance, an insurance department with a superintendent in charge, and since the reports made by the superintendent are everywhere recognized as authoritative as to the condition of insurance companies, reporting to it. Neither all Canadian companies nor all other companies doing business in Canada so report, however.

At the outset, when the Dominion took the step of establishing such a department, there was much grumbling, especially in the Province of Ontario, which had a department of its own, and in which the principal insurance companies were then, as now, located. This protest was aggravated, likewise, by the fact that Ontario remained conservative in politics, while the Dominion went liberal, but in spite of the acerbity which prevailed for a time, the influences of the insurance companies of Ontario, which found themselves more comfortably situated under supervision extending throughout Canada than under the system of separate provincial regulation which was already beginning to harass them, and of the inconveniences of which several of them have had almost continuous reminders while doing business in the United States was soon cast in favor of the Dominion or National system. In consequence, the opposition in Ontario came to nothing although the Ontario department was kept up and ever ready for business.

The Effect of Dominion and of Provincial Charters.

The practice, likewise, grew up, of taking out dominion charters which, was held at the Hotel Plaza on the of course, brought companies directly under the supervision of the Dominion since Parliament certainly can regulate institutions which it has itself chartered.

The precise effect of a dominion charter, however, has perhaps not yet been adjudicated, especially with regard to whether or not it gives the right to do business throughout Canada, even against the provisions of the laws of a particular province.

It has scarcely been an open question from the very beginning that a

particular province may charter its own companies, and permit them to do business without regard to dominion statutes, nor even that a province may permit a company from another province or even from another country to do business, even though the same be not licensed under the dominion regulations. Repeatedly such permission has been granted; and, while the right in the second matter has been challenged by the Insurance Department at Ottawa, there has been no earnest or effectual interference, and it is probable that the contention on the part of the department rather reflects what it desires than what it believes to be the law at the present time.

Effect of Justice Leet's Decision.

In any event, the decision of Mr. Justice Leet, of the Province of Quebec, in *King vs. Willis, Faber & Co.*, reported fully in "The Chronicle" some three months ago, has thrown things into chaos in the Dominion, so far as the assertion or exercise of authority on the part of the Dominion over insurance matters throughout all the provinces is concerned. That decision, it will be remembered, was to the effect that the regulation of insurance is not contemplated by the British North America Act, establishing the Dominion, and that, therefore, this entire subject is relegated to the provinces which alone have authority over it. This opinion went much further than any previous judicial pronouncement upon the subject and seemed to cover the entire field of attempted supervision, as well as the mere question as to whether or not a province has the right to admit a company from another province or country, which has not been licensed by the Dominion.

Announcement by the Administration.

The effect of the decision upon the legislative conditions in Canada may be gathered from the following colloquy which recently took place in the Dominion Parliament at Ottawa:

Mr. Monk.—Is it the intention of the Government to refer the insurance bill which is now being considered by the Senate to the Supreme Court in order to obtain a decision as to its constitutionality? There was a rumor to that effect when a judgment was rendered by Mr. Justice Leet at Montreal a couple of months ago in the case of *King vs. Willis, Faber & Co.*, to the effect that that legislation was unconstitutional. It seems that it would be an advantage to find out the opinion of the highest court on that subject before we go more fully into the study of the proposed act.

Hon. A. B. Aylsworth (Minister of Justice).—Mr. Speaker, the interesting question to which the honorable member has called your attention is but one phase of a larger question as to the powers respectively of the Dominion Parliament and of the local

Legislatures in regard to the incorporation of companies. That question was not long since raised for the decision of the Supreme Court, and the members of that court differed among themselves very decidedly in the opinions they expressed. The question being of such large practical importance, communication was had from the department of which I am in charge with the Attorneys General of the various provinces with a view to arriving, if possible, at some means by which these difficult and very weighty questions of the construction of the British North America act may be definitely settled. That correspondence has resulted in a proposition from several of the provinces that a conference on the subject be had between representatives of the provinces and representatives of the Dominion Government and such a conference is being arranged for. Communications are now being addressed to the various Lieutenant Governors of the different provinces proposing a meeting of representatives of the provinces and of the Dominion Government to discuss the whole subject, not merely the question of the insurance legislation but the larger one as to the right to incorporate companies in the provinces and in the Dominion respectively.

The bill referred to in this interrogation and announcement—for the statement by the Minister of Justice must be taken as an announcement by the existing government or administration—is a very much revised version of the insurance bill, recommended by the Royal Commission on Life Insur-

T H E PROVIDENT LIFE AND TRUST COMPANY OF PHILADELPHIA

Insurance in Force, \$214,509,255.00
(Paid for Basis)

Assets \$70,514,350.4
(Market Value, Dec. 31, 1909)

Contingency Reserve . \$9,207,276.3
(Inclusive of Capital Stock, \$1,000,000.)

The Provident has been particularly distinguished for the development of a highly trained force of agents. The systematic instruction which its agents receive has resulted in their being recognized as representatives of exceptional knowledge of the business and of marked efficiency.

ance which rendered its report in 1907. In its most recent form, so far as life insurance is concerned, it is understood to have been reasonably satisfactory to the companies and in some respects, as it appeared to "The Chronicle," seriously emasculated, and likely to be of little value if enacted. Additional features relating to fire insurance have recently been strenuously objected to by Canadian property-owners, who do not relish the idea of being deprived of a considerable portion of the fire insurance facilities now afforded, by reason of the proposed requirement that insurance could not be taken in non-admitted companies except under certain regulations with which most of these companies would not have been likely to comply.

What Will Likely Result From the Conference?

The proposed conferences "between representatives of the provinces and representatives of the Dominion Government" are likely to be between the Minister of Justice and the Attorney Generals of the various provinces. It is said, however, that such conferences will come to nothing if the only way in which they could carry into effect the desires of the government is by consenting to an amendment to the North America act, extending the powers of the Dominion as desired. At the present time, there is no disposition, it is reported, on the part of Ontario—although such a disposition might for partisan reasons be fanned into a flame at any moment—to insist upon the separate department idea and non-interference; but, on the other hand, in the Western provinces there has grown up a very strong sentiment in favor of home rule, not only as regards insurance but in many other matters, and it is not regarded probable that these provinces will consent to an amendment to the North America Act which will increase the powers of the Dominion and limit the scope of provincial authority over insurance companies and other institutions doing business within their borders. Instead, there is a strong disposition to take the contrary stand, and this, it is said, is without regard to political lines.

Politics Might Get Into It.

Since the matter is not already one of political contention, doubtless the existing government will, in view of of the sentiments here referred to, deem it the part of wisdom to avoid permitting it to drift into a political issue. Undoubtedly, if it were to do this, the party out of power would be greatly the gainer by taking the

position, which could easily be taken on one ground or another, against the pretensions and centralizing tendencies of the party in power. This will perhaps be a natural thing for a conservative party to do, in any event, and conditions in Canada apparently might easily drift into one, somewhat similar to that which long existed in the United States, viz.: a division of the principal political parties along the line of strict or liberal construction of the constitution, which, as regards the Dominion of Canada, is the British North America Act, such construction, likewise, bearing strictly upon the relative powers of the Dominion and of the provinces and involving questions entirely analogous to our long disputed question of State rights.

Might Supervision Be Abandoned for Publicity?

It is an interesting subject for speculation, if, as appears probable in the United States, the present conditions in Canada will not lead away from supervision altogether into publicity. If there should be such a deadlock that the Dominion will have to keep hands off, so far as regulating insurance is concerned, it might not be an unmixed evil. Already the publicity feature of the Dominion's supervision over insurance is by far its most valuable feature; and, if it transpires that, except as to companies actually chartered by the Dominion Parliament, there is no power of supervision and even as to them no actual power of regulation or of compelling their admission to the respective provinces to do business, it may easily happen that the entire attention of the Dominion Parliament will be given to efficient publicity.

Room for Improvement in Publicity Requirements.

At the present time, precisely as in the United States the publicity requirements of the Dominion laws and of the rules of the Dominion department are deficient. Indeed, Canada is much behind the United States as regards publicity, especially in relation to life insurance. No such requirements, for instance, as are now enforced in nearly every State of the United States in regard to publication of scales of dividends, of gain and loss exhibits and the like are to be found, either in the laws of Canada or the rules of the Canadian department. Much less are standards set up for comparing relative economy in cost of new business or in general expenses. That there is also strenuous opposition to such, by the companies which would be most benefitted, is clear from the fact that most of the

publicity provisions recommended by the commission have been opposed so doggedly that they are not in the bill. The gain and loss exhibit is the last to go—since Mr. Aylesworth's announcement, indeed.

The matter of this requirement, however, was thereby consciously and avowedly referred to the Insurance Department, with power, thus increasing its responsibilities. Undoubtedly, if the department were given an absolutely free hand in the matter of publicity, and had no means of making itself effectual in regulating insurance except by means of publicity, there would be a strong disposition to render that publicity more searching and significant. In the long run, this could not fail of powerfully influencing the conduct of insurance throughout the Dominion, and perhaps so powerfully as to render the interferences and annoyances of supervision obviously fruitless and unnecessary, and thereby to pave the way for their disappearance.

"THE COMPANY WITH THE PYRAMID"

40
CONSECUTIVE
YEARS

OF
PYRAMIDAL
PROGRESS

ASSETS		SURPLUS	
1871	1,000.00	1871	1,000.00
1872	1,200.00	1872	1,200.00
1873	1,400.00	1873	1,400.00
1874	1,600.00	1874	1,600.00
1875	1,800.00	1875	1,800.00
1876	2,000.00	1876	2,000.00
1877	2,200.00	1877	2,200.00
1878	2,400.00	1878	2,400.00
1879	2,600.00	1879	2,600.00
1880	2,800.00	1880	2,800.00
1881	3,000.00	1881	3,000.00
1882	3,200.00	1882	3,200.00
1883	3,400.00	1883	3,400.00
1884	3,600.00	1884	3,600.00
1885	3,800.00	1885	3,800.00
1886	4,000.00	1886	4,000.00
1887	4,200.00	1887	4,200.00
1888	4,400.00	1888	4,400.00
1889	4,600.00	1889	4,600.00
1890	4,800.00	1890	4,800.00
1891	5,000.00	1891	5,000.00
1892	5,200.00	1892	5,200.00
1893	5,400.00	1893	5,400.00
1894	5,600.00	1894	5,600.00
1895	5,800.00	1895	5,800.00
1896	6,000.00	1896	6,000.00
1897	6,200.00	1897	6,200.00
1898	6,400.00	1898	6,400.00
1899	6,600.00	1899	6,600.00
1900	6,800.00	1900	6,800.00
1901	7,000.00	1901	7,000.00
1902	7,200.00	1902	7,200.00
1903	7,400.00	1903	7,400.00
1904	7,600.00	1904	7,600.00
1905	7,800.00	1905	7,800.00
1906	8,000.00	1906	8,000.00
1907	8,200.00	1907	8,200.00
1908	8,400.00	1908	8,400.00
1909	8,600.00	1909	8,600.00

NEW HAMPSHIRE

2,937,319.76	840,940.17
3,163,880.05	946,783.34

FIRE INSURANCE CO.

3,779,569.67	1,154,810.10
3,877,846.70	1,253,267.06
3,976,123.73	1,351,724.02
4,074,400.76	1,450,180.98
4,172,677.79	1,548,637.94
4,270,954.82	1,647,094.90
4,369,231.85	1,745,551.86
4,467,508.88	1,844,008.82
4,565,785.91	1,942,465.78
4,664,062.94	2,040,922.74
4,762,339.97	2,139,379.70
4,860,616.00	2,237,836.66
4,958,893.03	2,336,293.62
5,057,170.06	2,434,750.58
5,155,447.09	2,533,207.54
5,253,724.12	2,631,664.50
5,352,001.15	2,730,121.46
5,450,278.18	2,828,578.42
5,548,555.21	2,927,035.38
5,646,832.24	3,025,492.34
5,745,109.27	3,123,949.30
5,843,386.30	3,222,406.26
5,941,663.33	3,320,863.22
6,039,940.36	3,419,320.18
6,138,217.39	3,517,777.14
6,236,494.42	3,616,234.10
6,334,771.45	3,714,691.06
6,433,048.48	3,813,148.02
6,531,325.51	3,911,604.98
6,629,602.54	4,010,061.94
6,727,879.57	4,108,518.90
6,826,156.60	4,206,975.86
6,924,433.63	4,305,432.82
7,022,710.66	4,403,889.78
7,120,987.69	4,502,346.74
7,219,264.72	4,600,803.70
7,317,541.75	4,699,260.66
7,415,818.78	4,797,717.62
7,514,095.81	4,896,174.58
7,612,372.84	4,994,631.54
7,710,649.87	5,093,088.50
7,808,926.90	5,191,545.46
7,907,203.93	5,290,002.42
8,005,480.96	5,388,459.38
8,103,758.00	5,486,916.34
8,202,035.03	5,585,373.30
8,300,312.06	5,683,830.26
8,398,589.09	5,782,287.22
8,496,866.12	5,880,744.18
8,595,143.15	5,979,201.14
8,693,420.18	6,077,658.10
8,791,697.21	6,176,115.06
8,889,974.24	6,274,572.02
8,988,251.27	6,373,028.98
9,086,528.30	6,471,485.94
9,184,805.33	6,569,942.90
9,283,082.36	6,668,400.86
9,381,359.39	6,766,857.82
9,479,636.42	6,865,314.78
9,577,913.45	6,963,771.74
9,676,190.48	7,062,228.70
9,774,467.51	7,160,685.66
9,872,744.54	7,259,142.62
9,971,021.57	7,357,599.58
10,069,298.60	7,456,056.54
10,167,575.63	7,554,513.50
10,265,852.66	7,652,970.46
10,364,129.69	7,751,427.42
10,462,406.72	7,849,884.38
10,560,683.75	7,948,341.34
10,658,960.78	8,046,798.30
10,757,237.81	8,145,255.26
10,855,514.84	8,243,712.22
10,953,791.87	8,342,169.18
11,052,068.90	8,440,626.14
11,150,345.93	8,539,083.10
11,248,622.96	8,637,540.06
11,346,899.99	8,735,997.02
11,445,177.02	8,834,453.98
11,543,454.05	8,932,910.94
11,641,731.08	9,031,367.90
11,739,008.11	9,129,824.86
11,837,285.14	9,228,281.82
11,935,562.17	9,326,738.78
12,033,839.20	9,425,195.74
12,132,116.23	9,523,652.70
12,230,393.26	9,622,109.66
12,328,670.29	9,720,566.62
12,426,947.32	9,819,023.58
12,525,224.35	9,917,480.54
12,623,501.38	10,015,937.50
12,721,778.41	10,114,394.46
12,820,055.44	10,212,851.42
12,918,332.47	10,311,308.38
13,016,609.50	10,409,765.34
13,114,886.53	10,508,222.30
13,213,163.56	10,606,679.26
13,311,440.59	10,705,136.22
13,409,717.62	10,803,593.18
13,507,994.65	10,902,050.14
13,606,271.68	11,000,507.10
13,704,548.71	11,098,964.06
13,802,825.74	11,197,421.02
13,901,102.77	11,295,877.98
14,000,379.80	11,394,334.94
14,099,656.83	11,492,791.90
14,197,933.86	11,591,248.86
14,296,210.89	11,689,705.82
14,394,487.92	11,788,162.78
14,492,764.95	11,886,619.74
14,591,041.98	11,985,076.70
14,689,319.01	12,083,533.66
14,787,596.04	12,181,990.62
14,885,873.07	12,280,447.58
14,984,150.10	12,378,904.54
15,082,427.13	12,477,361.50
15,180,704.16	12,575,818.46
15,278,981.19	12,674,275.42
15,377,258.22	12,772,732.38
15,475,535.25	12,871,189.34
15,573,812.28	12,969,646.30
15,672,089.31	13,068,103.26
15,770,366.34	13,166,560.22
15,868,643.37	13,265,017.18
15,966,920.40	13,363,474.14
16,065,197.43	13,461,931.10
16,163,474.46	13,560,388.06
16,261,751.49	13,658,845.02
16,360,028.52	13,757,301.98
16,458,305.55	13,855,758.94
16,556,582.58	13,954,215.90
16,654,859.61	14,052,672.86
16,753,136.64	14,151,129.82
16,851,413.67	14,249,586.78
16,949,690.70	14,348,043.74
17,047,967.73	14,446,500.70
17,146,244.76	14,544,957.66
17,244,521.79	14,643,414.62
17,342,798.82	14,741,871.58
17,441,075.85	14,840,328.54
17,539,352.88	14,938,785.50
17,637,629.91	15,037,242.46
17,735,906.94	15,135,699.42
17,834,183.97	15,234,156.38
17,932,461.00	15,332,613.34
18,030,738.03	15,431,070.30
18,129,015.06	15,529,527.26
18,227,292.09	15,627,984.22
18,325,569.12	15,726,441.18
18,423,846.15	15,824,898.14
18,522,123.18	15,923,355.10
18,620,400.21	16,021,812.06
18,718,677.24	16,120,269.02
18,816,954.27	16,218,725.98
18,915,231.30	16,317,182.94
19,013,508.33	16,415,639.90
19,111,785.36	16,514,096.86
19,210,062.39	16,612,553.82
19,308,339.42	16,711,010.78
19,406,616.45	16,809,467.74
19,504,893.48	16,907,924.70
19,603,170.51	17,006,381.66
19,701,447.54	17,104,838.62
19,800,724.57	17,203,295.58
19,898,001.60	17,301,752.54
19,996,278.63	17,400,209.50
20,094,555.66	17,498,666.46
20,192,832.69	17,597,123.42
20,291,109.72	17,695,580.38
20,389,386.75	17,794,037.34
20,487,663.78	17,892,494.30
20,585,940.81	17,990,951.26
20,684,217.84	18,089,408.22
20,782,494.87	18,187,865.18
20,880,771.90	18,286,322.14
20,979,048.93	18,384,779.10
21,077,325.96	18,483,236.06
21,175,603.00	18,581,693.02
21,273,880.03	18,680,150.98
21,372,157.06	18,778,607.94
21,470,434.09	18,877,064.90
21,568,711.12	18,975,521.86
21,666,988.15	19,073,978.82
21,765,265.18	19,172,435.78
21,863,542.21	19,270,892.74
21,961,819.24	19,369,349.70
22,060,096.27	19,467,806.66
22,158,373.30	19,566,263.62
22,256,650.33	19,664,720.58
22,354,927.36	19,763,177.54
22,453,204.39	

IN NEW ENGLAND

MASSACHUSETTS FIRE & MARINE INSURANCE CO. ORGANIZES.

What may portend a revival of the old glories of Boston, when Boston was a "company town" with some twenty-odd fire insurance companies making their headquarters there, came to pass Monday afternoon when the Massachusetts Fire & Marine Insurance Company, which is to start with \$500,000 capital and an equal amount of surplus, was organized. The enterprise is distinctly a local one in its backing and has interested some of the most substantial citizens of Boston as officers and stockholders. The choice of officers resulted as follows: Colonel Everett C. Benton (of John C. Paige & Co.), president; James J. Storrow (of Lee, Higginson & Co.), vice-president; Frank E. Buxton (treasurer North End Savings Bank), secretary. The latter appointment is a temporary one, as the permanent secretary is to be the underwriter of the company. The board of directors comprises E. C. Benton, Guy A. Ham (prominent lawyer), J. J. Storrow, Lucius Tuttle (president Boston & Maine Railroad), Bernard J. Rothwell (president Boston Chamber of Commerce), George E. Smith (chairman Harbor and Land Commission), E. F. McKnight and W. G. Shillaber (president North End Savings Bank). There has been a big demand for participation in the underwriting of the company, but in order to make such participation as general as possible the allotments have been limited in amount. It is expected that the company will be ready to start in business in a few months, and beginning with nearby States gradually branch out as an agency company, in the wider sense. It will be a "board" company and is to be conducted in accordance with the best traditions of the business.

Peace Restored.

As forecasted in a previous issue of this paper, the Massachusetts Burglary Underwriters Association was organized at Boston last week, and comprises all the companies writing burglary insurance in the State, namely: Massachusetts Bonding, Maryland Casualty, Employers Liability, National Surety, Fidelity & Casualty, New Amsterdam Casualty, American Bonding, United Surety and United States Fidelity & Guaranty. The aims of the association are for the betterment of the conditions of the business, and that a start has been made in the right direction, is evidenced by the fact that the rates in effect prior to the late "war," have been restored, becoming

operative on all new business since Tuesday last, and, on renewals, from April 1, prox. The election of officers resulted in the choice of Mr. O'Neill (of the United States Fidelity & Guaranty) as chairman, Mr. Johnson (of the Massachusetts Bonding) as vice-chairman, and Mr. Woods (of the New Amsterdam) as secretary.

New Firm at Boston.

A new insurance brokerage firm, which went into effect on March 1, has been organized at Boston. It is styled "Warren, Meade & Gale," and is composed of Calvin E. Warren, hitherto associated with the Union Central Life; John Paulding Meade, manager for Eastern Massachusetts of the American Fidelity, and Dr. A. Ernest Gale. The headquarters are at 99 Milk street, Boston, from which Mr. Meade continues the management of the American Fidelity for territory radiating from Boston.

New England Brevities.

The fellows who made that \$21,000 haul from a Washington street jewelry store between Saturday evening and Monday morning were not even considerate enough to await the restoration of burglary insurance rates which went into effect on March 1.

The big Sunday fire on Lewis Wharf, Boston, with \$150,000 loss, might have been worse, had it not been for the splendid work of the fire department, and notably of the two fire boats. Chief Mullen says that the new fire boat, engine 47, more than paid for itself on this occasion. The towing out into the stream of the Clyde liner Onondaga, with a valuable cargo, alone saved more than that.

With the wharf fire at Boston, the \$385,000 cotton fire at New Bedford, the \$10,000 hotel fire at Ashland, N. H., the \$30,000 church fire at Burlington, Vt., and the \$30,000 church fire at Whitinsville, Mass., the \$20,000 potato warehouse fire at Island Falls, Me., a big hole has been burned in New England fire premiums during the past few days.

"The Chronicle" is able to state on the best of authority that upon Alfred M. Bullard, for many years the successful Boston agent of the Phenix, will be conferred the Boston representation of the Fidelity-Phenix when the amalgamation of the two companies is perfected.

It is the general impression of the Boston "street" that William A. Muller, the deservedly popular representative of the Fidelity Fire, will be entrusted with the representation of the Fidelity underwriters at the due time.

Boston Fire Premiums.

Boston fire premium receipts, as shown by the returns of the protective department, aggregated \$2,079,960 during the second half of last year, and, added to the total of the first half, make the receipts for the entire year \$4,386,023. This was over \$202,000 more than the receipts of 1908, and the gain was mostly in the second half of 1909, which was nearly \$107,000 ahead of the corresponding period in 1908. The companies whose receipts during the half year lately ended were \$10,000 and over are listed below:

	Second Half 1909	Second Half 1908
Massachusetts Companies—		
Boston	\$30,890	\$27,235
Springfield F. & M.	29,502	31,345
New York Companies—		
Commonwealth	18,496	18,386
Continental	35,901	31,935
Fidelity	15,442	11,306
German Alliance	11,526	11,621
German American	45,115	39,252
Germania	16,521	17,123
Glens Falls	13,023	10,826
Globe & Rutgers	12,324	.....
Hanover	20,818	17,955
Home	69,548	64,770
Niagara	35,538	35,198
North River	12,759	13,388
N. Y. Underwriters	23,550	15,793
North British	11,519	9,322
Phoenix	24,251	28,893
Queen	30,712	28,935
Rochester German	17,922	15,156
Westchester	16,613	14,757
Pennsylvania Companies—		
Alliance	10,800	6,819
Delaware	14,883	14,248
Fire Association	34,221	37,051
Franklin	11,479	6,827
Insurance Co. of N. A.	30,049	27,032
National Union	11,130	10,056
Pennsylvania	30,262	25,462
Philadelphia Underwriters ..	13,476	10,552
Connecticut Companies—		
Aetna	65,455	62,262
Connecticut	16,147	18,930
Hartford	48,195	41,765
National	35,441	35,573
Orient	13,588	10,717
Phoenix	31,599	23,072
Security	14,794	13,415
New Jersey Companies—		
American	16,368	14,316
Camden	11,127	11,126
Firemen's	16,810	14,553
Companies of other States—		
Fireman's Fund, Cal.	19,677	21,993
Calumet, Ill.	10,087	6,389
American Central, Mo.	27,402	15,628
New Hampshire, N. H.	15,883	13,939
Equitable, R. I.	11,467	11,102
Providence-Wash., R. I.	22,984	20,205
Foreign Companies—		
Aachen & Munich	13,917	10,052
Atlas	17,480	18,610
Caledonian	18,421	20,186
Commercial Union	33,174	35,296
Hamburg Bremen	12,145	6,235
Liverpool & L. & G.	83,792	77,617
London Assurance	19,169	17,530
London & Lancashire	41,724	31,833
N. British & Mercantile ..	41,728	34,991
Northern	33,730	31,899
Norwich Union	16,111	17,359
Palatine	41,383	43,296
Phoenix	23,375	22,028
Prussian National	10,669	10,249
Royal	78,190	74,180
Royal Exchange	11,142	11,187
Scottish Union	22,799	19,691
Sun	43,380	40,941

TO REDUCE FIRE WASTE.

At the annual meeting of the Ohio State Fire Prevention Association, which was held at Columbus on Tuesday last, Franklin H. Wentworth, of Boston, secretary of the National Fire Protection Association, was the principal speaker of the evening.

Mr. Wentworth reviewed the progress of the National Association, and pointed to the valuable standards worked out during its fourteen years of experience. He said, in part:

The people, impoverished by the stupendous national fire waste of more than \$200,000,000 per year, and ignorant of the economic facts in connection with it, are already seeking relief in the direction of reactionary legislation that will serve only to impose additional burdens upon them. Complicated by the increasing cost of living, and other kindred problems that are disturbing the temper of the masses, the clearest sort of provision is imperative if our educational efforts are not to be lost in hopeless economic confusion. We can help to relieve the economic burden by stopping a monstrous leak; but we can render this great service only by the help of the people themselves. They must be shown; and they must be shown quickly that they themselves are bearing this burden, and that only increased vigilance and an immediate reformation in their habits of building and handling of fire can relieve them of this frightful fire tax, which is crippling all our social and economic progress, and which must inevitably carry us to the rear of those nations which are so vastly our superiors in prudence.

In this imperative work of public education it is not difficult to see how admirable a complement the State body may be to the National body. Where we are now dependent upon individual members in the various States to introduce our standards or for effort to eliminate some glaring fire hazard, the entire membership and influence of the State associations might be concentrated upon it. With our stores of statistics and engineering research flowing out to the people of all the States through the State associations as arteries, the problem of greatest moment—how quickly to reach the masses—will be solved. Conversely the influence and usefulness of both State and National bodies can be vastly multiplied by the gathering of statistics and information on important matters by each State, to be tabulated by the national body and distributed back to the State bodies for their common guidance and purposes of comparison.

There are thousands of towns and cities of America that never saw a building code. Most of these are following obsolete and hazardous methods of building, simply because we have been unable to reach them with suitable standards. A series of codes calculated to the varying sizes of the cities is imperative. I believe it is useless to hope that the small cities will take out present national building code and make suitable abridgments of it. This must be done for them, and when it is done for one it will

be done for all of the same class in every State. We can never hope to cope with the inflammable conflagration-breeding shingle roof in any other way. We must have suitable laws in every city governing the storage of oils and explosives. This alone is a four or five years' work we should get at immediately. The problem of the fire-bug, the problem of a fire marshall's office in all the States; these and a dozen other vital questions only await a complete and responsive organization of the fire prevention forces, operating through a central clearing house that their efforts may be cumulatively effective.

THE CITIZEN'S EASTERN DEPARTMENT.

On or about April 1, the Citizens Insurance Company, of Missouri, will establish an Eastern department in the general offices of the Hartford Fire Insurance Company, at Hartford, Conn. Secretary Thomas H. Scotland will have complete charge of the Eastern department, which covers the States of New England, New York, New Jersey, Pennsylvania, Maryland, West Virginia, Delaware and the District of Columbia.

Mr. Scotland will take the title of general agent for the Citizens, and it is reported that he will also become the superintendent of agencies for a portion of the territory mentioned above for the Hartford.

The Missouri Insurance Department, which recently examined the Citizens, has given the company a clean bill of health, and complimented the management in many particulars. The new arrangement will prove a great convenience to the agents of the company, and should result in a large increase of business.

FIRE INSURANCE EXCHANGE.

The committee changes in the New York Fire Insurance Exchange result in their being made up as follows:

Arbitration Committee.

Member.	Office Represented.
A. H. Wray, Ch'm'n	Commercial Union.
W. B. Ward,	Ward & Crawford.
C. W. Sparks,	London Assurance.
A. E. Miller,	A. E. Miller.
A. H. Crum,	North River.
J. H. Kelly,	Westchester Fire.
J. W. Nichols,	Queen Ins. Co.

Brokerage Committee.

G. Scott, Chairman	J. M. Talbot & Co.
Lyman Candee,	Globe & Rutgers.
M. J. Ennis,	Peter Cooper.
W. D. Sammis,	W. D. Sammis & Co.
C. A. Garthwaite,	Stuyvesant Ins. Co.
T. A. Ralston,	Northern Assur. Co.
W. M. Morris,	Aachen & Munich.

Executive Committee.

F. A. Pawley, Ch'n	F. A. Pawley.
F. H. Way,	Williamsburgh City.
Geo. C. Howe,	Niagara Falls.
Chas. A. Norris,	United States Fire.
Wallace Reid,	Wallace Reid.
E. E. Pearce,	London & Lancashire
D. M. Darby,	Caledonian.

Rate Committee.

E. E. Cain, Ch'm'n	Hanover Fire.
G. W. Montgomery,	Montgo'y & Fountain
W. B. Ogden, Jr.,	W. B. Ogden & Son.
E. F. Schleyer,	Norwich Union.
Otto Dellevie,	Phoenix Assur. Co.
H. J. Ferris,	Home Insurance Co.
James Marshall,	Northern Insur. Co.

ON THE WARPATH.

Attorney General Bingham, of Indiana, who is attempting to put to an end the use of schedules and uniform rates in that State, last week asked an order of court requiring the fire insurance companies to produce all books, papers, records and correspondence with the field men's organizations and rating bureaus since 1896.

THE American Credit-Indemnity Co. OF NEW YORK. CREDIT INSURANCE ONLY.

Insures Wholesalers and Manufacturers against Excessive Annual Loss through the Insolvency of their Customers.

We can always use a few high-grade solicitors.

ST. LOUIS, MO.

NEW YORK, N. Y.

Offices in All Principal Cities.

A. B. TREAT, General Agent,

302 Broadway, : : : : : New York.

TO BE OR NOT TO BE.

As the days go by and no other non-union fire insurance companies follow the Continental into the Western Union, the prospects of large accessions to the union membership grow slim. It is by no means certain that there will not be such accessions, for some strong forces are still at work in that direction, but the spirit of co-operation does not appear so strong as was expected.

The sentiment in favor of unionizing seems to be stronger in the East than in the West. For example, it is well known in Chicago that when President Hoadley, of the American, was in that city a couple of weeks ago, he was in favor of his company's entering the union. Vice-President Sheldon, who is in charge of the company's Western field, is opposed to such a move. Mr. Sheldon went East last week to settle the question at the home office. There are said to be other Eastern executives who look with favor upon going into the union, but the Western managers, who are already doing a satisfactory and profitable business and who know what an amount of labor and breaking of established connections would be incurred by unionizing, take a different view.

The receptive attitude of the Eastern companies can be fairly illustrated by the following statement by President Amonson, of the Peoples National Fire:

Every underwriter acquainted with the Western situation recognizes the invaluable service rendered by the union to the underwriting fraternity, and personally I would like very much, indeed, to see the Peoples National, as well as the other non-union companies affiliated with that organization; but unless a reasonable number of companies would decide and enter, it would not be possible for the Peoples National to act alone.

On my recent visit to Chicago I interviewed many of the non-union managers, and with a single exception they all expressed themselves as favorable to going in to the union, but they all desired to have the honor of being last.

Unless a greater degree of courage is shown by the Western managers in taking advantage of the present opportunity, there is little prospect of anything being accomplished immediately.

Many reasons are advanced for not unionizing. Some managers would much like to do so, are not in a strong enough position to go it alone. They appreciate fully that their companies have not places near enough the top of their agencies to enable them to swing the agencies into the union column. They would have to go through much of the same work

of reorganizing the field as would have been imposed upon them had they unionized a year ago. The Continental's changing would help some, but not much. If three or four more leading companies would unionize, they would jump at the chance of being members of the party.

There is one important non-union company whose grounds for staying outside are largely humanitarian. It is doing a satisfactory business. Many of its present agents stayed with it to their own temporary disadvantage when the main clearances were made ten years ago. Its manager does not feel that it would be treating these men right to make them go through separation again.

Hate and Prejudice.

There are others who are kept out very largely by prejudice. At heart they are in favor of co-operation. They adhere to good practices and unionization would scarcely mean any change in their commissions, but they cannot bring themselves to join the Western Union. They even hate the name of the big organization. One of these managers, who has talked of a new organization for years past, still talks of it, although, by his own admissions, he is satisfied that it is impossible to get a number of the non-union managers to agree to anything, except to do as they please.

Another stumbling block is the want of faith non-union managers have in union promises, a distrust born of experience. Once upon a time a number of non-union companies did join the union on a promise that the excepted cities would be taken up and the abuses in them abated. The promise was not kept and a number of those companies afterwards withdrew. The excepted cities are in just as bad shape as ever, and that broken promise is not forgotten.

Waiting and Watching.

Here and there in union managerial ranks is found a man who does not appear to care whether the non-union companies come in at present or not. One such expresses the belief that the States are going to force the companies into co-operation eventually and the worse the present abuses are the sooner the States will be forced into action. He says the fire insurance companies have got to be whipped and kicked until they are driven to bay and forced to show their united power. Anybody knows that theoretically the fire insurance companies could force the repeal of any seriously obnoxious law, if they would co-operate. Even with partial co-operation they made the business interests of

Arkansas compel the Legislature to amend the notorious King law. Practically all the companies of standing pulled out of the State, but some partially spoiled the effect by reinsuring for little admitted companies or writing Arkansas business from the outside.

Another Phase of State Control.

The manager in question believes that the States are going to take control of the commission question and that by so doing they will put out of business a number of companies whose main bid for business is based on excess commissions. At least the effect will be to drive such companies into smaller territory near home and into the large cities where their capital really is needed. Then he looks for more rate regulation laws and other enactments that eventually will drive the companies into a corner and make them show their teeth in self-defense, force them to co-operate or be ruined.

If the companies ever reach that stage, such abominations as the Iowa anti-compact law and the anti-co-insurance law of the same State and the laws which resulted from bills introduced to be bought off, the excessive taxation of such States as Ohio and others of like ilk will be brushed away like frost before a hot wind. It will be a case of reasonable laws or no insurance, and the last alternative would get the commercial community in action in a week.

Men holding such views can be complacent if the non-union companies do not join the union. They think their staying out will only hasten the day of the legislative clean-up of the business and then the business clean-up of legislation.

C. E. Wheeler, recently manager of the Tennessee Inspection Bureau, has been appointed Kentucky State agent for the Hartford Fire.

INCORPORATED 1833.

British America
Assurance Company
HEAD OFFICE, TORONTO, CANADA

UNITED STATES BRANCH.
JANUARY 1, 1910.

Assets	\$1,556,740.94
Liabilities	902,438.61
Surplus	\$ 654,302.33

Hon. GEORGE A. COX, President.
JOHN HOSKIN } Vice-Presidents.
W. R. BROCK }
W. B. MEIKLE, General Mgr.

MAKING FIRE RATES IN KANSAS.

At last Superintendent Barnes, of Kansas, has gotten around to the reduction of rates on preferred business. Had he begun there last summer instead of with the mercantile classes, he probably would not have raised the storm he did. That is where many managers thought he ought to begin. His reduction in rates on dwellings is not unreasonable, although it amounts to about 14 per cent. on the average. His new rate on brick dwellings with hard roofs in waterworks towns of the first and second classes is 20 cents per annum, with the usual discounts for term rates. That would be 60 cents for five years, which is still from $33\frac{1}{3}$ to 50 per cent. above the rates in some large Eastern cities, where competition and custom alone have made the rate.

In putting off action on preferred rates Mr. Barnes may have proved himself a good master of political strategy. When the tariff rates became effective last summer, the first howl came from the merchants in cities, who had been enjoying cut rates. Mr. Barnes promptly gave them relief. Whether they were entitled to it or not is another question, but they got it and it quieted them to a great extent. Had they not been appeased they would have brought enough pressure either to knock out the law or Barnes.

Neither of these results would have suited Mr. Barnes. He does not want to lose his political head, and, as he doubtless believes in the Kansas law, he wants that given at least a fair trial.

Populace and Politics.

Then he took up other less pressing classes. Now in his annual report he is in position to show the people of Kansas where they are paying about half a million less in premiums than they were before, which tends to make the superintendent and the law solid with the populace.

After the reduction in rates on mercantile risks the companies could continue to write them at no profit or even at a slight loss, if they could get a good volume of preferred business. With some of the fat fried out of the preferred business, it puts it up squarely to the companies to write at the prevailing rates or quit the field, for there probably is no very profitable class left.

Now the companies have begun their contest of the Kansas rating law. The action was delayed somewhat because it was hard to find any company that would be "it" in acting as the peti-

tioner. The German Alliance was finally secured and has prayed for an injunction to prevent the Insurance Superintendent or any other officer from enforcing the rate regulation law. As no temporary injunction has been asked it may be months before the case comes up for hearing.

TO DISSOLVE TWO MUTUALS.

Suits have been filed by the Insurance Department of Pennsylvania against two mutual fire insurance companies of Philadelphia requiring them to show cause why they should not be dissolved.

There is very little likelihood that the department's suits will be contested, for the Kensington Mutual Fire Insurance Company has assets of only \$1,393 and liabilities of \$3,602, and the Reserve Mutual Fire has assets of \$2,285 and liabilities of \$8,000.

Charles E. Collins, a broker, at 119 South Fourth street, is secretary of both companies. They have been doing business for about six years.

GREATER NEW YORK PREMIUMS.

The premium receipts of the fire insurance companies for the last six months of 1909, for Greater New York, as shown by statements issued last week by A. M. Thorburn, treasurer of the New York Board of Fire Underwriters, and Henry Blatchford, treasurer of the Fire Insurance Salvage Corps of Brooklyn, are as follows.

New York City Companies—New York, \$2,417,711; Brooklyn, \$775,006.

Foreign Insurance Companies—New York, \$2,327,575; Brooklyn, \$584,560.

New York and Other States—New York City, \$3,242,728; Brooklyn, \$894,222.

The New York board has assessed the companies \$81,184, or 100 cents for each \$100 of premium receipts for the expenses to July 1, 1910, of the

fire patrol and 25 cents for each \$100, or a total of \$20,296 for general expenses for the same period.

The assessment for the support of the Brooklyn Salvage Corps for the current six months is \$1.50 for each \$100 of premium receipts, or \$33,806.82.

The German-American Insurance Company of Pittsburg has been licensed to do business in New York. Wilden & Hancock have been appointed Metropolitan managers. The company has a capital of \$200,000, and a net surplus of \$260,000.

OUR BOND—YOUR SECURITY.

T. J. FALVEY,
President.

JOHN T. BURNETT,
Sec'y & Treasurer.



**Massachusetts
Bonding and
Insurance Co.**

Organized under
the Laws of the
Commonwealth of
Massachusetts.

Home Office, 77-81 State Street, Boston.

Capital\$500,000.00

Surplus\$250,000.00

**SURETY BONDS and BURGLARY and
THEFT INSURANCE.**

New England Mutual Life

Insurance Company

87 Milk Street, BOSTON, MASS.

ASSETS, Jan. 1, 1910.....\$51,269,293.00

LIABILITIES 47,050,672.15

\$4,218,620.85

All forms of Life and Endowment policies issued.

Cash distributions paid upon all policies.

Every policy has indorsed thereon the cash surrender and paid-up insurance values to which the insured is entitled by the Massachusetts Statute.

Pamphlets, rates and values for any age sent on application to the Company's Office.

ALFRED D. FOSTER, President.

D. F. APPEL, Vice-President.

JACOB A. BARBEY, Secretary.

WM. F. DAVIS, Asst. Sec'y.

J. G. WILDMAN, Asst. Sec'y.

NEW YORK OFFICE:

St. Paul Building, 220 Broadway.

SETH H. WHITELEY, Manager.

BONDS--CASUALTY

**AGENTS
IF
YOU**

{ Can Command Bond or Casualty business
Are seeking an Agency connection
Are not representing another like Company

ADDRESS, AGENCY DEPARTMENT,

The Empire State Surety Co.
NEW YORK

WHEN STONE COMES.

When John T. Stone and his Maryland Casualty Company gets real busy in the surety field, which is now proposed, the stiff-necks will have to take notice, because he is no laggard in any event.

"The Chronicle" has for several years known that the event was practically inevitable because of the crossing of interests that provoke friction. It has long been a matter of open comment as to the mixing of Baltimore capital in its competitive insurance concerns. When Warfield organized a banking and trust company with surety and guarantee powers the bonding business was developing rapidly and quickly that division of their work overshadowed everything else, resulting finally in abandonment of the banking and trust feature entirely. The profitableness of the business, however, had put a bee in a lot of bonnets and other concerns sprung up, composed practically of certain financial interests originally interested by Warfield. The American Bonding was one of them, and John T. Stone, who had had some experience with Warfield, was its secretary for some years, but things moved too slowly for the live wire and he quit and, with the same financial interests, organized his Maryland Casualty Company and went in for other than surety lines. Then Bland happened by with his company and started in for burglary business—necessitated by his bank fidelity bonds. Then Mr. Stone threatened to go in for fidelity and surety business, and, as a result, a truce was called and this held for quite a while. But recently the breach has been reopened and widened, and now Stone is red-eyed and is going after scalps.

This tends to prove that the multiple line company is the company of the future. No one line can longer be made profitable by a new company because of the inter-relation of the several and the reduced cost of securing business.

CHICAGO'S AWFUL BURGLARY CONDITION.

Last week in Chicago burglary insurance men got the "situation" there whipped into line apparently. Scarcely had the results been reported to the home offices until there was complaint that the Chicago people had not followed the lines laid down by the Burglary Insurance Underwriters Association. It is understood that one or two companies even went so far as to instruct their Chicago representatives not to go into the new agreement. That is probably not final, however.

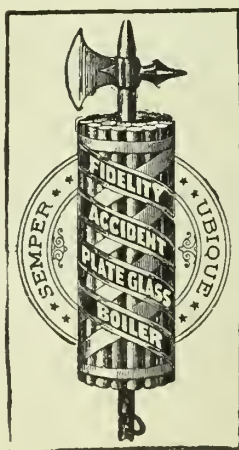
What the New York bunch don't know about Chicago would fill several large volumes. A Chicago man (not an executive) who knows a considerable number of the managers of burglary departments, says there are only about two of them that understand the Chicago situation. It looks that way. The Chicago men put a proposition up to the Eastern contingent several months ago, but the Eastern people could not get the companies to agree to anything. The result was the commission war. Then the Eastern people came back with a proposition, not as good by several degrees as the one the Chicago men adopted. It is very much to be hoped that the Eastern people will let the men on the ground handle this matter now. It has taken a lot of compromising and work to bring about this agreement, and it probably is the best that can be secured under the circumstances.

The situation in New York is unchanged from that reported by "The Chronicle" last week. The irreconcilable interests of the burglary writing companies and those which do not write the line is apparently permanent. The situation is still further complicated by the new companies entering, of which there will be at least five this year.



SUPERIOR POLICIES

KIMBALL C. ATWOOD, President
290-292 Broadway, New York.



THE FIDELITY & CASUALTY COMPANY

97 TO 103 CEDAR ST., NEW YORK CITY.

ASSETS - \$8,649,885.66
Cap. & Surplus \$3,011,834.00
LOSSES PAID to Jan. 1, 1909, \$29,195,835.85

This Company grants Insurances as follows:
Bonds of Suretyship for Persons in Positions of Trust, Fidelity Bonds, Burglary, Plate Glass, Steam Boiler, Fly Wheel, Employers, Public, Teams, Workmen's Collective, Elevator and General Liability; Personal Accident, Health and Physicians' Liability.

OFFICERS:

GEORGE F. SEWARD, President.

Robert J. Hillas, V.-P. & Sec'y. Henry Crossley, Ass't Sec'y.
Frank E. Law, 2d Ass't Sec'y. George W. Allen, 3d Ass't Sec'y.

The Columbian National Life INSURANCE COMPANY OF BOSTON, MASS.

LIFE, ACCIDENT AND HEALTH INSURANCE.

The Only Massachusetts Non-Participating Company

The New Columbian Policies (Sept. '09) are Unexcelled in Clearness and Liberality.

Good Contracts and Territory for Good Producers.

ARTHUR E. CHILDS, President.

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS is unsurpassed for net low cost and care of interests of all members.

THE PENN MUTUAL LIFE INSURANCE COMPANY OF PHILADELPHIA

On January 1, 1909, rates were reduced and values increased to full 3% reserve.

PHENIX

Insurance Company

—OF—

BROOKLYN, N. Y.

NEW YORK OFFICE:

68 WILLIAM STREET

IN PRESS

Survivorship Annuity Tables

Net Premiums, Mean and Terminal Reserves

**American Experience Table,
LIFE OF NOMINATOR**

**Danish Survivorship Annuitants' Table,
LIFE OF ANNUITANT**

And 3 1-2 Per Cent. Interest

BY

MILES M. DAWSON,
Consulting Actuary

Ready for Delivery April 1, 1910

Advance Sheets (now ready for delivery) giving net premiums for all combinations of ages, above 20 for annuitant and above 20 and under 61 for nominator, will be sent to any purchaser whose order is received before publication of the book.

SEND ALL ORDERS TO

The Chronicle Co. (Ltd.)

No. 90 William St.

NEW YORK

Hanover Fire

INSURANCE
COMPANY
of New York

Agencies
in all the Principal Places
in the United States.

201st Year.

SUN Insurance Office OF LONDON.

FOUNDED 1710.

UNITED STATES BRANCH:

54 PINE STREET, NEW YORK.

WESTERN DEPARTMENT:

171 LA SALLE ST., CHICAGO.

PACIFIC DEPARTMENT:

Sansome & Sacramento Sts.,
SAN FRANCISCO, CAL.

AGENTS WANTED
AT UNREPRESENTED POINTS.

TO WIN IN COMPETITION

Represent the Company whose agents have the strongest fighting material and the most telling arguments. Everyone knows the superiority in low cost to policyholders, (due to high interest earnings, low death and expense rate) of

THE Union Central Life Insurance Co. of Cincinnati.

Assets, \$74,523,966.28
Liabilities, \$72,324,302.92

JESSE R. CLARK, President.
ALLAN WATERS, Sup't of Agents.

1860 50th YEAR 1910

HOME LIFE Insurance Company of New York.

GEORGE E. IDE, President.

Assets	\$23,626,018.63
Liabilities	21,858,691.52
(Including Deferred Dividend Fund)	
Dividend Endowment Fund	
(Deferred Dividends)	2,119,044.00
Net Surplus	1,767,327.00
Insurance in Force	92,532,583.00

The record for 1909 shows the following
GAINS:

Insurance in Force	\$4,164,239.00
Assets	1,917,117.00
Deferred Dividend Reserve...	148,581.00
Contingency Reserve (Surplus)	655,149.17

The Star of Success

shines over the fields in which our agents work.

Why? Popular company, policies that cover public needs, low net cost, literature that prospects read.

Now writing the largest business in our history.

For agency information apply to

**Massachusetts Mutual
Life Insurance Company**
Springfield, Mass.

Incorporated 1851.

THE HOME LIFE INSURANCE COMPANY OF AMERICA

Incorporated 1899.



THE COMPANY FOR THE AMBITIOUS AGENT who desires to sell "COMMON SENSE" insurance at LOWEST COST, and who seeks, through most liberal first year and guaranteed renewal commissions, to receive just recognition of service. All policies registered, signed and sealed by the Insurance Commissioner of the State of Delaware, making them truly

SAFE AS GOVERNMENT BONDS.

Address Executive Offices, 416-18-20 Walnut Street,
PHILADELPHIA, PA.

JOHN LANGHAM, Jr.,
President.

JOSEPH L. DURKIN,
Secretary.

GEORGE M. NETTLESHIP,
Manager of Agencies.

THE PRUDENTIAL

is the most extensively advertised Life Insurance Company in the world. This advertising is a wonderful help to its Agents. You may take advantage of this great campaign. Write for information concerning agency.



THE PRUDENTIAL

Insurance Company of America.

Incorporated as a Stock Company by the State of New Jersey.

JOHN F. DRYDEN, Home Office,
President. NEWARK, N. J.

Write for Agency.

UNITED SURETY COMPANY BALTIMORE, MD.

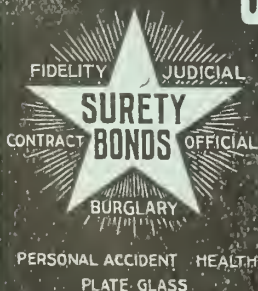
HENRY G. PENNIMAN PRES.

JOHN B. MURPHY,

Resident Vice-President.

84 WILLIAM STREET - - NEW YORK

Telephone, John 1770 - 1771.



HARTFORD LIFE INSURANCE COMPANY, OF CONN.

1909 Policies are Participating, or Non-participating, with Lower Rates and Values based on FULL RESERVE.

For Right Contracts,
Address, Second Vice-President,
Home Office, HARTFORD, CONN.

The Chronicle.

1866

Published by THE CHRONICLE COMPANY, Ltd., 90 William St., New York City.

1910

VOLUME LXXXV.

New York, March 10, 1910.

NUMBER 10

HARTFORD LIFE

INSURANCE COMPANY,
OF CONN.

1909 Policies are Participating, or Non-participating, with Lower Rates and Values based on FULL RESERVE.

For Right Contracts,
Address, Second Vice-President.
Home Office, HARTFORD, CONN.

INCORPORATED 1833.

British America

Assurance Company
HEAD OFFICE, TORONTO, CANADA

UNITED STATES BRANCH.
JANUARY 1, 1910.

Assets	\$1,556,740.94
Liabilities	902,438.61
Surplus	\$ 654,302.33

Hon. GEORGE A. COX, President.
JOHN HOSKIN } Vice-Presidents.
W. R. BROCK }
W. B. MEIKLE, General Mgr.

The Columbian National Life

INSURANCE COMPANY
OF BOSTON, MASS.

LIFE, ACCIDENT AND HEALTH
INSURANCE.

The Only Massachusetts
Non-Participating Company

The New Columbian Policies (Sept. '09)
are Unexcelled in Clearness and Liberality.

Good Contracts and Territory for
Good Producers.

ARTHUR E. CHILDS, President.

HOME OFFICE OF THE

Metropolitan Life Insurance Co.

(INCORPORATED BY THE STATE OF NEW YORK, STOCK COMPANY)
The Company OF the People, BY the People, FOR the People

PROOF OF PUBLIC CONFIDENCE

This company has more premium paying business in force in the United States than any other Company, and for each of the last 16 years has had more New Insurance accepted and issued in America than any other Company.

The number of Policies in force is greater than that of any other Company in America, greater than all the Regular Life Insurance Companies put together (less one), and can only be appreciated by comparison. It is a greater number than the Combined Population of Greater New York, Chicago, Philadelphia, Boston, St. Louis, Cleveland, Cincinnati, San Francisco, Pittsburg, Baltimore, New Orleans and Buffalo.

ASSETS.

Municipal and R. R. Bonds and	
Stocks	\$123,346,161.39
Bonds and Mortgages	106,183,172.02
Real Estate	23,311,215.78
Cash	5,420,643.42
Demand Loans on Collateral....	172,930.00
Loans to Policyholders.....	11,193,245.61
Prem. deferred and in course of	
collection (net)	5,190,288.45
Accrued Int., Rents, etc.....	3,290,211.85
Total	\$277,107,868.48

LIABILITIES.

Reinsurance Fund and Special	
Reserves	237,213,384.00
All other Liabilities	3,932,264.48
Capital and Surplus.....	29,902,219.98
Total	\$277,107,868.48



Largest Office Building in the World—Madison
Avenue, Fourth Avenue, 23d Street and
24th Street, New York City.

THE DAILY AVERAGE OF THE COMPANY'S BUSINESS DURING 1909 WAS:
456 per day in number of Claims paid.
6,535 per day in number of Policies placed and paid for.
11,463,755 per day in New Insurance placed and paid for.
\$183,403.75 per day in Payments to Policyholders and addition to Reserve.
\$132,172.72 per day in Increase of Assets.

OFFICERS

JOHN R. HEGEMAN.....	President
HALEY FISKE	Vice-President
GEORGE H. GASTON.....	2d Vice President
GEORGE B. WOODWARD....	3d Vice President
FRANK O. AYERS.....	4th Vice President
F. F. TAYLOR.....	5th Vice President
JAMES M. CRAIG.....	Actuary
STEWART L. WOODFORD....	Counsel
WM. J. TULLY.....	General Solicitor
FRED'K. H. ECKER.....	Treasurer
WALTER STABLER.....	Comptroller
JAMES S. ROBERTS.....	Secretary
JOHN R. HEGEMAN, JR....	Asst. Secretary
J. J. THOMPSON.....	Asst. Secretary
T. R. RICHARDSON.....	Asst. Secretary
GEO. B. SCOTT.....	Asst. Secretary
FRED'K. A. BETTS.....	Asst. Secretary
GEORGE C. PENHALLOW....	Asst. Secretary
THOMAS H. WILLARD, M. D....	Med. Dir.
AUGUSTUS S. KNIGHT, M. D....	Med. Dir.
E. M. HOLDEN, M. D.....	Asst. Med. Director
W. S. MANNERS, M. D.....	Asst. Med. Director
J. BERGEN OGDEN, M. D.....	Asst. Med. Dir.
D. M. GEDGE, M. D.....	Asst. Med. Director
I. J. CAHEN.....	Manager Ordinary Dept.
LEE H. FRANKEL, Ph. D.....	Mgr. Indus. Dep.
JACOB CHADEAYNE.....	Mgr. Intermediate Br.
CHAS. G. REITER.....	Asst. Actuary
JAMES C. BROWN.....	Asst. Actuary
JAMES D. CRAIG.....	Asst. Actuary
RAYMOND V. CARPENTER....	Asst. Actuary

Paid to Policyholders since Organization, plus the Amount now invested for their Security, \$537,223,523.83.
Number of Policies, 1 Force, December 31, 1909, \$10,621,679. Total Outstanding Insurance Placed and Paid for,
December 31, 1909, \$2,041,951,700.00.

In its Ordinary Department policies are issued for from \$1,000 to \$1,000,000 on individual lives, premiums payable annually, semi-annually and quarterly. In its Industrial Department policies are issued on all the insurable members of the family for weekly premiums. Full particulars regarding the plans of the Metropolitan may be obtained at its Home Office, 1 Madison Avenue, New York City, or its Agents in all the principal cities of the United States and Canada.

**SUPERIOR POLICIES**

KIMBALL C. ATWOOD, President
290-292 Broadway, New York

WESTERN ASSURANCE Co.

HEAD OFFICE,**TORONTO, - - CANADA.****Incorporated 1851.**

Hon. GEORGE A. COX.....President
 W. R. BROCK and JOHN
 HOSKIN, K. C. LL. D., Vice-Presidents
 W. B. MEIKLE.....General Manager

United States Statement, Jan. 1, 1910.

Assets\$2,377,303.37
 Surplus in United States..... 839,268.07

FOUNDED 1792**118th ANNUAL STATEMENT**

INSURANCE COMPANY OF NORTH AMERICA. OF PHILADELPHIA, PA.

ASSETS.

January 1, 1910.
 Real Estate\$ 364,410.00
 First Mortgages on Real Es-
 tate 373,803.43
 Philadelphia, New York, Bos-
 ton and other City and
 State Loans 1,134,390.00
 Pennsylvania, Philadelphia
 and Erie, Lehigh Valley
 and other Companies' Bonds
 and Stocks 8,909,150.32
 Cash in Bank and Bankers'
 hands 1,134,635.88
 Notes Receivable and Unset-
 tled Marine Premiums.... 347,440.69
 Net Cash Fire Premiums in
 course of Transmission.... 1,069,510.62
 Accrued Interest, and all
 other property 52,160.57
 Total Assets\$13,385,501.56

LIABILITIES.

Capital Stock\$ 3,000,000.00
 Reserve for Re-Insurance .. 6,813,862.47
 Reserve for Losses 877,250.00
 All other Liabilities 104,982.45
 Surplus over all Liabilities.. 2,589,406.64

\$13,385,501.56

Surplus to Policyholders.....\$5,589,406.64
 Increase in Reinsurance Re-
 serve 349,934.71
 Increase in Net Surplus..... 838,500.98
 Increase in Assets..... 1,371,438.93

Eugene L. Ellison.....President
 Benjamin Rush.....Vice-President
 T. Howard Wright.....Secretary
 Henry W. Farnum.....Assistant Secretary
 John O. PlattAssistant Secretary

Agencies in all Prominent Cities & Towns.

1894 H. W. BENNETT, President
 W. S. WYNN, Vice-President

C. F. COFFIN, 2d Vice-President
 ALBERT SAHM, Treasurer

1910

The State Life Insurance Company INDIANAPOLIS

UNEQUALLED IN SOLID ACHIEVEMENT

Assets, Dec. 31, 1908....\$7,378,853.44 Surplus, 1908..... \$860,562.00
 Assets, Dec. 31 1909.... 8,580,830.58 Surplus, 1909..... 1,174,606.34

GROWTH UNPARALLELED

Gain in Admitted Assets Gain in Surplus
 1908.....\$1,023,700.00.....\$153,161.00
 1909..... 1,201,977.14..... 314,044.74

EIGHT MILLION DOLLARS IN SECURITIES

For the Sole Benefit of the Policyholders Deposited with the State
 of Indiana. This is \$848,861.00 More than is Required by Law.

A DIVIDEND PAYING COMPANY

Five State Managers and One Hundred Agents Wanted at Once. Unusually
 Attractive Contracts. Liberal Commissions. Renewals on New Plan.

CONTRACTS DIRECT WITH COMPANY

Address all communications on agency matters to

CHARLES F. COFFIN, 2d Vice-President, 1231 State Life Building

BONDS--CASUALTY

AGENTS { Can Command Bond or Casualty business
IF { Are seeking an Agency connection
YOU { Are not representing another like Company

ADDRESS, AGENCY DEPARTMENT,

The Empire State Surety Co.

NEW YORK
CHICAGO'S GREATEST COMPANY

ILLINOIS LIFE INSURANCE CO.

OLDEST IN CHICAGO**CHICAGO****LARGEST IN ILLINOIS****JAMES W. STEVENS, PRESIDENT****We Guarantee where others Promise**

The year 1909 was the most successful in this com-
 pany's already splendid record of successful years.

INSURANCE IN FORCE**FIFTY MILLION DOLLARS**

The Chronicle

VOLUME LXXXV.

NEW YORK, THURSDAY, MARCH 10, 1910.

NUMBER 10

ALFRED B. DAWSON, President.
R. B. Dawson, Treasurer. Chas. D. O'Brien, Secretary.
Emil Schwab, Manager New England Department,
178 Devonshire Street, Boston, Mass.

All communications should be addressed to and remittances should be made to The Chronicle Company, Limited.
Entered at the Post Office, New York, N. Y., as Second Class Mail Matter.

PUBLISHED EVERY THURSDAY BY
THE CHRONICLE COMPANY, Limited.
No. 90 WILLIAM ST., NEW YORK.
Phone "567 John." Cable Address, "Chronogram," New York

Subscription Price:
Three Dollars a Year. Single Copies, Twenty-five Cents.
Postage Prepaid in the United States and Canada.

Amendments to Sections 96 and 97.

The following is the text of the amendments to section 96, limiting the new business of life companies, and section 97, limiting expenses:

Section 96. Limitation of new business. No life insurance corporation[, except a corporation more than one-half the outstanding insurance of which on December 31, 1905, consisted of industrial insurance,] shall issue in any year new policies for a larger amount in the aggregate than as follows, to wit: If the total amount of the insurance by said corporation in force on the 31st day of December of the preceding year, including only policies upon which the first premiums have actually been received, is in excess of \$50,000,000, the amount of new insurance which may be issued shall be determined by the following percentages of said insurance in force, to wit: If said insurance in force is more than \$50,000,000 and less than \$100,000,000, not more than 30 per centum thereof; if more than \$100,000,000 and less than \$300,000,000, not more than 25 per centum thereof; if more than \$300,000,000 but less than \$600,000,000, not more than 20 per centum thereof; if more than \$600,000,000 but less than \$1,000,000,000, not more than 15 per centum thereof; and if said amount of insurance in force shall be in excess of \$1,000,000,000, not more than 15 per centum thereof; provided, however, that in the case of any corporation excepted as aforesaid the policies issued in any year, excluding industrial policies, shall not exceed in amount 50 per centum of the total amount of the outstanding insurance on the 31st day of December in the year next preceding, including only policies other than industrial policies upon which first premiums have been actually received, nor in any event more than the amount of \$150,000,000; provided, however, that, in determining the aggregate of new policies issued by any such insurance corporation in any year, there shall be excluded all industrial policies on the weekly payment plan issued in such year. In case any foreign life insurance corporation authorized to do business in this State shall in any year issue new policies for a larger amount in the aggregate

than it could have issued had it been a domestic life insurance corporation, the Superintendent of Insurance shall either cancel or refuse to renew the certificate of authority to do business in this State of any such foreign corporation.

Section 3. Section 97 of said chapter is hereby amended to read as follows:

Section 97. No domestic life insurance corporation shall in any calendar year, after the year 1906, expend or become liable for, including any and all amounts which any person, firm or corporation is permitted to expend [for or permit any person, firm or corporation to expend] on its behalf or under any agreement with it (1) for commissions on first year's premiums, (2) for compensation, not paid by commission, for services in obtaining new insurance exclusive of salaries paid in good faith for agency supervision either at the home office or at branch offices, (3) for medical examinations and inspections of proposed risks, and (4) for advances to agents, [an] a total amount exceeding in the aggregate the [total] loadings upon [the] all premiums for the first year of insurance received in said calendar year (calculated on the basis of the American experience table of mortality with interest at the rate of $3\frac{1}{2}$ per centum per annum) and the present values of the assumed mortality gains for the first five years of insurance on [the] policies in force at the end of said calendar year on which the first premium, or instalment thereof, has been received during said calendar year, as ascertained by the select and ultimate method of valuation as provided in section 84 of this chapter[.], not exceeding, however, in any case the excess of the net premium over one-half vxq, according to the American experience table of mortality, with interest at the rate of $3\frac{1}{2}$ per centum per annum, or as many twelfths thereof as the insurance was months in force. No such corporation shall make or incur any expense or permit any expense to be made or incurred upon its behalf or under any agreement with it, except actual investment expenses (not exceeding one-fourth of one per centum of the mean invested assets) and also except

taxes on real estate and other outlays exclusively in connection with real estate, in excess of the aggregate amount of the actual loadings upon premiums received in said year calculated according to the standards adopted by the company under section 84 of this chapter, and the present values of the assumed mortality gains hereinbefore mentioned. No such corporation, nor any person, firm or corporation on its behalf or under any agreement with it shall pay or allow to any agent, broker or other person, firm or corporation for procuring an application for life insurance, for collecting any premium thereon or for any other service performed in connection therewith any compensation other than that which has been determined in advance. All bonuses, prizes and rewards, and all increased or additional commissions or compensation of any sort based upon the volume of any new or renewed business or the aggregate of policies written or paid for, are prohibited. No such corporation shall pay commissions upon renewal premiums received upon policies issued after the year 1906, in excess of 5 per centum of the premium annually for fourteen years after the first year of insurance in the case of endowment policies providing for less than twenty annual premiums, nor in excess of seven and one-half per centum of the premium annually for the first nine years and 5 per centum of the premium annually for the next five years in the case of other forms of policies; provided that an amount found to be equivalent to the aggregate amount so payable [upon a fair commutation] by a calculation approved by the Superintendent of Insurance and based upon mortality, interest and lapse rates, may be distributed through three or more years, or through a period exceeding fourteen years, but not more than two-fifths of such amount shall be payable for any one year; provided further that in any agency district subject to the supervision of a local salaried representative the renewal commission payable to agents of such district shall not exceed two-thirds of the foregoing rates annually for fourteen years, subject to [commutation] the calculation as aforesaid; provided further that any such corporation may condition

the allowance or payment in whole or in part of any of the renewal commissions allowed to be paid as aforesaid upon the efficiency of service of the agent receiving the same or upon the amount and quality of the business renewed under his supervision; and also provided that a fee not exceeding 3 per centum may be paid for the collection of premiums which shall be received for any year after the fifteenth year of insurance. **If any such corporation shall compensate its agents, or any of them, after the first insurance year, in whole or in part, upon any other plan than commissions and collection fees, the aggregate sum so paid shall in no year exceed the limitations herein imposed and the schedule and plan of such compensation shall be submitted to and approved by the Superintendent of Insurance.** No such corporation, nor any person, firm or corporation on its behalf or under any agreement with it, shall make any loan or advance to any person, firm or corporation soliciting or undertaking to solicit applications for insurance without adequate collateral security, nor shall any such loan or advance be made upon the security of renewal commissions, or of other compensation earned or to be earned by the borrower except advances against compensation for the first year of insurance. A foreign life insurance corporation which shall not conduct its business within the limitations and in accordance with the requirements imposed by this section upon domestic corporations shall not be permitted to do business within the State. This section shall not apply to expenses made or incurred in the business of industrial insurance nor, except as to the limitation of expenses for the first year of insurance and as to compensation of and loans and advances to agents or solicitors, to stock corporations issuing and representing themselves as issuing non-participating policies exclusively.

More Extra-Territorial Jurisdiction.

The amendment of section 96, subjecting all companies doing business in the State of New York to the same limitations as to new business as New York companies, marks a new advance in attempts at extra-territorial limitations.

It hits no company at present, however, and perhaps will not be opposed or resisted, if enacted.

Is Industrial Insurance Counted in Arriving at the Quota?

If industrial insurance were not counted in arriving at the quota of new ordinary insurance allowed, the Metropolitan Life Insurance Company would find its new ordinary business limited to about \$60,000,000 per annum; with the industrial business counted in arriving at the quota, it will be allowed to write up to \$150,000,000, as under the law as it now stands.

The amendment aims at correcting the apparent unfairness involved in leaving the question as to whether the industrial business of other companies, than those especially provided for by

the terms of the section, would not be counted as a part of the company's quota.

Somewhat Mixed and Contradictory.

The chief amendment to section 97 is designed to limit the cost of new business to the actually realizable margins in the first year's premiums, allowing reserves and mortality on the minimum basis provided by law. To accomplish this, whenever the excess of the net annual premium over the cost of insurance by the select and ultimate table is less than the computed present value of the mortality gains, the former must be taken; and when policies are written and lapse in the same calendar year, only so much must be taken as, on the same basis, has actually been realized.

The language of the amendments seems to say, first, that these margins are to be allowed only for policies "in force at the end of said calendar year," and then belies this by saying "or as many twelfths thereof as the insurance was months in force."

The change of the word "commutation" to "calculation" can hardly be called an improvement; and who is calling for commissions at a lower rate than specified in the law, but for a longer period than fourteen years is a puzzle.

The Nylic to Be Taken Care Of.

The New York Life Insurance Company's plan for compensating persistent and successful agents is what is intended to be provided for by the following:

If any such corporation shall compensate its agents, or any of them, after the first insurance year, in whole or in part, upon any other plan than commissions and collection fees, the aggregate sum so paid shall in no year exceed the limitations herein imposed and the schedule and plan of such compensation shall be submitted to and approved by the Superintendent of Insurance.

No More Registered Policies.

The same bill amends the registered policy provisions by prohibiting the issue of such policies after this year.

It is reported that through the efforts of Superintendent Hotchkiss insurance commissioners of twenty-two States, where the law is not absolutely mandatory, will not require the publication of the annual statements of New York companies. Several States require the publication of annual statements of foreign companies, varying from two insertions to thirty, and stipulate the minimum amount to be so expended. Under the retaliatory law the New York Department in the past has required a corresponding amount to be expended in this State by the companies of those States.

THEORY AND PRACTICE OF LIFE INSURANCE.

The central branch of the Y. M. C. A. of Philadelphia has inaugurated a series of lectures on "Life Insurance Problems," commencing on March 5 with a lecture prepared by President Levi G. Fouse, of the Fidelity Mutual Life Insurance Company, upon the "Historical Outline of Life Insurance."

In this lecture, which in Mr. Fouse's absence was delivered by Associate Counsel Calkins, of his company, on his behalf, the history of life insurance was traced from its commencement in England in 1705 to the introduction of participation and thence to the so-called bubble period which culminated in England in 1860, there being 519 registered companies, which, within six years, were reduced to forty-four. Mr. Fouse also traced the history of life insurance in the United States through the boom period following the Civil War, the period of depression in the 70s, the period of marked development and the period of reconstruction, which is now closing; and commented upon this condition as follows:

"History repeats itself in the multiplication of new companies; the laws of survival of the fittest will soon weed out the bubble companies."

The other lectures, which are to follow, are as follows:

March 18—"The Social Progress of Life Insurance"—Dr. Lee K. Frankel, manager industrial department, Metropolitan Life Insurance Company.

March 25—"The Various Systems Explained"—William S. Ashbrook, Provident Life and Trust Company.

April 1—"The Work of the Actuary"—J. Burnett Gibb, actuary Penn Mutual Life Insurance Company.

April 8—"Plans and Their Adaptability to Conditions"—Nelson F. Evans, superintendent of agents, Prudential Insurance Company of America.

April 15—"Policy Contracts"—F. H. Garrigues, mathematician, Penn Mutual Life Insurance Company.

April 22—"Public Supervision and Taxation"—Frederick L. Hoffman, statistician, Prudential Insurance Company of America.

April 29—"Company Management"—Lecturer not yet announced.

May 6—"Securing the Application"—Richard H. Wallace, vice-president, Girard Life Insurance Company.

May 13—"Life Insurance Salesmanship"—Harold Pierce, general agent, New York Life Insurance Company.

The Provident Savings Life Assurance Society of New York announces the appointment of Charles Burger as manager for Western New York, at Rochester, N. Y. Mr. Burger was formerly with the New York Life.

IS THE EQUITABLE TO BE MUTUALIZED?

The New York "Evening Post," of March 5, devoted more than a column to rumors that J. P. Morgan, before his departure for Europe, had virtually completed arrangements for the retirement of the capital stock of the Equitable Life Assurance Society, the controlling interest in which he recently purchased from Thomas F. Ryan. In the newspaper article referred to, it was said that the whole matter had been canvassed with the Superintendent of Insurance and Governor Hughes, who were ready to co-operate in any feasible way to bring about this result.

What Can Be Done Under Existing Law.

The existing law provides for mutualization of stock life insurance companies on certain conditions, which in effect call for the consent of each individual shareholder, as well as for approval by the Superintendent and by the majority of the policyholders, voting at a special election to be called by the Superintendent of Insurance. There is also a limitation, viz., \$100,000, to the minimum amount of surplus which the resulting mutual company must start out with.

Subject to these limitations the present law would admit of the policyholders voting to the stockholders whatever proportion of the surplus they might desire, as a bonus over and above the par value of the capital stock. In view of this, it is perhaps worth while to speculate as the terms would probably be demanded by the stockholders, if called upon to dispose of their shares in this manner. It was reported, when Mr. Ryan bought the controlling interest, that he paid two million, five hundred thousand dollars for same. As the control only calls for 501 shares, it follows that, if all the shareholders were willing to accept the same price, the amount required to purchase the entire stock would be five million dollars. Since the Equitable has more than ten million dollars surplus over its accumulations of tontine surplus, it would seem that as large an amount as this could safely be voted.

The stock, however, from the standpoint of the shareholders has perhaps a somewhat smaller value than in 1906, when it was acquired by Mr. Ryan, for the reason that a large measure of mutualization has already been accomplished, in that the policyholders are now entitled to elect within two of a majority of the board.

Moreover, since the stock represents a burden of only 7 per cent. dividends, or \$7,000 per annum in all, to be paid from surplus earnings of the company,

there are those who profess not to see why anything should be done to enable the shareholders to benefit enormously more by selling their stock than they could by holding it to the end of time. That, however, is as you look at it; and they are not wanting those who urge the other view.

What Could Be Done Under the Charter.

It will be remembered that the commencement of the trouble in 1905, which resulted in the investigation of life insurance companies, was due to a proposal on the part of the board of directors of the Equitable Life Assurance Society to change the management, so as to give the policyholders control of the board of directors along almost exactly the lines which have since been adopted. At that time "The Chronicle" pointed out that a much simpler plan than that suggested and probably more effective as regards mutualization, would have been to carry out the charter provision of the company that the board of directors may at any time empower all holders of policies of \$5,000 or over to vote in person, not for some members of the board of directors, but for all of them. If this were done, and if at any time the management of the company were really unsatisfactory, the policyholders could take the management out of the hands of the stockholders and thereby reduce the capital to the position of a loan, upon which the policyholders would pay 7 per cent. interest, with the advantages that the principal need never be repaid and that in a winding-up proceeding, should such ever be necessary,

This method appears to be open still, which Heaven forbid, would be postponed to all other demands.

It is an interesting question, however, how the Equitable could be more truly mutual than it is and has ever been. Had it been possible for it to be organized without capital stock under the then laws of New York, it is well known that it would have been so organized. From the very beginning, its essential mutuality has been emphasized and the payment of \$7,000 per annum for the guaranty of its \$100,000 capital, scarcely more than the investments represented by that sum earn, in no way impairs that essential mutuality.

The efforts of the officers of the Peoples Mutual Life Association and League, of Syracuse, N. Y., to prevent Superintendent Hotchkiss taking any further steps toward the liquidation of the association will be brought to a climax on March 21, the date now agreed upon for a final hearing before Judge John R. Hazel, in the United States Circuit Court at Buffalo.

JOHN C. PAIGE & CO.

INSURANCE

65 KILBY STREET

BOSTON

**OLDEST
IN
AMERICA**

**STRONGEST
IN THE
WORLD**

THE MUTUAL LIFE Insurance Company of New York

**Mutual Life Agents Make Most Money
Because Mutual Life Policies Sell Most Freely**

For terms to producing agents, address

GEORGE T. DEXTER

2nd Vice-President

34 Nassau Street

New York, N. Y.

THE ACCIDENT TOLL.

When Governor Hughes appointed a commission to inquire into the general subject of causes of accident and employers liability, or employers compensation as the new term runs, it was not anticipated what a far-reaching effect it would have. The purpose of the commission was to frame a revised law governing accidents and on a basis that would be just and modernized, as adapted to the democratic conditions of a republic, as against the feudal system of the past, the laws of which are still on our list of inheritances.

The vice chairman of the commission, Henry R. Seager, who is also professor of economics in Columbia University, has this to say in informing "The Chronicle" that the commission has its report ready for submission to the Legislature:

The Vice Chairman Rises to Remark.

Fourth of July orators delight to point out the various fields in which we excel, but there is one field of which they say very little, and that is that we kill and injure more workmen on our railroads, in our mines and in our factories than in any other country in the world.

On our railroads three times as many employes are killed and five times as many are maimed each year than on the railroads of the United Kingdom, and the situation in our coal mines is almost as bad, for there each year we average a loss of three and one-third out of every thousand persons employed, whereas in England the average is two, in Germany, two and one-half, while in Belgium the average is one.

The prevention of these accidents is a pressing social problem, but it is not of this that I wish to speak to-night, but of the method we have of caring for the 100,000 workmen who are maimed, the 20,000 widows and the 60,000 orphans that are left, as a result of these accidents. Our method of caring for them is neither just nor generous. We leave them to the mercy of a law that has been discredited as out of date in every other civilized country but ours.

There are five things in our present law that are wrong. In the first place, it is fundamentally wrong in principle; in the second place, it fails signally to remedy a serious social problem; in the third, it involves appalling waste; in the fourth, it embitters the relations between the employer and the employed, and in the fifth place, the system is morally demoralizing.

Statistics show that more than one-half of the accidents are due to the hazards of industry, not because the employes are careless, but because of the nature of the industry. In at least three-fourths of the cases the loss falls on the wageearner, and in a great majority of the cases rendering him penniless. Not over 30 per cent. of what the employer is required to spend under the present law goes to the workman.

The Poisonous Variety.

Prof. Seager pointed out that among the evils growing out of the present system was what he styled the type of lawyer known as the ambulance chaser, who seeks the fee of the injured, and the lawyer who tries to settle for the employer. The result of this, he added, was that when the case finally got into the courts there was the strongest inducement for those concerned in the litigation to commit perjury.

"Industrial accidents," Prof. Seager added, "are certainly twice as frequent in the United States in proportion to the number of men employed as they are in the European countries. This makes the defects in our employers' liability law all the more regrettable. Under our law not more than one-fourth of the victims of industrial accidents are entitled to indemnity. Moreover the amount of the liability in cases where the employer is liable is so uncertain and so irregular that employers usually insure themselves against it.

Time for Activity.

"Statistics submitted by the insurance companies show that on the average not more than 45 per cent. of the money employers pay out in premiums is actually paid to injured employes in the settlement of claims. About one-third of this goes to the lawyers, the result being that only about 30 per cent. of what the employers' liability costs the employers is of any benefit to the injured.

"These and other defects in the actual operation of a system of employers' liability based on negligence have led all important countries except the United States to abandon it. Since in 1884 Germany introduced her compulsory accident insurance system, twenty of the leading nations of the world have adopted the plan of putting on industry the cost of indemnifying all the victims of industrial accidents except those who owe their injuries to their own deliberate and willful negligence.

"The principle reason for imposing on the employer the cost of indemnifying the victims of all accidents is that accidents, as a rule, are not due to personal negligence, but to the nature of the industry which the employer carries on for his own benefit. The cost of insuring his plant and machinery is now a regular item in the expense of production; under a system of workmen's compensation the costs of insuring employes from accidents becomes such an item.

"The industry is compelled to pay for men's maimed bodies and short-

ened lives in the same way that it pays for wornout plants and used up raw materials. Both are alike costs, necessary to the prosecution of industry for which consumers for whose benefit industry is carried on should be made to pay.

"As New York is the leading industrial State of the country, there seems to be special reasons why it should take the lead in introducing a more humane and intelligent policy with reference to this law. And there is every reason to anticipate that other States will follow the example of New York."

STILL THEY COME.

In conjunction with many other promotions going on on the Pacific Coast comes the announcement that the Roman Catholic Life Insurance Company, of Spokane, Wash., has been incorporated with a capital and surplus of \$2,000,000. The purpose of the institution is to insure Catholics only.

The dismal failure of P. J. Kieran's \$5,000,000 Fidelity Funding Company, whose purposes were the same as the above-mentioned institution, seems to have had no effect in preventing promotions of this character.

The Philadelphia Life Insurance Company

North American Building.
PHILADELPHIA, : PA.

IN NEW ENGLAND

DON'T WANT APPARATUS MOVED.

The plan, said to emanate from Boston City Hall, to remove the fire apparatus from the Mason Street Engine House to a location on Park Square, is meeting with strong opposition. The Mason street house is right in the midst of probably the most valuable district in Boston, including several of the largest department stores, four theatres and many other stores and business concerns. Representatives of these interests have given a strong expression to their dissent from the proposed move. At Tuesday morning's meeting of the Boston Board of Fire Underwriters the matter was taken up, and a unanimous vote was taken in the sense that the proposed change of location was not advisable. Charles B. Wheelock, president of the board, was authorized to appoint a committee of three to present the views of the board at a hearing on the matter set for this afternoon at City Hall, and in accordance therewith appointed C. H. J. Kimball, Thomas L. O'Brien and George McCarthy. At the same meeting of the board Messrs. Lovett, Serfat and Winchester were appointed to serve on the brokers' committee and William E. Davenport, W. A. Muller and W. S. Gierasch on the rating committee for three months.

Sentenced for Insurance Fraud.

In the Superior Criminal Court of Boston, last Thursday, Samuel I. Gordon, Morris Rudnick, Michael Rudnick and Bernard Davis pleaded guilty to a charge of conspiracy to cheat and defraud insurance companies. Gordon was sentenced to the House of Correction for three years. The sentence of the others was postponed one month to enable them to make restitution, which, it is estimated, will cost them \$25,000. If full restitution is made, two of the defendants will be fined \$1,000 each, and the other \$500. These proceedings grew out of a fire which occurred in the fur store of M. August & Co. in Summer street last June, and which was followed by claims on the companies that led to suspicions of incendiarism and the removal of the goods for which indemnity was claimed. These suspicions were confirmed by later investigation, and in the late summer the case was taken in hand and followed up, with the result outlined above. "The Chronicle" at the time published a full list of the companies interested, quite a number of which were not licensed to do business in this State.

Secretary Turnbull to Retire.

Thomas Turnbull, who has served the Hartford Fire Insurance Company faithfully and well for thirty-four years, has given in his resignation as secretary of the company, and will retire April 1 on account of advanced age. Mr. Turnbull has been successively special agent, general agent, assistant secretary and secretary of the Hartford Fire, and his kindly personality, not less than his ability in his field of endeavor, has endeared him to hosts of friends, who will wish him all manner of happiness in his coming days of leisure.

New England Brevities.

The three upper floors of the New England Building at 200 Summer street, Boston, were gutted by fire Saturday night, and the lower floors were severely damaged by smoke and water. There were some fifty tenants in the building, all of whom had some insurance. The aggregate loss is estimated at \$150,000, and the amount of insurance attaching on the building totals \$96,000.

The Franklin Fire Insurance Company of Washington, D. C., was accorded a license to do business in Massachusetts last week, and has selected Edward Winchester, fire manager of the Boston and Old Colony insurance companies, as its representative in the State. The Franklin has a capital of \$200,000, and a surplus of nearly \$255,000.

The Massachusetts Legislative Insurance Committee on Monday reported a bill in the House authorizing companies to pay commissions to agents on policies written on their own lives.

The steamer Manhattan, owned by the Maine Steamship Company, was destroyed by fire at the wharf in Portland last Monday. The vessel was valued at \$150,000 and the cargo at about \$120,000.

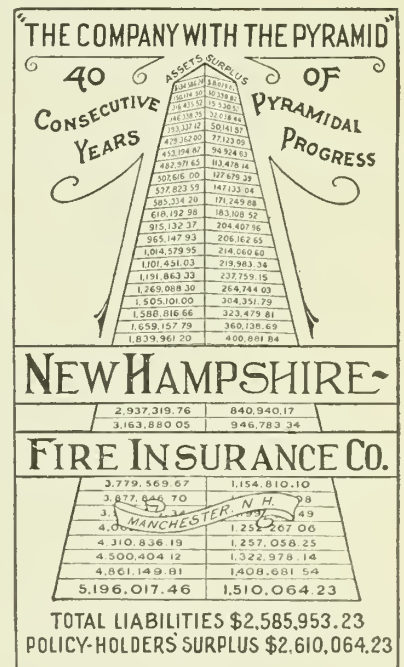
W. F. Fiske has been appointed to the vacancy in the office of Field & Cowles, Boston, which followed the resignation of George F. Cowee, who became special agent of the National of Hartford on the 1st inst.

The Phoenix of London and the Commercial Union have recently been admitted to membership in the Underwriters' Bureau of New England.

R. M. Crosby, special agent of the New York Underwriters Agency, has been admitted to membership in the New England Insurance Exchange.

The Fidelity-Phenix Insurance Company of New York received its license to do business in Massachusetts on March 1.

The Teutonia Fire of Pittsburg, one of the companies in the Pittsburg Underwriters, has applied for admission to Massachusetts.



BONDS OF SURETYSHIP.

The Guarantee Company of North America

HEAD OFFICE, MONTREAL

Edward Rawlings, President.

H. E. Rawlings, Asst. Mgr.

Richard B. Scott, Secretary & Treasurer.

It is the Pioneer Company, was established in 1872, and is conducted under a conservative management of over 55 years experience.

It has recouped to employers over \$2,190,000 for losses sustained by the infidelity of employees and has a surplus of \$1,041,423.23 to credit of shareholders and total resources of \$1,919,892.38 for the security of insured.

Branch Offices:

NEW YORK: 111 Broadway,
D. J. Tompkins, Secretary.
BOSTON: 114 Milk Street,
W. A. Hamilton, Agent and Attorney.
CHICAGO: Room 400, The Temple,
J. R. Pruyn, Resident Sec. and Atty.
PHILADELPHIA: 500 Arcade Bldg.,
W. H. Jackson, Res. Secretary.
PITTSBURG: 1120 Farmers Bank Bldg.,
E. R. Munro, Resident Secretary.
LOUISVILLE: 316 Columbia Bldg.,
P. N. Clarke & Co., Agents.

SUMMERHAYS AND UNCLE SAM.

The trial of E. J. Summerhays, a Chicago broker, occupied most of the time of the United States District Court at Chicago last week. When adjournment was taken on Saturday the Government had still many witnesses to bring on and the prospects were that the prosecution would not rest before Tuesday of this week.

Summerhays is charged with using the United States mails to defraud. It is alleged that he solicited fire insurance from many persons and firms, mostly outside of Illinois, secured policies for them, received premiums and failed to pay the companies, resulting in cancellation of the policies for non-payment of premiums. Post-office inspectors have been at work on the case for many months and have secured a vast amount of evidence. The array of the Government's witnesses is a long one, including assured, brokers, company officials and others from New England to the State of Washington.

The Government in introducing its evidence has taken case after case, starting with Summerhay's original circular or letter soliciting the business, identifying all the correspondence which passed, exhibiting the policies, the canceled checks sent in payment of premiums, the notices of cancellation from the companies, in short, tracing each transaction from its beginning to its end.

The evidence has brought out the fact that Summerhays placed much of the business indirectly. For example, John L. Lucas, a Chicago broker, testified that he received orders for insurance from Summerhays, took them to the office of A. Loeb & Sons, whose placer secured the policies from other offices. Eastern brokers, such as Woodcock, Pettibone and others, were also witnesses for the Government, they having placed business for Summerhays.

When assured notified Summerhays that companies had canceled he notified them in some cases, according to letters introduced, that this action had been taken because of misunderstandings with brokers with whom he had open accounts. On this point the prosecution brought on brokers who testified to receiving no money from Summerhays on account, but always in payment of premiums on specific policies.

The Government has prepared its case with very great care and Assistant District Attorneys Voigt and Childs have conducted the prosecution with great skill. Up to Saturday they had scarcely been overruled by Judge Landis on any point.

How Will It End?

The outcome of the case will be of considerable importance. Summerhays himself has not cut so great a figure, but he is only one of a class of Chicago brokers about whose operations there has been much complaint. Whether because the brokers acted with fraudulent intent or simply because they were short of funds, many assured have had policies canceled by the companies for non-payment of premium and have been left to pocket their losses. If Summerhays should be convicted, it would make this way of doing business decidedly dangerous and probably put a check on it. On the other hand, if the Government should fail in this case, after all the care that has been taken in securing evidence, it would be reasonable notice to people seeking cut rates through brokers unknown to them that they are doing business in that way at their own risk. The outcome of this case may do something to clarify the status of the broker. The companies, in canceling for non-payment of premiums, have refused to recognize Summerhays as their agent, but have treated him as the agent of the assured. Yet, in this trial, letters from Summerhays to his customers who had complained about cancellation have been introduced in which he stated that he was the agent of the companies and that payment of the premium to him was payment to the companies.

This uncertainty as to the status of the broker exists in many parts of the West. In comparatively few cities except Chicago is there a recognized broker class. In most of the Western cities insurance men not included among commissioned agents or salaried representatives of companies, come under the head of solicitors. The laws of a number of the States do not recognize brokers at all, but require everybody who solicits insurance to be licensed by some company. The act of applying for a li-

cense for a solicitor, even though he is not given the powers of an agent, is at least a partial recognition of responsibility for him on the part of the company asking the license. In Chicago there is a large class recognized by the business generally as brokers and generally regarded as agents of the assured, yet even there is sometimes a question whether the broker does represent the assured or the company.

VICE-PRESIDENT KLINE TO COME EAST.

George E. Kline, vice-president of the Continental Fire Insurance Company and of the new Fidelity-Phenix, who has been in charge of the Western department of the Continental, and also of the Fidelity since its organization, with headquarters at Chicago, is to come to New York and, in his capacity as ranking vice-president, is to have charge as underwriting manager of both companies. He will leave the Western department in charge, under his direction, of Secretary C. R. Tuttle, who has been associated with him for many years.

Vice-President Kline, who has just turned fifty, has been connected with the Western department of the Continental for nearly 30 years, serving in various capacities with the successive managers, A. Williams, R. J. Taylor, Bentley & Taylor and J. J. McDonald, and succeeding Mr. McDonald. His career has been one of steady and well-deserved promotion, and the management of the Continental has long recognized that a considerable share of its phenomenal underwriting success has been due to the indefatigable labors of its capable Western manager.

Harper Leiper has been promoted by transfer from the Boston, Mass., agency to the position of manager for Southern Ohio, at Cincinnati, O. M. D. Hoyt succeeds Mr. Leiper at the Boston agency, with title of cashier.

THE NATIONAL LIFE U. S. A. Wants Good Producers for District and General Agents

A SPLENDID CHANCE

to grow with a Western Company more than forty years old, operating in thirty States and Territories.

WORK FOR YOURSELF!

We have a Special Proposition for 1910. Why not write us?

CHICAGO'S OLDEST AND STRONGEST COMPANY

Robert D. Lay, Secretary, 159 La Salle Street, Chicago.

THOSE AWFUL KANSAS RATES.

The petition for an injunction to restrain the Kansas authorities from enforcing the rate regulation law of that State filed by the German Alliance in the Federal Court at Topeka, will prove very important if the big question involved can be brought to a decision of the United States Supreme Court. The companies—for the German Alliance is really a petitioner for a number of them—have based their contention on the broad ground that fire insurance is a private business and that the State has no more right to fix fire rates than to fix the price of any commodity. This is getting down to fundamentals. Fire insurance is either what the companies contend it is or it is of a public or semi-public character more or less resembling transportation and various other public utilities.

If the companies can succeed in getting this broad question before the Supreme Court, without getting it sidetracked and the case decided on some minor point, it will result in placing the business on a basis much more satisfactory because more certain. Then the States will recognize that they can go so far and no further in regulating the business of the companies, or the companies will recognize the broad powers of the States as to regulation and lay their plans accordingly.

The decision of this question would have a bearing on much legislation which is in prospect in Western States. As the companies show no signs of getting together and regulating what they recognize as abuses in the business, there is little doubt that some of the States are going to attempt to do this work for them. As the interests involved are large it is very important to know just what the powers of the States are. Otherwise there is likely to be much legislation which will affect the business seriously and then be found to be unconstitutional after much inconvenience and loss have been caused.

HARTIGAN'S DENIAL.

In a recent issue "The Chronicle" announced that Insurance Commissioner Hartigan was preparing a bill limiting the amount of commission which was to be paid by fire insurance companies in Minnesota, to 15 per cent. Mr. Hartigan says that he has not prepared any such bill, has not recommended it, and is not aware that any such bill has been prepared by any one in that State.

He writes "The Chronicle" as follows:

Following the annual convention of the Insurance Commissioners at Col-

orado Springs last summer, I appointed a special committee to investigate the expenses of fire insurance companies. This committee has already held one meeting and will probably hold another in Chicago sometime during the month of April. This committee is investigating carefully the subject of expenses, including commissions. Any action by me, such as suggested in the article referred to, would not only be premature but also discourteous to the committee which I appointed. I have never even thought of preparing a bill. The only basis that I can imagine for such statement is an interview which I gave to the "American Agency Bulletin," in which I said, speaking of expenses:

"These matters should be controlled and regulated by the companies, but it seems impossible to secure the necessary co-operation to effect this reform. If the companies are really unable to control the situation, I see no other possible outcome but to institute State control of these matters."

AS TO UNIFORM LAWS.

Speaking on the subject of uniform laws Manager Frank Lock, of the Atlas Assurance of London, makes the following particularly interesting comment in the course of an extended talk on the matter:

The endeavor on the part of the companies honestly to observe the multifarious requirements of some forty-eight States and Territories, each differing from the other, is difficult and not without danger because of the penalties involved. In one State requirements may be enforced under penalty which in the adjacent State are expressly forbidden under penalties for observance. For instance, one State may require the absolute observance, under penalty, of tariff rates to be publicly exhibited, while another State forbids, under penalty, any form of agreement on a tariff. One State prohibits rebating, while the other forbids anything which will tend to prevent any man from obtaining his individual insurance as cheaply as possible. In a place like Bristol, intersected by the State line of Virginia and Tennessee, we may insure a man owning a piece of property situated across the dividing State line; but should we, in case of fire loss, treat him alike for both ends of his building we should be under penalty of the law to one State or the other! Many pages could be filled with inconsistent and contradictory requirements forced upon the body public to its great detriment, merely because its individual constituents dwell on different sides of imaginary boundary lines, although with identical interests they are served by the same companies for the same purposes. In result much injustice is wrought, the cost of the service is heavy and uneven, its character is not of equal benefit, these things being due to causes artificial and largely remediable by uniformity in law.

The Commercial Casualty, New York's new insurance enterprise, expects to begin business in New York April 1. It will write all miscellaneous lines.

WESTERN UNION CONDITIONS.

The prospect of a number of non-union companies in the West joining the Western Union, there is now renewed talk of an organization of non-union companies which pay reasonable commissions to fight the excess commission companies. Such a movement has been carried on quietly for some time. It was not deemed wise to tackle too large a job at once, so the plan was tried in Indiana first. A prominent non-union manager stated recently that there are very few agencies left in Indiana in which standard non-union companies are paying graded commissions and others are paying excess. The plan appears to be somewhat like that of the Western Union previous to 1899, when union companies sought to require agents representing both union and non-union companies to agree not to accept from non-union companies higher commissions than were paid by the union companies. Such pledges have been secured in many places in Indiana. Where the agent will not come to time, it is up to the low commission companies to leave or compel him to resign the excess commission companies.

LEADING FIRE COMPANY OF THE WORLD



A first class life underwriter with a successful field record, and an untarnished reputation can secure good open territory by addressing

**SECURITY MUTUAL LIFE
INSURANCE COMPANY**

Binghamton, N. Y.

SOMETHING DOING.

The casualty developments just at hand confirms all "The Chronicle" has predicted along that line during the past three years. It is just as well to retrospect a bit in order to get the correct idea, or "truth," as the unfamiliar "Register" terms "Chronicle" news.

For a period already mentioned "The Chronicle" has pointed out that the Fidelity and Casualty plan of writing multiple lines is the only one that promises a full measure of success. It is the business system of Wanamaker applied to the surety and casualty insurance companies.

The day of the single line company seems to have passed. Superintendent Hotchkiss of New York State has evidently realized this, as evidenced by the proposed amendments he has submitted with his annual report to the Legislature in which he recommends a widening of the powers of casualty companies. It is intended to permit them to write lines that are now denied them and "single lined," such as live stock, water damage, etc. If made effective this proposition would be an approach to the English law and enable American companies to effectually compete with the so-called policies of the foreign Lloyds and wild-cats now operating here.

The great trend of the States toward employers liability legislation has also served to emphasize the new condition. This is coming quickly, and liability insurance will shortly be as essential an element of credit to an employer as fire or life indemnity. In fact, the credit men's association has already put a notice on their "bulletin board," and it is a pretty sure thing that it will play an important part in the granting of credit and the securing of credit insurance in the early future.

Maryland Casualty Enters.

Now enters the Maryland Casualty, the Fidelity and Deposit and the United States Fidelity and Guaranty companies into the multiple lines, each of them having applied for amended charters under the Maryland law, which permits about anything possible in what is technically termed "miscellaneous" insurance lines. They are nearest of any companies to the English law which simply places all insurance under one head, and an insurance company there may do any form of underwriting, whether it be marine, fire, life or the loss of an election or a horse race.

It is notable that the principal States have shown a marked tendency toward getting away from the restrictive laws by which the surety and casualty companies were first sur-

rounded. This is due in large measure to the rapidly developed co-operation among the heads of the insurance departments of the States and the common sense principle of uniform laws and practices.

The lesson of the whole subject to date is that these lines are so interwoven that the successful company must not let a patron depart with a policy on one line and find another one to care for his four or five other lines.

The entry of the Maryland Casualty into the surety field will no doubt be welcomed by all the surety companies, because its vigorous financial condition makes it a most desirable co-insurer and re-insurer, a very desirable and essential connection for any company because of the ten per cent. limitation of a single risk.

Aetna Indemnity Control Passes.

The attractiveness of the casualty field is further evidenced by the purchase of a controlling interest in the Aetna Indemnity Company by the Commercial Union Assurance Company of London. The Aetna has led a rather rugged life since its accouchement, but this deal will put it on firm ground and it will probably become a factor of importance in surety and casualty circles. The English company under New York laws is confined to fire business, and this move indicates that it has its eye on the coming flood of liability business. The Ocean has also been flirting with the proposition and because Uncle Sam will not accept any but home companies on its bonds (and the same rule obtains in the States) a quiet survey of the field suggested organizing a company with its own man in charge rather than buying out one that had a very large accumulation of risks of doubtful value—and it did it. Perhaps the new insurance code for the District of Columbia that is trying to percolate or be percolated through Congress may admit the foreign companies to the race for the Government surety business, but it has a rather slim chance. About every surety company now in active operation has a representative in one or the other branch of Congress. If it does take them from the Liverpool and London and Globe, the Sun, the North British and Mercantile, the General Accident, the Frankfort, the Munich, in fact all the foreign companies, would instantly take rank in the surety field, provided solely that they did not know or care for the surety business, not recognizing it as insurance, which most of them do not. Some would probably accept reinsurance because that is about the simplest underwriting method of using the other man's brains for your own profit.

This is the amendment to the Maryland Casualty's charter:

The Maryland Casualty Company is hereby authorized and empowered to insure the fidelity of persons holding places of trust or responsibility in, to or under any State, county or city, corporation, company, person or persons whatsoever, to become security for the faithful performance of any trust, office, duty, contract or agreement, and to supersede any judgment, or to go upon any appeal or other bond; and it is further authorized to become sole surety in all cases, whereby two or more sureties are required, and it shall and may be lawful for any court, register, clerk or other officer to approve said company as sole surety in all such cases, but in such cases the officers and affairs of said company may be subject to an examination by such court, register, clerk or other officers, and it shall be lawful for said company to stipulate and provide for indemnity from the parties aforesaid for whom it shall so become responsible and to enforce any bond, contract, agreement, pledge or other security made or given for that purpose.

The attention of the Minister of Justice has been called to a recent decision of the Ontario High Court, calling into question the constitutionality of the Dominion insurance act. Judge Sect, of Montreal, also has given judgment that the insurance act is ultra vires and that the provinces, only, have jurisdiction in insurance legislation.

T H E PROVIDENT LIFE AND TRUST COMPANY OF PHILADELPHIA

Insurance in Force, \$214,509,255.00
(Paid for Basis)

Assets \$70,514,350.45
(Market Value, Dec. 31, 1909)

Contingency Reserve . \$9,207,276.38
(Inclusive of Capital Stock, \$1,000,000.)

The Provident has been particularly distinguished for the development of a highly trained force of agents. The systematic instruction which its agents receive has resulted in their being recognized as representatives of exceptional knowledge of the business and of marked efficiency.

THE ELECTRICAL HAZARD.

Representatives of the Underwriters Association of New York appeared before the Assembly Cities Committee last week to urge a favorable report on the bill calling for a State electrical board. They urged that a decrease in the fire hazard by means of improvements in electrical work would mean a decrease in rates. This would be possible, for the bill calls for a State electrical board to examine and license applicants for certificates as master electricians.

Among those who appeared in favor of the measure was F. W. Fish, an electrical engineer of Rochester. He said he represented the electrical contractors of Rochester and the Builders' Exchange, which represents 70 per cent. of the employing power in building trades. He said there was provision for a fine of \$50 in Rochester if a current was turned into a wire without inspection by the department of public safety, but that the underwriters' certificate on the wire was accepted. He thought defective wiring caused many fires, and said the builders were strongly in favor of the bill. The opposition will be heard on March 15.

WESTERN LIABILITY MAKES POOR SHOWING.

Returns of liability premiums and losses of a number of Western States show that many of the companies had a very bad liability experience in those States last year. Part of this result is accounted for on the ground that during 1908 much business was renewed on 1907 estimates of pay rolls and that the excess premiums in 1909 were much below the average, thus preventing the natural increase in premiums, while the resumption of business in 1909 brought the pay rolls back to something like the normal figure and gave about the usual volume of losses. It has also been said that the companies found last year an opportune time to settle a number of old contested claims.

The fact remains, however, that the liability business in some of the Western States is in bad shape. Even companies not easily scared are finding it necessary to trim some classes closely, and unless there is an improvement more of the same sort of work will probably be found necessary.

Ben G. Chapman, formerly in charge of the Improved Risk Department of the American Central Insurance Company, has been appointed secretary of the company. Louis A. Riemann, who has been chief examiner, becomes assistant.

PACIFIC COAST CASUALTY.

President Green has made a showing for the Pacific Coast Casualty Company for 1909 that entitles him to the tribute which is not usually extended.

The company has made a prosperous showing for the year. It has been handicapped previously by its small capital and the large volume of its business, which has necessitated premium and loss reserves that kept its available surplus below the plethora point, but since it has increased the capital and added to the surplus it may soon become a powerful influence all over the country, so far as casualty business goes.

President Green is thoroughly familiar with the general casualty conditions on the Coast and is getting wise in the East. The entry into New York has given rise to inquiry as to how extended a business the company may go in for. It is qualified for all the miscellaneous lines, which include practically everything in underwriting aside from fire, life, marine and real estate titles. It may make surety bonds of every character, issue accident policies, insure folks against about everything on earth except fire. This is a tremendous advantage with brokers who handle whole lines, say for a concern like the Standard Oil, which takes all multiple lines, affords a most attractive proposition for them.

As stated elsewhere in this issue, the multiple line company has the single liners at a severe disadvantage, because it appeals quickly to an agent or broker, and for this reason the Pacific Coast Casualty will not be a laggard.

The Royal Indemnity Company has been organized at Omaha, Neb. The incorporators are John Steele, of the Northwestern Mutual Life; F. W. Herron, of the Lion Bonding Company; W. R. Adair and F. W. Myers. The company has \$100,000 capital.

MEET ON APRIL 13.

The semi-annual meeting of the Western Union will be held at the New Willard Hotel, at Washington, D. C., on April 13 and 14. President Lenehan has appointed the following committee to prepare the order of business: Walter H. Sage, chairman; J. H. Kelsey, P. D. McGregor, W. E. Chapin, Charles H. Barry, George M. Lovejoy and A. G. Dugan.

Frederick J. Beals has been elected assistant secretary of the Springfield Fire & Marine Insurance Company. He will take office on April 1. He is succeeded as special agent of the company by Alfred L. Mooney.

NATIONAL LIFE

Insurance Company,

MONTPELIER, VERMONT.

Established in 1850.
Operating in 37 States.

JOSEPH A. DE BOER, President.

FRED A. HOWLAND, Vice-President
JAMES B. ESTEE, 2nd Vice-President
OSMAN D. CLARK, Secretary
H. M. CUTLER, Treasurer
A. B. BISBEE, Medical Director
C. E. MOULTON, Actuary

This Company held January 1, 1910,
and gained during the past decade:

ASSETS . . .	\$47,490,998.98
GAIN, 167 PER CENT.	
LIABILITIES . . .	\$41,661,130.12
GAIN, 162 PER CENT.	
SURPLUS . . .	\$5,829,868.86
GAIN, 211 PER CENT.	
INSURANCE . . .	\$161,423,115.00
GAIN, 79 PER CENT	

Absolute Security and Economy of Management

THE FRANKFORT

MARINE, ACCIDENT AND PLATE GLASS INSURANCE CO.

OF FRANKFORT-ON-THAINE GERMANY
ESTABLISHED 1865.

United States Department, . . . 100 William Street, New York, N. Y.

TRUSTEES:

RICHARD DELAFIELD, Pres. of National Park Bank
ERNST THALMANN, of Ladenburg, Thalmann & Co.
STUYVESANT FISH, 214 Broadway, New York City.

C. H. FRANKLIN, U. S. Mgr. and Attorney JNO. M. SMITH, Sec. U. S. Branch

INSURANCES TRANSACTED

LIABILITY—
Employers, General, Vessel Owners, Burglary
Public, Landlords, Contingent, Workmen's Collective
Teams, Elevator, Druggists & Physicians, Individual Accident & Health
Industrial Accident & Health

AGENTS WANTED FOR UNOCCUPIED TERRITORY

A GOOD START.

A very highly esteemed correspondent writes "The Chronicle" from Chattanooga, Tenn., in this wise:

"I am enclosing you the printed matter of a company recently formed here, and which held its first meeting for election of officers yesterday (March 3), at which it was decided to increase its capital to \$200,000.

"The printed matter shows up mighty fine, and if it can do its share of the business the stock ought to be very good."

Everything has to have a beginning. This Chattanooga company looks well on paper, because it has some good names on its literature, but there is an eloquent absence of any underwriter of experience; and the printed matter deals solely with casualty results in that State for the past year, and quotes only the figures of the companies showing an excess of premium income over the loss outgo in premiums, a totally erroneous particularity upon which to generalize. Therefore it is half truthful, and there is an old adage which says something about half the truth being a hundred times worse than a downright lie. The Western promoters, or, rather, drummers for stock sales, have played this game to a finish in their territory.

But just to show how little these young entries into insurance exploitations or promotions actually know of the business of underwriting as opposed to gambling is illustrated in their following summary of results for the companies that didn't lose money during the year in Tennessee:

Total premiums collected, \$675,759.66; total losses paid, \$281,419.28; balance for expenses and dividends, \$395,340.38.

The prospectus shows evidence of amateur preparation, and it omits the total official ratio of experience of several leading companies. It falls into the same error as many of the new promotions in that it implies the impression that all a company's premium income over its losses is pure and simple profit. It is well known that the loss ratio of a soundly conducted company cannot safely exceed thirty per cent., and this on top of a thirty per cent. commission and a fixed home office expense that flutters continually around sixty per cent. should be a tip to investors to scratch their heads for a minute.

This is not intended to discourage the remarkable development of new casualty and surety companies now present, but simply as a warning that it is bad judgment if you own a railroad and buy a locomotive to expect it to work automatically. Get an engineer.

PECULIAR.

When the Bankers Surety Company procured indictments against a few of its excise bond agents in this city for fraudulent financial transactions, alleging the unlawful retention of some twenty thousand dollars or so of premium collections, there was a mild sort of a stir in surety excise circles, not because the practices in vogue were so big and wide that the bagatelle of a twenty dollar bond premium, in comparison with a five hundred thousand dollar fee, was entirely negligible, but because the business was endangered.

On Monday the case of Reister, one of the indicted agents, was dismissed by the discharge of his bond. Wireless communication established between this station and the district attorney's office boy or janitor—it don't matter which—develops some interesting goings-on, and incidentally sheds some light on recent occurrences that were not altogether in need of a searchlight to assist elucidation. This airless message was along the line that the dropping of the matter was due to the failure of the prosecution to prosecute, and naturally that aroused a great quantity of confabbing.

Freely spoken it is said that some of the company's officers or representatives were afraid to take the witness stand against Reister. This may or may not be true, but it affords a lot of material for the men who make up estimates on stock values in Wall street.

CHICAGO'S NEW FIRE COMPANY.

Robert H. Hunter and A. C. Olds are organizing the Commercial National Fire Insurance Company of Chicago. The company will have a capital of \$200,000 and a surplus of equal amount. The organizers announce that none of the surplus will be used for organizing expenses. This is rather unusual nowadays, and especially in Chicago.

The Connecticut Mutual

That means the best life insurance to have and the best to sell. If you can sell life insurance, you can sell more of it for the CONNECTICUT MUTUAL.

Men of Character and Ability are invited to apply.

Conn. Mutual Life Ins. Co.,
Hartford, Conn.

Please mention this paper.

THE BANKERS LIFE ASSOCIATION

DES MOINES, IOWA.

ERNEST E. CLARK, President.

Exceptional Record During twenty-nine years for

**LOW RATE OF MORTALITY
ECONOMY OF MANAGEMENT
PROMPT PAYMENT OF CLAIMS
SECURITY OF ITS FUNDS**

and satisfactory results
for its policyholders.

—THE—

Philadelphia Casualty Co.

WALTER LE MAR TALBOT, Pres't.

Our New Accident Policy Is Perfection.

**It's the Policy Your Client Wants.
It's the Policy That's Easy to Sell.**

**Personal Accident, Health, Liability,
Automobile, Plate Glass and
Credit Insurance.**

Agency Correspondence Solicited.

MEN OF ENERGY

ARE OFFERED

WORK OF MOMENT

in desirable localities representing a sixty-year old institution, with modern, liberal, law-conforming policies, and helpful Home office co-operation. Much good territory available. Many opportunities for advantageous positions. Inquire NOW.

**UNION MUTUAL LIFE INSURANCE COMPANY
PORTLAND, MAINE**

FRED E. RICHARDS, President.

Address either: **ALBERT E. AWDE,**
Supt., 396 Congress St.,
Portland, Maine.
THORNTON CHASE,
Supt., 405 Exch. Bldg.,
Los Angeles, Cal.

Germania Fire

INSURANCE CO.,

NEW YORK.

ORGANIZED 1859.

Cash Capital.....\$1,000,000.00
Assets.....\$6,562,329.14
Net Surplus.....\$2,008,419.02
Surplus for Policyholders,\$3,008,419.02

HEAD OFFICE:

Cor. William and Cedar Streets.

GETTING HEATED.

That was a rather peculiar and particularly warm meeting that was held by a small number of excise bond applicants at 110 East Fifty-ninth street a few days ago.

The meeting resulted from an anonymous typewritten call and it is reported that something less than 50 responded. Its purpose was to protest against the action of one or two of the surety companies in refusing to surrender collateral deposited to secure a bond until the full three years after expiration of the bond, that being the period now fixed for the liability to expire.

There is a number of saloonkeepers who can secure their bond only by depositing collateral and to have to do this each year for three years, under the new law, they regard as a hardship.

In addition to their protest they launched the frequently made proposition to organize their own bonding company. This may not be considered seriously for obvious reasons long since tried out, but it indicates the way the wind blows and incidentally that it's a troublous business for surety companies.

THE BURGLARY SITUATION.

Conditions in burglary circles are so varying from week to week that it is impossible to prophecy with any reasonable degree of accuracy what the outcome may be.

With the Ocean and the United States Fidelity and Guaranty withdrawing from the association and the Maryland Casualty joining it an idea may be formed. Then, with the half dozen or so new entries in the burglary field that are promised in the very near future, the situation is further complicated.

It looks at present as if all agreements and rates will be cast to the winds and the old free-for-all conditions and chaos will come in again.

TERHUNE RESIGNS.

T. B. M. Terhune, manager in New York of the personal accident and health department of the Philadelphia Casualty Company, has resigned that position to enter the general insurance business via Simon Schiff & Son, the firm name of which will be changed to Simon, Terhune & Co., with headquarters, as heretofore, at No. 165 Broadway. It is understood that negotiations are under way whereby the new firm will act as State agents for a large out-of-town casualty company.

Mr. Terhune is an experienced casualty man, having had for several

years charge of the Maryland Casualty Company's personal accident, health and burglary departments here, resigning that connection to accept a position with the Philadelphia Casualty Company.

SECRETARY CONGDON.

A Baltimore boy who has made good in the insurance business is Mr. Gilbert Congdon, who was recently elected secretary of the Empire State Surety Company of New York. Mr. Congdon, when presiding in this city, was connected with the United States Fidelity & Guaranty Company; afterwards he was connected with the National Surety Company of New York as assistant secretary and agency superintendent, which position he left in 1908 to connect himself with the Empire State as agency superintendent. Mr. Congdon is a young man of great energy and pleasing personality and one who is a favorite with the agents. In his recent promotion as secretary the company shows its appreciation of an officer who has done his work well. Mr. Congdon, in addition to his position as secretary, will continue his work as agency superintendent.—Baltimore "Underwriter."

THE GREAT SOUTHERN CASUALTY.

To begin with this is a casualty in reality. It was conceived in sin and born in iniquity. It launched an impossible proposition and landed as is usual. As a promotion stock scheme it was a gem, but as a winner it landed on the rock shore of a receivership, where it now waits for some "wrecker" that is not operating solely for salvage.

New England Mutual Life

Insurance Company

BOSTON, : : : MASS.

Chartered 1835

Assets, January 1, 1910..\$51,316,543.00
Liabilities 47,050,672.15

Surplus \$4,265,870.85

Sixty-six years of honorable dealing with its policyholders has placed the **NEW ENGLAND MUTUAL LIFE INSURANCE COMPANY** in the front rank of Life Insurance Companies of the Country.

ALFRED D. FOSTER, President.
D. F. APPEL, Vice-President.
J. A. BARBEY, Secretary.
WM. F. DAVIS, Assistant Sec'y.
J. G. WILDMAN, Assist. Sec'y.

EDWARD W. ALLEN, Manager,
220 Broadway, New York.
LATHROP E. BALDWIN, Manager,
141 Broadway, New York.
CHARLES H. STRAUSS, Gen. Ag't,
200 Fifth Ave., New York.

The Employers' Liability

Assurance Corporation, Ltd.

LIABILITY, STEAM BOILER,
ACCIDENT, HEALTH, FIDELITY
and BURGLARY INSURANCE.

UNITED STATES BRANCH.

SAMUEL APPLETON, United States
Manager,

Employers' Liability Building,
33 BROAD STREET, BOSTON, MASS.

EDMUND DWIGHT,
Resident Manager for New York State
56 MAIDEN LANE, NEW YORK.

AGENTS WANTED.

COMMERCIAL - UNION

ASSURANCE CO.,

(LIMITED)

OF LONDON.

OFFICE,

Cor. Pine & William Sts.

NEW YORK.

Organized 1871

Life Ins. Co. of Virginia,

Home Office, Richmond, Virginia.

J. G. WALKER, President.
T. W. PEMBERTON, 1st Vice-President.
W. L. T. ROGERSON, 2d Vice-President.
E. D. HARRIS, Secretary.

The OLDEST Southern Life Insurance Company.

The LARGEST and STRONGEST Southern Life Insurance Company.

The PIONEER Southern Industrial Life Insurance Company.

Its policies are clear and definite in their provisions and their values are absolutely guaranteed.

Assets Dec. 31, 1909..... \$5,372,691.99
Liabilities Dec. 31, 1909..... 4,312,405.32
Insurance In Force Dec. 31, 1909 68,337,613.00
Total Payments to Policyholders since Organization 9,820,412.49

201st Year.

SUN

Insurance Office
OF LONDON.

FOUNDED 1710.

UNITED STATES BRANCH:

54 PINE STREET, NEW YORK.

WESTERN DEPARTMENT:

171 LA SALLE ST., CHICAGO.

PACIFIC DEPARTMENT:

Sansome & Sacramento Sts.,
SAN FRANCISCO, CAL.

AGENTS WANTED
AT UNREPRESENTED POINTS.

"LLOYDS."

It is at last in evidence that some semblance of activity against the so-called Lloyds has been aroused in the Insurance Department by the long campaign of "The Chronicle" against wild-cats.

In addition to the very mild provision in Superintendent Hotchkiss' suggested amendments of the present insurance laws of New York, Assemblyman A. F. Allen, chairman of the House insurance committee, has just introduced in the Legislature a bill which has the sanction of the State Insurance Department, and amends the insurance law in relation to persons, partnerships or associations, engaging in the business of insurance as "Lloyds" or "inter-insurers," as follows:

What Superintendent Hotchkiss Proposes.

Section 1. Chapter 33 of the laws of 1909, entitled "An act in relation to insurance corporations constituting chapter 28 of the consolidated laws," is hereby amended by adding thereto an article, to be known as article 10, to read as follows:

ARTICLE 10.

LLOYDS AND INTER-INSURERS.

Section 300. Application of article.

301. Application, examination and certificate of authority.

302. General provisions affecting Lloyds and inter-insurers.

303. Additional requirements, in the discretion of the Superintendent of Insurance.

304. Applications of other sections of this chapter.

300. Application of article. Notwithstanding the provisions of section 54 of this chapter, persons, partnerships or associations which, on October 1, 1892, were lawfully and actually engaged in the business of insurance as Lloyds or inter-insurers may, after January 1, 1911, continue to do the business of insurance in this State, provided that such persons, partnerships and associations shall comply with the provisions of this article, but not otherwise. No persons, partnerships or associations other than those specified in this section, and which shall receive the certificate of the Superintendent of Insurance specified in section 301 of this chapter, shall, after January 1, 1911, engage in the business of insurance in this State as Lloyds or inter-insurers. Any persons, partnerships or association which, after January 1, 1911, shall in this State engage in the business of insurance as Lloyds or inter-insurers, or represent or advertise that they are so engaged, without having been authorized so to do in accordance with the provisions of this article, and any agent, sub-agent, or representative of any such persons, partnerships, association not so authorized to do such business in this State, who shall after January 1, 1911, in any way represent any such unauthorized persons, partnership or association, directly or indirectly, in

engaging or attempting to engage in the business of insurance, shall be guilty of a misdemeanor.

301. Application, examination and certificate of authority. Not later than August 1, 1910, any persons, partnerships or associations claiming that they were lawfully and actually doing the business of insurance in this State as Lloyds or inter-insurers on October 1, 1892, shall file with the Superintendent of Insurance, on blanks furnished by him for that purpose, (a) an application for a certificate authorizing the continuance of such business after January 1, 1911, which application shall specify the kinds of insurance intended to be written after the last mentioned day; (b) a verified statement of the condition of such Lloyds or inter-insurers as of the first day of July, 1910; (c) an agreement, executed and duly acknowledged by each and every individual underwriter of inter-insurer, providing in substance that personal service of a summons or other legal process in an action against any such Lloyds or inter-insurers, if made upon a person specified in such agreement and resident in the State of New York, shall be equivalent to the personal service within this State of such summons of other process on each and every of such individual underwriters or inter-insurers; and (d) such other matters as the Superintendent of Insurance may prescribe. Thereafter, and not later than December 1, 1910, the financial condition of and the methods of doing business by the persons, partnerships and associations so applying, shall be examined as provided in section 39 of this chapter. Thereafter, but not earlier than January 1, 1911, the Superintendent of Insurance shall grant to such persons, partnerships and associations as will, in his judgment, safely conduct the business of insurance in this State a certificate of authority so to do, which certificate shall be revokable or subject to suspension, on cause shown and after due hearing, at any time. Such certificate shall indicate the kinds of insurance which may be written by such persons, partnerships or associations, provided that the same are not greater or other than those now or which may hereafter be specified in sections 110 and 150 of this chapter.

302. General provisions affecting Lloyds and inter-insurers. No such persons, partnerships or association shall, after January 1, 1911, engage in the business of insurance in this State as Lloyds or inter-insurers, (a) unless there shall be on file in the office of the Superintendent of Insurance a copy of the original articles of association, copartnership agreement or inter-insurance contract, together with all amendments thereto, accompanied by an affidavit, verified by an attorney-in-fact, to the effect that it is a true copy, and stating where the principal office of such persons, partnership or association so doing such business is located, the kinds of insurance in which it is engaged, the name under which business is done and the names and postoffice addresses of all the underwriters, inter-insurers and attorneys-in-fact so doing business as Lloyds or inter-insurers, which affidavit shall be so verified not earlier than December 15, 1910; or (b) which shall change the name under which business is done, without first obtaining the written approval of the Superintendent of Insurance; or (c) which shall establish

branches under other or different names or titles. Every change in the underwriters, inter-insurers or attorney-in-fact within twenty days after the affidavit previously mentioned in this article, shall be reported to the Superintendent of Insurance, by a written, verified statement of an attorney-in-fact within twenty days after the same has been made, which affidavit shall be accompanied by an agreement, executed and duly acknowledged, and binding the new underwriter or underwriters, inter-insurer or inter-insurers, to the original agreement between all the underwriters or inter-insurers required to be filed by section 331 of this chapter, with regard to the service of process.

303. Additional requirements, in the discretion of the Superintendent of Insurance. The Superintendent of Insurance shall have authority to make such rules and regulations concerning underwriters' deposits and the methods of doing business of any persons, partnerships or associations specified in this article as, in his opinion, will best promote the interests of the people of this State; provided that such rules and regulations are fixed after notice and hearing granted to all such persons, partnerships and associations actually and lawfully engaged in the business of insurance as Lloyds or inter-insurers.

304. Application of other sections to this chapter. After January 1, 1911, sections 6, 7, 9, 16, 20, 21, 22, 36, 39, 44, 45, 46, 47, 48, 49, 53, 58, 63, 118, and, as to the form and use of standard fire policies, 121 of this chapter are hereby, to the extent that they are now or hereafter may become applicable to corporations authorized to engage in the business of insurance in this State and specified in sections 110 and 150 of this chapter, made specifically applicable to any persons, partnerships or associations to which this article is applicable provided that, where any of such sections imposes a duty on or prohibits any act by or in any way refers to the officers or directors of any such corporation, such sections, when read in connection with this article, shall be deemed to mean respectively the duly authorized attorney-in-fact or attorneys-in-fact or the executive, underwriting or managing committee, of such persons, partnerships or associations, and provided, further, that where any of such sections refers to a corporation, the same, when read in connection with this article, shall be deemed to mean the persons, partnerships or associations to which this article is applicable.

2. Sections 57, 142, 143 and 162 of this chapter and the last sentence in section 121 of this chapter, beginning with the words "It shall not be lawful" and ending with the words "in this State," as well as all acts or parts of acts inconsistent with this act, are hereby repealed.

3. This act, except section 2 thereof, shall take effect July 1, 1910, and section 2 shall take effect on January 1, 1911.

The insurance atmosphere seems to be clearing of these Lloyds "comets," or meteoric underwritings designated by every insurance faker of an agent as "Lloyds." Lloyds is a good word to conjure with and in its name many wrongs are committed daily. Hence the bill at Albany to curb their operations.

IN PRESS

Survivorship Annuity Tables

Net Premiums, Mean and Terminal Reserves

**American Experience Table,
LIFE OF NOMINATOR**

**Danish Survivorship Annuitants' Table,
LIFE OF ANNUITANT**

And 3 1-2 Per Cent. Interest

BY

MILES M. DAWSON,
Consulting Actuary

Ready for Delivery April 1, 1910

Advance Sheets (now ready for delivery) giving net premiums for all combinations of ages, above 20 for annuitant and above 20 and under 61 for nominator, will be sent to any purchaser whose order is received before publication of the book.

SEND ALL ORDERS TO

The Chronicle Co. (Ltd.)

No. 90 William St.

NEW YORK

"PERFECTION" POLICIES
are issued only by the

Continental Casualty Co.

CHICAGO, ILLINOIS.

When better accident and health policies can be written, we will write them.

Good Contracts in Good Territory to Good Men. Producers address

H. G. B. ALEXANDER,
President and General Manager,
1208 Michigan Ave., Chicago, Illinois.

SPECIAL OPPORTUNITIES offered now in Southern States to Representatives of

CITIZENS LIFE INSURANCE CO.

W. H. GREGORY,
President.

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS is unsurpassed for net low cost and care of interests of all members.

THE PENN MUTUAL LIFE INSURANCE COMPANY OF PHILADELPHIA

On January 1, 1909, rates were reduced and values increased to full 3% reserve.

The Star of Success

shines over the fields in which our agents work.

Why? Popular company, policies that cover public needs, low net cost, literature that prospects read.

Now writing the largest business in our history.

For agency information apply to

Massachusetts Mutual Life Insurance Company

Springfield, Mass.

Incorporated 1851.

"The Leading Fire Insurance Company of America."



WM. B. CLARK, President.
W. H. KING, Vice-President.
HENRY E. REES, Secretary.
Assistant Secretaries,
A. N. WILLIAMS, E. S. ALLEN,
E. J. SLOAN, GUY E. BEARDSLEY.

TO WIN IN COMPETITION

Represent the Company whose agents have the strongest fighting material and the most telling arguments. Everyone knows the superiority in low cost to policyholders, (due to high interest earnings, low death and expense rate) of

THE Union Central Life Insurance Co. of Cincinnati.

Assets, \$74,523,966.28
Liabilities, \$72,324,302.92

JESSE R. CLARK, President.
ALLAN WATERS, Sup't of Agents.

The Star of Success

shines over the fields in which our agents work.

Why? Popular company, policies that cover public needs, low net cost, literature that prospects read.

Now writing the largest business in our history.

For agency information apply to

Massachusetts Mutual Life Insurance Company

Springfield, Mass.

Incorporated 1851.

Hanover Fire

INSURANCE COMPANY of New York



Agencies in all the Principal Places in the United States.

THE HOME LIFE INSURANCE COMPANY OF AMERICA

Incorporated 1899.



THE COMPANY FOR THE AMBITIOUS AGENT who desires to sell "COMMON SENSE" insurance at LOWEST COST, and who seeks, through most liberal first year and guaranteed renewal commissions, to receive just recognition of service. All policies registered, signed and sealed by the Insurance Commissioner of the State of Delaware, making them truly

SAFE AS GOVERNMENT BONDS.

Address Executive Offices, 416-18-20 Walnut Street, PHILADELPHIA, PA.

JOHN LANGHAM, Jr.,
President.

JOSEPH L. DURKIN,
Secretary.

GEORGE M. NETTLESHIP,
Manager of Agencies.

1860 50th YEAR 1910

HOME LIFE

Insurance Company of New York.

GEORGE E. IDE, President.

Assets	\$23,626,018.63
Liabilities	21,858,691.52
(Including Deferred Dividend Fund)	
Dividend Endowment Fund	
(Deferred Dividends)	2,119,044.00
Net Surplus	1,767,327.00
Insurance in Force.....	92,532,583.00

The record for 1909 shows the following GAINS:

Insurance in Force	\$4,164,239.00
Assets	1,917,117.00
Deferred Dividend Reserve...	148,581.00
Contingency Reserve (Surplus)	655,149.17

The Chronicle.

1866

Published by THE CHRONICLE COMPANY, Ltd., 90 William St., New York City.

1910

VOLUME LXXXV.

New York, March 17, 1910.

NUMBER 11

\$3,300,000.00

Of First Farm Mortgages.

Lowest Net Cost of Insurance
of Any Company in America.

THAT'S WHY WE GROW.

Bankers Life Ins. Co.,
Lincoln, Neb.

FOUNDED 1792

118th ANNUAL STATEMENT

INSURANCE COMPANY OF
NORTH AMERICA.
OF PHILADELPHIA, PA.

ASSETS.

Real Estate	January 1, 1910.	\$ 364,410.00
First Mortgages on Real Estate		373,803.43
Philadelphia, New York, Boston and other City and State Loans		1,134,390.00
Pennsylvania, Philadelphia and Erie, Lehigh Valley and other Companies' Bonds and Stocks		8,909,150.32
Cash in Bank and Bankers' hands		1,134,635.88
Notes Receivable and Unsettled Marine Premiums		347,440.69
Net Cash Fire Premiums in course of Transmission		1,069,510.62
Accrued Interest, and all other property		52,160.57
Total Assets		\$13,385,501.56

LIABILITIES.

Capital Stock	\$ 3,000,000.00
Reserve for Re-Insurance ..	6,813,862.47
Reserve for Losses	877,250.00
All other Liabilities	104,982.45
Surplus over all Liabilities ..	2,589,406.64
	\$13,385,501.56

Surplus to Policyholders	\$5,589,406.64
Increase in Reinsurance Reserve	349,934.71
Increase in Net Surplus	838,500.98
Increase in Assets	1,371,438.93
Eugene L. Ellison	President
Benjamin Rush	Vice-President
T. Houard Wright	Secretary
Henry W. Farnum	Assistant Secretary
John O. Platt	Assistant Secretary

Agencies in all Prominent Cities & Towns.

THE American Credit-Indemnity Co. OF NEW YORK.

CREDIT INSURANCE ONLY.

Insures Wholesalers and Manufacturers against Excessive Annual Loss through the Insolvency of their Customers.

We can always use a few high-grade solicitors.

ST. LOUIS, MO.

NEW YORK, N. Y.

Offices in All Principal Cities.

A. B. TREAT, General Agent,

302 Broadway, : : : : : New York.

Pittsburgh Life & Trust Company

THE FIRST COMPANY LICENSED

By the New York Insurance Department to Transact Business in That State Since the Armstrong Laws Were Enacted

Ratio of Insurance Expense to Premium Income Only Sixty-five Per Cent. of Amount Allowed by the New York Law

SEVENTH ANNUAL STATEMENT, JANUARY 1, 1910

W. C. BALDWIN, President.

ASSETS

Real Estate	\$10,153,664.87
Mortgage Loans	3,437,899.00
Loans Secured by Collateral	20,657.82
Loans to Policy Holders	3,565,544.82
Bonds and Stocks	5,316,057.00
Cash	711,114.62
Accrued Interest and Rents	176,274.24
Due and Deferred Premiums	270,977.15
TOTAL	\$23,652,189.52

LIABILITIES

Liabilities to Policy Holders	\$21,697,064.32
Capital Stock ...	\$1,000,000.00
Unassigned Funds ...	955,124.70
Leaving a sum for security to Policy Holders in Excess of Legal Liabilities of ...	1,955,124.70
TOTAL	\$23,652,189.52

EDITION ALMOST EXHAUSTED

SAVES TIME AND LABOR

Various Derived Tables

AMERICAN EXPERIENCE

and $3\frac{1}{2}\%$

—BY—

MILES M. DAWSON**TABLE OF CONTENTS.**

Single Premiums, Pure Endowment.

Accumulations, Pure Endowment.

Forborne Immediate Annuities.

Accumulated Temporary Insurances.

Accumulated Increasing Insurance.

Single Premiums Endowment Insurance.

Single Premiums Temporary Insurance.

Immediate Temporary Annuities.

Valuation Columns.

SELECT AND ULTIMATE VALUES.

Single Premiums, Whole Life.

Life Annuities.

Terminal Reserves, Life, Limited Payment, Endowment.

Mean Reserves, Life, Limited Payment, Endowment.

LOGARITHMS, SEVEN PLACES.

Forborne Immediate Annuities.

Curtate Summations of D Column.

Immediate Temporary Annuities.

USES.**Computing Annual Term Insurance Premiums:**

Divide temporary insurance values by immediate temporary annuities.

Computing Annual Endowment Insurance Premiums:

Divide endowment insurance values by immediate temporary annuities.

Computing Annual Pure Endowment Premiums:

Divide pure endowment values by immediate temporary annuities or take reciprocals of forborne immediate annuities.

By these means, the net extra premium for a special guaranty can be quickly and accurately computed.

Computing Annual Semi or Double Endowment Premiums:

Add temporary insurance and pure endowment values for proper amounts and divide by immediate temporary annuity.

Computing Limited Premiums:

Divide the proper single premiums by immediate temporary annuity.

Computing Surrender Values:

Extended Insurance. Find the temporary insurance value next lower than the sum to purchase extension. This gives even number of years. Apply remainder to pay for additional days according to daily differences in the table.

Extended Insurance with Fractional Paid-up Endowment:

Deduct from purchase money, value of insurance for unexpired term; multiply remainder by accumulation, pure endowment, to get amount of endowment.

Computing Terminal Reserves:

Unvarying Benefits. Multiply net premiums by forborne immediate annuity and deduct accumulated temporary insurance.

Return Premium, Full Reserve. Multiply net premium by forborne immediate annuity and deduct accumulated temporary insurance and accumulated increasing insurance, multiplied by gross premiums to be reduced.

Return Premium, Extra Reserve. Multiply net extra premiums by forborne immediate annuity and deduct accumulated increasing insurance, multiplied by gross premiums to be returned.

Warranted Commissions for New Business.**Surrender Values.****Dividends.**

For these purposes the "select and ultimate" will be most useful.

SEND ALL ORDERS TO

THE CHRONICLE CO. (Ltd.)

90 William Street, New York.

The Chronicle

VOLUME LXXXV.

NEW YORK, THURSDAY, MARCH 17, 1910.

NUMBER 11

ALFRED B. DAWSON, President.
R. B. Dawson, Treasurer. Chas. D. O'Brien, Secretary.
Emil Schwab, Manager New England Department,
178 Devonshire Street, Boston, Mass.

All communications should be addressed to and remittances should be made to The Chronicle Company, Limited.
Entered at the Post Office, New York, N. Y., as Second Class Mail Matter.

PUBLISHED EVERY THURSDAY BY
THE CHRONICLE COMPANY, Limited.
No. 90 WILLIAM ST., NEW YORK.

Phone "567 John." Cable Address, "Chronogram," New York

Subscription Price:
Three Dollars a Year. Single Copies, Twenty-five Cents.
Postage Prepaid in the United States and Canada.

We Should Do Likewise.

Why No Insurance Institutes in the United States?

The publication by Charles and Edwin Layton, Farringdon street, London, E. C., England, of the "Journal of the Insurance Institute of Great Britain and Ireland," for 1909, is again a reminder that the insurance interests of the United States are backward in the matter of co-operation for the dissemination of general intelligence, the encouragement of insurance education and the development of special skill in insurance matters.

The Insurance Institute of Great Britain and Ireland is a representative body, composed of delegates from a large number of Insurance Institutes in different parts of Great Britain and her possessions. There are 18 institutes in Great Britain and four in the Colonies; and the "Journal" publishes selected papers from among those read in the various Insurance Institutes.

Fire Insurance Text-Book Recommended.

This publication is prefaced by the statement as to what has been accomplished during the year, one of the most important things being the examination of 699 persons upon insurance subjects.

It is especially recommended by the secretary that arrangements be made for the preparation of a text-book on fire insurance. He does not recommend the same as regards accident insurance because he thinks that there is not yet sufficient material, nor as regards life insurance "because a sufficient number of text-books already exist." The following is from his recommendations in this regard:

The point also has to be kept in view, that the science of fire insurance is developing with rapid strides. Much that has been written in the past has

become obsolete, for as time goes on new ideas take the place of old ones. The task of compiling the volume—of filling up the blanks in the matter already published, and of eliminating what is unnecessary—would unquestionably be a difficult one, and would require to be placed in competent hands; but I am sure that among our number there are men who could admirably carry out the task.

Among the papers published in this number of the "Journal of the Institute" is to be found the exceedingly interesting and instructive paper, "Classification of Life Insurance Risks," by D. E. Kilgour, A.I.A., F.I.A., actuary of the North American Life Insurance Company, of Toronto, Can., which was read before the Insurance Institute of Toronto on April 20, 1909, and was at the time fully reported and reviewed for the benefit of readers of "The Chronicle."

In subsequent issues of "The Chronicle," fire insurance and casualty insurance papers will be considered. The papers, other than Mr. Kilgour's relating to life insurance, are as follows:

"Special Policies (Life)."

A paper upon "Special Policies (Life)" was read by William Penman, Jr., F.I.A., of the Atlas Assurance Company, of London, before the Insurance Institute of London, on February 24, 1909. The following paragraphs shows to what a degree the writer favors the idea of the free development of special policies:

It is generally both interesting and instructive to consider a subject from the historical point of view, and even so modern a theme as special policies is not, I think, an exception to the rule, for if we go back far enough even a whole of life policy was a special scheme, and, in considering the history of special policies, we are dealing with the gradual development of life assurance from its earliest beginnings.

He rapidly traces the development of various forms of policies as follows:

The special scheme of the Amicable Society, 1706.

The level premium life insurance by the "Old Equitable," 1762.

Limited Payment Life Insurance by the Atlas Assurance Company, 1816.

Survivorship Insurance, about 1816.

Non-participating endowment insurance, about 1839.

Participating endowment insurance, about 1873.

Double endowment insurance, about 1890.

He fully discusses "Convertible Term Policies" and the reasons put forth for confining the privilege of conversion of a term policy into a whole life or endowment policy, to the earlier years of the term, and comes to the conclusion: "I cannot say that there is much, if any, disadvantage to the office on allowing the option to be exercised right up to the end of the term." In so holding, however, he is dealing with policies for which premiums have been on the basis that the lives will not all be select at the time the policies are converted into other forms, and which, also, are not renewable as term policies. The method of loading for this purpose he describes carefully in non-mathematical language and also illustrates by diagrams.

The "Discounted Bonus" policy also treated by him, has not so far been introduced in the United States, the nearest approach to it being the low premium "7-year Equalization" policies, formerly issued by the New York Life Insurance Company. The idea under the "Discounted Bonus" policy is that it is assumed that a certain amount of bonus or dividend will be earned, and this is commuted into an equal annual reduction of the premium. If the anticipated rate of bo-

nus is not realized, there is either an increase of the premium for the next five years to offset the loss to the company or a corresponding diminution of the sum insured. On the other hand, if a larger bonus is realized, there is a diminution of the discounted rates of premium.

Though the British companies are very careful concerning their bonus assumptions, it is fully recognized that there may be disappointments and that such would be serious.

The net discounted bonus premiums, that is, the premiums after the discount has been taken off, are usually slightly higher than the non-participating rates of the same company, but in some cases they are actually lower.

The writer seems to find the same general conditions existing in Great Britain as are usually found in this country concerning non-participating insurance, viz.:

Generally speaking, people do not care about a non-profit policy. They know that, notwithstanding a few exceptions, the position of British life assurance offices is such that the bonuses may be regarded as amply secured, and that the additional premium paid for the privilege of participating in the profits is money spent in a remunerative manner.

But this condition seems to be changing slowly, for in another place he says:

The past few years have seen a very marked reduction in non-profit rates, and, in my opinion, this has to a large extent been due to the necessity for competing with the class of policy we have just been considering.

"Double Endowment Assurance," the next form considered, is nearly as well known in the United States as in Great Britain, and has been chiefly used for the same purpose, viz.: for dealing with under-average lives, the especially heavy hazard in the earlier years being offset by the company's especially advantageous position in the later years when the death of the insured would involve a forfeiture of a considerable sum to the company.

"Children's Deferred Assurances" have not, so far, made their appearance in the United States, though when they were first introduced by the Australian Mutual Provident Society some years ago, "The Chronicle" printed a full description of the same, setting forth the chief advantages.

The plan consists in issuing policies upon young children, which do not go into force until they are of the age of, say 21 years, though premiums are payable from the outset. The insurance goes into effect immediately upon the life insured reaching age 21 and without regard to the then condition of health, and, of course, the premiums which have been paid for

several years previous operate both to give immediate value to the policy, and also to keep the premium very low throughout life.

By this means, for instance, a father, by taking insurance upon the life of his son immediately after his birth, could perhaps secure a premium of about \$7 per \$1,000 of insurance throughout the life of that son; or, for instance, on a policy of \$20,000 a premium of say \$140 per annum. He would thus be making provision for the future of the son and the son's family in such manner that it would be very easy for the protection to be carried.

Usually, in event of the death of the child before reaching the age of 21, the premiums are returned and sometimes a "specially liberal cash surrender is guaranteed on attainment of age 21."

The writer says:

In most cases medical examination is dispensed with. Full information as to family history and illness is always obtainable, and, in the case of a child, no doubt this is sufficient.

He also says of the advantages of this plan of insurance:

Whilst these children's deferred assurances are offered on terms which are advantageous to the public, they are, also, I think, a class of policy well worth cultivating by offices, for they provide an opportunity for doing further business with those who are now customers, and at the same time bring the office into close relationship with the rising generation.

The sale of life insurance "Without Medical Examination" appears to be growing in Great Britain. The writer describes four different methods under which it is now being undertaken, viz.:

1. Double endowment policies at ordinary premiums.

2. Life or endowment policies at ordinary rates, under which but one-third benefit is paid in event of death the first year; two-thirds in event of death the second year; and full benefit only in event of death after two full years, except that in event of death by accident the full benefit is paid from the outset.

3. A life policy on an increasing insurance plan, that is, with a small insurance at the outset and slowly and steadily increasing.

4. Single premium insurance, either life or endowment, with a special provision that in event of death the first year the single premium with interest shall be returned and no further benefit paid.

While a considerable business is being transacted, it is the opinion of the writer that if all the companies were to undertake this business there would be a very small amount for each, and he also finds the following objection to it:

There appears to be a considerable risk that agents would regard such schemes as specially devised for the

acceptance of underaverage lives, and generally the conditions seem to be such that good practical management would be if possible of greater importance than usual.

There seems to be a somewhat similar development of insurance "With Cessation of Premiums in Event of Total and Permanent Disability," in Great Britain, as in the United States, both countries being far behind the continental countries of Europe in this form of insurance. The rules in Great Britain also appear to be very nearly the same as in this country and are thus stated:

Earliest age at entry, 25; latest age from 45 to 55; benefits in event of total disability confined to not beyond age 60 or 65.

There is one difference, however, viz.: that while in this country for the most part the benefit has been charged without any extra charge, or at least any extra charge which is made known to insured, the practice in Great Britain is to add about 5 per cent. to the usual premium and the opinion is expressed by the writer that this "is a lot to pay to cover the risk of permanent incapacity."

"Non-Abstainers in Life Assurance Companies."

A paper was presented by Dr. Ebenezer Duncan before the Insurance and Actuarial Society of Glasgow on February 1, 1909, in which he discusses certain inferences from the report of Roderick M. Moore, F.A.S., upon "Comparative Mortality Among Assured Lives," published in the "Journal of the Institute of Actuaries" in January, 1903, comparing the death rates of abstainers and non-abstainers. Dr. Duncan expresses the opinion that "the elaborate tables published in Mr. Moore's paper have, in my opinion, settled the question," that is, the question as to whether the death rate among total abstainers is or is not lower than among insured lives of persons who use alcohol.

From this he proceeds to discuss whether, if it were possible to ex-

SPECIAL OPPORTUNITIES offered now in Southern States to Representatives of

**CITIZENS
LIFE
INSURANCE
CO.**

W. H. GREGORY,
President.

clude from the non-abstaining group all who at any time in their lives materially exceeded Anstey's limit or a limit which hereafter sets up at a lower point, for persons not engaged in manual labor, the remaining group of moderate drinkers would not show at least as low mortality rates as the total abstainers.

While, of course, he is unable to adduce any statistics establishing his proposition, he is clearly of the opinion that such moderate drinkers would be found to show even lower mortality rates than the abstainers.

"Personal and Family History in Relation to Life Insurance."

Dr. J. Dulberg read on January 3, 1909, a paper upon "Personal and Family History Made With Relation to Life Insurance," before the Insurance Association of Manchester, in which he set forth many interesting incidents in a medical examiner's experience, but did not present anything which would be especially new or of great interest to American readers.

"Undesirables."

Dr. Tom. R. Taylor, of Leeds, read a paper upon "Undesirables" before the Insurance Institute of York, on December 16, 1907, which is included in this series. It is mainly interesting for the exceedingly pointed and careful suggestions made in regard to matters of personal appearance, as, for instance:

One of the most certain signs that a man is in the "sear and yellow leaf" is the thinning and wrinkling of the neck. And, gentlemen, should an acquaintance begin to show a falling-in and hollowing of the back of the neck, without any apparent cause save the ravages of time, you may regard him as long past his prime.

The discussion of color is also very interesting, ranging from the "reddish purple color of the bon vivant" to the "vinous color," the color of "the large white man with the large white kidney," "the ghastly pallor of chlorosis," the yellow of "jaundice" and "the lemon tint of late malignant disease."

The following concerning the eyes is also of particular interest:

That one eye appears to be smaller than the other may point to internal aneurism. Prominent eyeballs are the most salient feature in Grave's disease. A squint may be but the expression of long-standing error of sight; it may, however, be a symptom of locomotor ataxia, or of a brain lesion. Inequality of the pupils is always serious, and is one of the early symptoms of general paralysis. This inequality may be difficult for you to observe; but you can see a drooping eyelid, and when you do be on your guard. Certainly it may be congenital; it may be the result of an accident, but on the other hand it may point to the gravest brain or cord disorders—as also may a flickering of

the eyes. A flickering of the eyes, especially when an attempt is made to fix an object, is often seen in miners. This condition, the so-called nystagmus, is not permanent, and yields to rest and treatment. One often sees around the iris a yellowish white ring—this is only fat; once, and by some, regarded as important in the diagnosis of fatty heart, it must now be regarded merely as one of the phenomena of life's autumn—the arcus senilis.

As also the following concerning "a slurring speech" and "a sharp, decisive, explosive delivery:"

Police surgeons know this slurring well, and so do the mental specialists. It is often a symptom of that most awful of human afflictions—general paralysis of the insane. Of great moment also is the staccato speech—a sharp, incisive, explosive delivery of the individual words of a sentence. It is one of the symptoms of another grave disease, the name of which I will spare you.

There are also very careful instructions about observing the hands, the gait, the temper and the temperament.

Dr. Taylor, who is a fellow of the Royal College of Surgeons, is fair enough to close by showing that while all such matters are important and should be observed, often the person who is marked for an early grave lives a good long life, while the person who apparently should survive the century succumbs at a relatively early age.

"Twenty Years Changes in Life Insurance."

The secretary and actuary of the Law Union and Crown Insurance Company of London, S. G. Warner, F.I.A., is the author of a paper upon "Twenty Years' Changes in Life Insurance," read before the Insurance Institute of Bristol, and here republished.

Among the most important changes noted by him are the increase in the number of policies in British companies from 1888 to 1906, from 905,068 to 2,397,915 in the ordinary department; and from 9,145,844 to 25,544,045 in the industrial department. In the same time the amount of ordinary insurance in force increased from £442,653,003 to £754,252,481; and in industrial insurance from £83,434,487 to £251,556,107. During the same period there was an increase of only about 25 per cent. of the population.

The average amount of insurance per policy fell during the period, a larger proportionate reduction being found in the average endowment policy. Concerning endowment insurance the writer says:

There is no getting away from the meaning conveyed by these figures. The public has asserted an overpowering preference for the endowment assurance system. The combination of immediate protection with ultimate investment, by which a man sees a

prospect that, given average longevity, the results of the thrift he has exercised will redound to his personal reward, has proven attractive to thousands with regard to whom the time-honored plea to make family provision fell upon deaf ears. To criticise the tendency, much more to deprecate it, would be futile in face of the facts. As we have seen, assurers have selected this method even at the inevitable cost of limiting the amounts of their policies—a circumstance which precludes our attributing the preference to the influence of the agent, because, as a rule, by our modern methods, a larger policy at an equal premium would be more immediately remunerative to the introducer.

It is worthy of note that this large increase in the popularity of endowment insurance has taken place in a country where the commissions are a percentage of the sum insured without regard to whether the policy is whole life, limited payment life or endowment; that is, in a country where, to put it in the money of the United States, the same number of dollars is paid without regard to the size of the premium, whether the insurance is ordinary life, limited payment life or endowment, for each \$1,000 insured.

Mr. Warner does not appear to be so much afraid of the innovator as the average true Britisher is expected to be, for he favors the "uncondi-

(Continued on Page 5.)

FEDERAL LIFE INSURANCE COMPANY CHICAGO

ISAAC MILLER HAMILTON, ; ; President

Admitted assets.....	\$2,447,499.17
Capital stock.....	177,300.00
Surplus apportioned and unapportioned	77,510.61

Excess security to policy holders	254,810.61
1909 insurance in force increased over.....	\$6,300,000.00
Surplus increased over....	100,000.00

HIGH-GRADE MANAGERS AND AGENTS WANTED.
ATTRACTIVE POLICIES.
DESIRABLE CONTRACTS.
WILL ENTER NEW TERRITORY.

Address,
CHARLES M. TURNER,
General Manager,
Marquette Building, CHICAGO, ILL.

"HAPPINESS AND HEALTH INSURANCE."

The latest evolution in insurance is the proposal to form what the prospectus entitles "The Happiness and Health Insurance Company." It is not a jest, but on its face was given out seriously last Sunday by Mrs. Isaac L. Rice, of this city, who is well known in society, ethical and financial circles, best known probably by the semi-successful crusade she made single-handed against useless and preventable noises. This resulted in stopping the tug and steamboat whistling on the city's water fronts and ways, the yelling of hucksters and peddlers, and the blowing of horns and ringing of bells by itinerant pushcarters, knife grinders, etc., on what the police now designate as hospital and exclusive residence streets.

Mrs. Rice will not commit herself as to the details of the proposed insurance company further than to say that she has consented to become a director and this gives it an aspect of seriousness that cannot be overlooked.

Owing to Mrs. Rice's wealth and enthusiasm in her every undertaking, it is calculated to arouse interest as to how the plan may be launched and eventuate.

There is a close analogy between happiness and health, and the title may prove to be an inspiration, an invitation, and an evolution. "You never can tell."

"THE ECONOMIC RELATION OF LIFE INSURANCE TO SOCIETY."

In the address of Frederic H. Calkins, associate counsel of the Fidelity Mutual Life Insurance Company, being the first of ten lectures before the Central Branch of the Y. M. C. A., in Philadelphia, delivered on March 11, and to which reference was made in last week's issue of "The Chronicle," are found the following novel and apt statements concerning the economic relation of life insurance to society:

Economic Relation to Society.

Life insurance in its relation to society is of great economic value. It touches almost every phase of the life of the community in its social, economic, financial, material and ethical life. Its foundation principle is the recognition of the value of each human life and the necessity and possibility of providing indemnification for the loss of such value.

Out of the relations of producers and consumers grow all the many forms of human activity, and it naturally follows that no man is independent of society. Each individual is of necessity a part of the whole body politic. This interdependence gives to

every individual life an economic value and death causes a loss which can only be replaced by another life equally well equipped. Every individual, therefore, owes a duty to himself, his family and society to provide against the burden of the loss which will result from his death. If a man moves from one community to another and leaves behind him unsatisfied obligations, he forfeits the esteem of the community. It is still greater to his discredit if he passes out of this world without making proper provision for the obligations and responsibilities which he created during the period of his life, and which must necessarily extend beyond its duration; for the man who moves from one community to another may still fulfill his obligations, but after death no man can do that which he should have done during his lifetime.

If proper provision has not been made for these dependents a loss is sustained which falls not only upon the family but upon society, or the State. The dependent ones enter the race of life handicapped, and the State loses by the operation. The family, therefore, has an economic demand upon the head of the house for an even opportunity in the race of life, and the State has an economic demand that every man shall do his share, and not lay undue burdens upon it; for what the individual fails to do the State or society must do for him. This is evidenced by the existence of the various public institutions and charitable organizations throughout the country.

In the first place, it encourages frugality and thrift. Human nature is such that it will not as a rule make provision for the future except under pressure. The natural tendency is to spend the income as it is received and trust to the future to provide for its continuance. While this is the general tendency there are, of course, exceptions, otherwise the savings banks would not hold such large deposits of savings. Such savings, however, are purely voluntary and appeal more to the selfish side of the individual, so that if occasion arises for use of the amount intended to be placed in the savings bank the tendency is to say, "I will put in double the amount next time"; so the amount is used, with perhaps the result that only the usual amount, or even less, is deposited the next time, for the same reason, or through inability to save on account of some extra necessary expense. Life insurance requires the payment of the savings at stated times, and the individual becomes accustomed to treat the insurance premium in a similar manner as the interest on a mortgage or a note. The more payments he makes the more valuable the asset becomes and the stronger the desire to retain it.

It is the most effective means of uniting the large numbers of individuals for mutual help. It gathers up the contributions of the many and disburses them as needed. It thus acts as a redistributor of wealth. It assembles the savings of the individuals and enables their investment in a manner to produce a maximum of earning capacity. By its scientific development it enables the payment to the individual of a large principal, no matter whether a few or many payments have been made by him.

One thousand men with \$1,000, each

acting individually, can accomplish no more than one; but combine the capital and greater results can be obtained. Life insurance assembles the individual capital and thereby not only enables the individual to secure greater returns, as already shown, but creates an accumulation of capital available for the development of business and for community improvement. The investments of life insurance companies are to be found in all parts of the country. Municipalities desiring to make improvements and requiring the use of large sums of money for a long period of years find the life insurance companies ready to purchase their bonds. Railroad companies desiring to extend and improve their property can likewise find in the life insurance companies purchasers of their bonds. Individuals desiring to develop their property or business will find the companies ready to make mortgage loans or other collateral loans.

The vital power of life insurance, however, as an economic factor, is the life insurance agent. He is the generating force which gives life and vitality to the business. It has been demonstrated again and again that without the work of the agent the business of life insurance would be of comparatively small account.

ACTION AT LAST.

Although the insurance fraternity has for many years winked at the resolutions passed by the various branches of the Life Underwriters Association, condemning the bad practices of the business, including "twisting," every time a fresh resolution was placed on the records, on account of the failure of the associations to bring about a single conviction, it is not to be expected that there will never be a single exposure.

The Cleveland Association has actually started things, not against an individual offender, but an alleged policyholders' advisory company, whose method of operation is to inspect policies and make no charge unless a greater saving than the proposed fee is made for the policyholder. The plan operates to cause the surrender of a participating policy in one company for a non-participating policy in another company.

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS is unsurpassed for net low cost and care of interests of all members.

THE PENN MUTUAL LIFE INSURANCE COMPANY OF PHILADELPHIA

On January 1, 1909, rates were reduced and values increased to full 3% reserve.

WE SHOULD DO LIKEWISE.

(Continued from Page 3.)

tional policy," which is only another name for the "incontestable policy," which is well known in this country, and he also welcomes the policy with "guaranteed surrender values," and says of this:

It has, of course, been found that there is nothing whatever in the principles of life insurance inconsistent with the giving of such assurances from the outset of the contract; and the fact that this is now freely and frankly done has, I am sure, increased the respect in which life assurance is held among candid business men, as it has unquestionably enhanced the value of a life policy as a commercial asset.

He is not of the opinion that the issue of policies without medical examination is likely to become very common or to be very successful, and says of it:

Personally, I confess I think it is rather dangerous work, and I do not expect to see this development of our business even much more than partial and sectional. After all, the healthy man need not fear to face the doctor, and if he is wise he will do so rather than pay for an exemption which is only a concession to sentiment.

On the other hand, the introduction of various "provisions against lapse" ranging from extended insurance to automatic premium loans, meets his full approval, as follows:

The devices adopted vary in detail, but the general principle of making provision that a policy which has acquired a surrender value shall benefit thereby as a protection against accidental lapse is clearly recognized and acted upon. Armed with such an answer, we can look our questioner in the face and satisfy him that our desire to protect his interests and offer him a real safeguard is a fact, and not a mere profession. Here, again, we may surely say that we have gone soundly and safely forward upon the path of progress.

He also makes mention of "fancy schemes" somewhat jocosely as follows:

Probably one of the things which would forcibly strike a man who had known the field of British life assurance twenty years ago, had been absent from it since, and now returned to it, would be the abundance of special schemes of various kinds—what we may broadly describe as "fancy policies." These are of so many kinds that it would be useless to attempt to deal with them in detail, nor is it necessary. One thing which would occur to anyone studying the place occupied by such items in the general returns of business is the comparatively small total they show there, compared with the ingenuity expended upon framing them and making them known. I need hardly say, however, that the actual extent to which they visualise themselves in objective fact is far from expressing their full value to their au-

thors. Their advertising power is considerable, affording, as they do, evidence of the desire of the companies to meet any possible public demand.

Some of the things which he does not like, he especially ascribes to "the presence and influence of the American companies"—forgetting, perhaps, to credit American companies, with most of the innovations which he favors—one of them being "bonus estimates," which he discusses as follows:

I refer to the habit of stimulating the public appetite by glowing "estimates" of policy results. It may be admitted that there was considerable temptation to pursue such a course. The realization of a high rate of interest, and other favorable financial conditions, mostly of a temporary character, had enabled these companies in the past to achieve for their policyholders exceptionally favorable results. Entering upon a new field of competition, already fairly full, they armed themselves with this new and powerful weapon. The result has, I think, been bad, apart altogether from the fact that, for various reasons, the results have often fallen substantially short of the estimates. The method induces an unhealthy condition of the public mind upon the whole question. The realized profit of a life assurance company, the story and record of what it has been able to do for its policyholders, is a fair part of its competitive stock in trade. When, however, an attempt is made, upon the strength of this, to give definite forecasts of so intangible and necessarily uncertain a thing as its future profit, and to make active use of these in the struggle for business, the future is mortgaged in a way which is fair neither to the company nor its clients. It is not possible, in practice, so to safeguard such methods that they will not be understood and interpreted as definite promises; and the result, if it be a disappointment, is to shake public confidence in the business generally. I do not say that this practice is peculiar to the

American companies, although its initiation at least was, I think, theirs. I am discussing it on its merits, irrespective of who may follow it; and I would like to sound a note of warning against it, as a thing which, however specious and attractive it may appear, carries grave dangers in its train.

It is worthy of note in this connection that the British companies have always made use of estimates, but that in recent years they have been driven by the publicity in regard to their actual bonuses, which was required as one of the features of the British insurance law reform of 1870, to make conservative estimates, which have more often been realized than otherwise.

The other evil which he ascribes to America is "Assessmentism," which he discusses in part as follows:

There is, however, a far more serious—what, indeed, I think we may call a typical—instance of the danger, in a business like ours, which may lurk in too eager an attempt to "give the public what they want." I am personally of the opinion that the one serious blot on our life assurance history of the last twenty years was the attack so vigorously made, and for some years so actively sustained, upon the fundamental principles of our business, by the advocates of what is known as the "assessment system." Here, also, I am afraid we must trace the aggression from across the Atlantic, though it is pleasant to recognize that in this struggle our greatest American competitors fought side by side with us.

The last matter discussed by Mr. Warner is "The Agency System," concerning which he says that "there is probably no aspect of our business which has more gravely changed dur-

(Continued on Page 6.)

**OLDEST
IN
AMERICA**

**STRONGEST
IN THE
WORLD**

THE MUTUAL LIFE Insurance Company of New York

**Mutual Life Agents Make Most Money
Because Mutual Life Policies Sell Most Freely**

For terms to producing agents, address

GEORGE T. DEXTER

2nd Vice-President

34 Nassau Street

New York, N. Y.

NOT LIKELY TO COVER INDUSTRIAL INSURANCE.

A hearing upon the bill offered by Assemblyman O'Connor, of Brooklyn, to extend the provisions of section 101 of the insurance laws, to require industrial policies to be submitted to the Superintendent of Insurance for his approval, and to contain all the standard provisions, was before the Assembly insurance committee on March 10, and was opposed by Actuary James M. Craig, and Counsel Wm. J. Tully for the Metropolitan Life Insurance Company. No person appeared in favor of the bill, excepting the assemblyman who offered it, and it is not considered that its chances for adoption are good.

Without compulsion the Metropolitan has included in its regular industrial policy most of the important standard provisions. There are, however, provisions in section 101 which could not be adopted to advantage.

The committee has so far made no report upon this bill; but at the same meeting voted to report favorably upon the bills prepared by Superintendent Hotchkiss, upon which a hearing was held the previous Wednesday.

WE SHOULD DO LIKEWISE.

(Continued from Page 5.)

ing the last twenty years than the agency system." He gives the following picture of the "old-fashioned agent":

He was your accredited representative in a given town—proud of his company, and impervious to the blandishments of any other. He stood by you, and you stood by him. His name and that of the town he lived in were inseparably linked in the minds of the staff. To this day I never hear the names of some English towns without also remembering the name of the agent to whom as a junior I used to address envelopes for my first office, more than thirty years ago. The relationship was a solid and satisfactory one, honorable to both sides.

It appears that nowadays British agents must often represent a number of companies, in other words, are merely brokers, for the following is a description which he gives of the up-to-date British life insurance agent of the present time:

You enter the office of a busy man—and it is decorated with the show-cards of half a dozen offices. He is agent six or seven times over—an amateur broker, in fact. He sends business where he likes and almost on what terms he likes. Your hold on him will at best be a faltering and precarious one.

Concerning rebating, which is a marked feature of the present disorganization in agency methods, Mr.

Warner gives the following whole-some sentences:

Let us not forget what the agency system, even yet, means; and let us decline to challenge to pay each and every individual commission on his own policy. If that principle be accepted, the plain and straightforward course is to lower our rates at once. Our business has been built up on the agency system, it is on the agent that we depend, and to him we must be loyal. A sturdy adherence to this principle is more likely than anything else to bring us back some of the old security and steadiness of relationship.

The change in the method of compensating agents, which is nowadays more strikingly a brokerage method in Great Britain than ever before, is also discussed by Mr. Warner. Originally scarcely more was paid the first year than in subsequent years, and indeed the commissions were extremely low, judged by our modern standards. Already, by 1863, he finds the custom of commuting commissions for an initial payment "had grown up in Germany and when it developed in Great Britain it took the familiar form of 1 per cent. (on the sum insured) and 2½ per cent. (on the premium) on renewals," as against the old-fashioned agency contract which was for 10 per cent. of the premium the first year and 5 per cent. thereafter.

Mr. Warner is not in favor of an increase, either of first year or of renewal commissions, and says of it:

I can only say that the tendency towards higher initial payment—or higher renewal payment instead, which is worse—seems to me to be one of the modern developments on which we can congratulate ourselves least; that, broadly speaking, I believe dear business to be bad business; and that I think a frank and fair agreement on moderate commission rates, and a determination loyally to support each other therein, would, were it possible, be the healthiest change our business has known for many a day.

It is not, perhaps, necessary for "The Chronicle" to observe the same reticence which he has so carefully preserved. The placing of a policy for approximately \$600,000 in Great Britain in 1908, on the basis of a rebate of 2½ per cent. of the sum insured, i. e., \$25 per \$1,000 of insurance, indicates how far afield the British companies have wandered from their original moderation in the matter of commissions, as well as how far they are from living up to the standard set up by Mr. Warner in regard to the protection of agents against rebating.

Very probably the most valuable conserving and restoring force in Great Britain at the present time in this matter of excessive payments to agents—which in that country as in

the United States is frittered away in rebates and usually benefits the agent not at all—is the sturdy and undeviating devotion of the Australian Mutual Provident Society, which entered Great Britain in 1908, to its long-settled practice of paying a commission, equivalent to \$12.50 per \$1,000 of insurance, without renewals, and of dismissing without hesitation or leniency every agent who, upon thorough investigation, is found to be guilty of rebating.

TO TEST FEDERAL TAX LAW.

Among the corporations which are testing the constitutionality of the Federal corporation tax law is one insurance case which has been advanced in the United States Supreme Court.

Francis L. Hine, stockholder and policyholder in the Home Life of New York, has sought to restrain that company from paying the Federal corporation tax, on the ground that benefits to stockholders and policyholders would be impaired by such payment.

The New York Life Insurance Company is a party to another suit, on the ground that inasmuch as that company is purely mutual and holds no surplus profits not belonging to its policyholders, this tax is a direct tax upon each policyholder and that the Government is without power to impose such a tax.

The officers of other insurance companies take the stand that as the policyholders, through State taxation of the insurance companies, are compelled to bear that burden they should not be required to contribute further toward the expense of the Government.

"THE COMPANY WITH THE PYRAMID"

40

ASSETS SURPLUS

OF

CONSECUTIVE

PYRAMIDAL

PROGRESS

YEARS

1,839,361.20	400,681.84
1,659,157.79	360,138.69
1,588,616.66	323,479.81
1,505,010.00	304,351.29
1,426,088.30	284,744.03
1,341,863.33	267,759.15
1,253,333.33	249,000.00
1,160,000.00	229,000.00
1,062,500.00	207,500.00
960,000.00	184,000.00
853,333.33	158,333.33
742,500.00	130,000.00
627,500.00	100,000.00
509,166.67	68,333.33
387,500.00	35,000.00
262,500.00	
139,166.67	
10,000.00	

NEW HAMPSHIRE

2,937,319.76

840,940.17

3,163,680.05

946,783.34

FIRE INSURANCE CO.

3,779,569.67	1,154,810.10
3,077,846.70	928,000.00
3,000,000.00	900,000.00
4,000,000.00	1,250,000.00
4,310,836.19	1,257,058.25
4,500,404.12	1,322,978.14
4,861,149.81	1,408,681.54
5,196,017.46	1,510,064.23

TOTAL LIABILITIES \$2,585,953.23
POLICY-HOLDERS SURPLUS \$2,610,064.23

SUMMERHAYS FOUND GUILTY.

E. J. Summerhays, the Chicago insurance broker, charged with using the mails to defraud, was found guilty in the Federal District Court in Chicago last Thursday afternoon. Argument on a motion for a new trial was set for this week, and the defendant's attorney has signified his intention to appeal the case unless a new trial is granted. The jury was out only about half a hour and evidently had reached its conclusions before the trial closed.

The constant effort of the defense was to show that Summerhays secured for his customers valid insurance in solvent companies, as he agreed to do; that the cancellation of the policies for non-payment of premiums was void, because payments of premiums to Summerhays was payment to the companies; and that there was no fraud in Summerhays' failing to pay the premiums to the companies, as he had disputed accounts with them or with the brokers with whom he dealt. When the defendant himself was put on the witness stand his attorney endeavored to show that he was rendered unable to meet his obligations to the companies through adverse publicity given his business and the issue of a fraud order against him which prevented his doing business by mail.

A Fraudulent Scheme.

The Government's contention was that Summerhays' whole system of operations was based upon and in furtherance of a scheme to defraud; that by his plan he intended to get and keep money which belonged either to the assured, or the companies, agents or brokers with whom he dealt; that in furtherance of this scheme to defraud he used the United States mails. The gist of the whole matter was the use of the mails. Judge Landis, in his charge to the jury, made this plain. If Summerhays had a scheme to defraud and worked it successfully, that was a question for State courts to take cognizance of. But if he used the mails in carrying out such a scheme, that was a Federal offense. Judge Landis made it clear that it made no difference whatever that the policies secured were valid contracts, if they were secured as part of a fraudulent scheme.

Brokers Status Not Defined.

As the matter stands now, this case has not apparently done anything to fix the status of the broker. Notwithstanding the constant efforts of the defense to show that Summerhays was the agent of the companies whose policies he secured and that the cancellations were not valid unless re-

turn premiums accompanied them, this question was not one on which the verdict hung. It is possible that on appeal this question may be presented in such a way as to bring this point into the case. The defense followed the theory throughout that the validity of the cancellations was a vital point. Should the Court of Appeals so hold, it might go far to show whether the law recognizes the broker as the agent of the assured or of the company.

It is the opinion generally held by insurance men in Chicago that this case will have an important bearing on the local situation. It will have a salutary effect on those brokers who are writing business all over the country and not paying the companies their net portion of the premiums.

Impotence of Illinois Laws.

Furthermore this case presents new proof of the impotence of the laws of Illinois. It was only when the post-office department got after the wildcat operators about five years ago that anything effective was done in breaking up the practice of skinning the public through selling it worthless so-called indemnity. It remained for the Federal Government to take up this Summerhays case. In this case no evidence was introduced to show that Summerhays transacted any business with assured in Illinois. The assistant district attorney, in addressing the jury, intimated strongly that Summerhays refrained from dealing with Illinois people so that he would not be amenable to the laws of the State.

Two Years' Sentence.

On Tuesday Summerhays was denied a new trial and was sentenced to two years in the Leavenworth Federal Penitentiary. His conviction may result in an increase of caution on the part of the legion of other wildcat concerns, which rely solely on Uncle Sam's postal service to catch suckers. Legitimate insurance seems coming in for its own.

ROCKFORD RATES INCREASED.

The Western Union is insisting upon increases in rates on all the sprinklered risks at Rockford, Ill., on which unauthorized reductions were made last year which have not made the required improvements or cancellations. An agent at Rockford, controlling most of the sprinklered lines, is said to have made the reduction on claims of competition. The governing committee took the matter up in November and demanded that the improvements required to justify the reduced rates, except the supervisory service, be made within sixty days, or the policies be canceled in default of the proper rate. At the end of the sixty days an inspection was made showing that eight risks have not made the required improvements to avert cancellation.

A FIRE CRISIS.

The Commercial Union Assurance Company, Palatine Insurance Company and Commercial Union Fire of New York have resigned from the Eastern Union creating what is considered a crisis in its affairs.

This action was taken because the union adopts strong and aggressive measures to enable union companies to compete upon even terms with outside companies, the latter having, in the opinion of the Commercial Union, too long enjoyed freedom to seduce agents into unequally distributing their more profitable classes of business.

The portrait of Edward F. Beddali, president of the Queen Insurance Company, painted by S. Seymour Thomas, was presented to the New York Board of Fire Underwriters yesterday by the special committee, of which Henry Evans is chairman. It is a decidedly excellent likeness and well worth going to see. It was enthusiastically received by the large number of members present during the noon hour.

Have you seen the new policy of the PHILADELPHIA LIFE?

Agents are certainly writing business under this contract and an opportunity is presented to you to get busy on this. I don't say that there are not other good companies beside the Philadelphia Life and I don't want to disturb agents who are working for other companies, but if you are dissatisfied and are going to make a change, I think the Philadelphia Life is the Company you should be with and make it your last change, because with the Philadelphia Life you can do as much business as you want to do each year and make as much money as you want to make and if you don't make it it is your own fault.

Write PERRY to-day.

PHILADELPHIA LIFE INSURANCE COMPANY.
Philadelphia, Pa.

IN NEW ENGLAND

BOSTON PROTECTIVE DEPARTMENT.

The annual report of the Boston Protective Department for the year 1909 has just been issued, and shows that the receipts of the department during that year were \$102,967, with a balance on hand at its end, after a deduction of expenditures, of \$9,894. The total insurance on Boston property affected by fire loss during the year was \$28,868,079, of which \$22,301,867 was on buildings, and \$6,566,211 on contents. The total property loss was \$2,248,335, of which \$826,199 was sustained on buildings and \$1,422,136 on contents. The total insurance loss was \$1,720,676, whereof \$643,139 on buildings and \$1,422,136 on contents. The direct property losses totalled \$2,100,859, and the exposure losses \$147,476. The annual meeting of the department will take place on Thursday, the 24th inst., when the recommendation of the directors that they be authorized to expend for the maintenance of the department during the ensuing year a sum not exceeding \$105,000 will be acted upon, and officers and directors chosen. The incumbency of Francis H. Stevens, who has most efficiently discharged the duties of president for the past six years, will expire by limitation, and a successor to the office will be chosen.

L. Stewart Jordan.

L. Stewart Jordan, senior member of the Boston insurance firm of Jordan, Lovett & Co., passed away Monday night, at Young's Hotel, where he had been living since the death of his wife. Mr. Jordan was in his 70th year, and probably the dean of the "street," having begun as a clerk in the office of his father, W. H. S. Jordan (and a great insurance man in his day), way back in 1857. Mr. Jordan had many lovable, companionable traits; also a fund of historical lore relating to the past half century in the New England metropolis, and many devoted friends will mourn his loss.

The New England Casualty Company.

The New England Casualty Company of Boston, which was recently reincorporated under the laws of Massachusetts as a stock company, has established its headquarters at 4 Liberty square, and its officers are: Corwin McDowell, president; Guy W. Currier, first vice-president; Thomas K. Cummings, second vice-president; Allen Forbs, treasurer; M. E. Cough-

lin, secretary. The board of directors comprises some of the most prominent people in the business affairs of New England. Among them are President Vail, of the American Telephone and Telegraph Company; President Mellen, of the New Haven Road; President Tuttle, of the Boston & Maine; President Preston, of the United Fruit Company, and Treasurer Dumaine, of the Amoskeag Mills. The whole list may be characterized as representative of leading financial, manufacturing, commercial, legal and railroad interests. Mr. McDowell, president of the company, has received an academic and legal education, and has been identified for the past eleven years with the New York Life, mainly as manager of one of its Boston branch offices. He is a wideawake and pushing young man, and under his guidance a successful career may be expected for the New England Casualty Company.

New England Mutual Life Issues "Agency Bulletin."

"The Chronicle" has been favored by the New England Mutual Life with a copy of No. 1 of its "Agency Bulletin," which, as explained in the foreword, "will be devoted to bringing facts to those of our agency force who are looking for them. It will counsel and advise, and endeavor to set forth the good and true method that will be helpful in the presentation of life insurance." Other laudable purposes are outlined, and the make up of the first number is such as to justify the fullest confidence that they will be fulfilled. It contains, among other things, an article on the 75th anniversary of the company, which will be reached on April 1 proximo; another on the protection of business by life insurance, and an array of suggestive facts from the company's latest annual statement, all of which redound to its credit. There is also a record showing the remarkable persistency of policies in the New England Mutual Life.

Manipulated the Books.

It came to light at the end of last week that Oscar M. Wheelock, formerly chief accountant of the Massachusetts Bonding and Insurance Company of Boston, had absconded in January leaving behind him a shortage of something under \$10,000. The discovery that Wheelock's accounts were wrong was made by the Massachusetts Insurance Department, in the course of its examination of the company last January, and when Wheelock was called upon to explain he disappeared. When the examina-

tion of the company had proceeded far enough to ascertain the probable shortage, the company, at the suggestion of the department, charged off \$30,000 from its assets, and its recently published annual statement was made with that deduction. The Massachusetts Bonding suffers no financial loss, as Wheelock's bond, placed in a reliable company, more than covers the amount abstracted. As President Falvey remarked to your correspondent the other day: "Of course, we don't enjoy this sort of thing happening, but it surely shows the necessity and value of bonding insurance."

Fire Apparatus Stays on Main Street.

The hearing at Boston City Hall last Thursday afternoon on the proposition to remove the fire apparatus, now located on Mason street, to Park square, was short and eminently satisfactory to the business men and underwriters interested in having it stay. Mayor Fitzgerald simply asked those in favor of the proposed change to stand up, and nobody stood up. He then asked the same of those opposed, and everybody stood up. He then announced that the location would not be changed, and was given a vote of thanks. After the hearing the Mayor and schoolhouse commissioners considered a plan, whereby the Mason street property could be sold for the benefit of the city, and still retain the desired protection, by means of a proviso that, in any building to be erected on the site, a space should be reserved on the ground floor for the fire apparatus. This solution of the difficulty had already been suggested by W. E. Davenport, Boston agent of the Aachen and Munich, before the hearing took place, and whether it was a coincidence of thought or whether it got conveyed to Mr. Fitzgerald will probably forever remain a mystery.

201st Year.

SUN Insurance Office OF LONDON.

FOUNDED 1710.

UNITED STATES BRANCH:

54 PINE STREET, NEW YORK.

WESTERN DEPARTMENT:

171 LA SALLE ST., CHICAGO.

PACIFIC DEPARTMENT:

Sansome & Sacramento Sts.,
SAN FRANCISCO, CAL.

AGENTS WANTED
AT UNREPRESENTED POINTS.

TELLING A SECRET.

According to a statement which appears to be based upon facts, the Chicago Board of Underwriters within a few days has been obliged to appeal to the insurance interests not to weaken its organization by hiring away its inspectors and raters. Last week one of its sprinkler inspectors went to one of the companies and a rater went to one of the local agencies as inspector. It was reported that other similar deals were in prospect and the board found that it was likely to be left so short of expert help that it would be unable to handle its work properly, so it arranged to have changes deferred until it could find new men to take the place of those who desired to leave.

This is only an illustration of the scarcity of good special agency, inspectorship and rating talent, which already has been referred to. Several very desirable special agency positions are now standing open in the West, with no immediate prospects of their being filled. Large city agents see the need of having at least one expert inspector if they would hold their special hazard and sprinklered business against better equipped offices.

More companies are paying special attention to improved risks. This all means a call for men who understand rating and inspecting, and the men have not been educated fast enough to supply the demand. The rating bureaus have furnished so many men for the service of the companies, to the detriment of the bureaus themselves, but they apparently do not train enough. So few local agents will go to the trouble of learning how to apply the analytic schedule and perfect themselves in inspection work that eligible material for special agency work is scarce among the locals. It is a big problem and the solution is not yet in sight.

However, it is clear that the board overlooks the secret of its loss of men. It simply don't pay enough money to hold them, and these men are not working for their health alone.

REDUCING THE FIRE WASTE

Commissioner James V. Barry, of Michigan, is conducting an investigation of fire insurance rates, commissions, expenses and underwriting methods, and the National Convention of Commissioners is expected to wait for his report before recommending action to their legislatures. Several of the more influential members are taking the stand that the proper method of reducing fire insurance rates is by reducing fire waste. In Kansas the whole question of the right

of the State to dictate as to what shall be charged by private corporations is to be fought out in the courts, while in Texas the operation of the State rating law is fastening public attention on the economic features of the fire waste problem.

If the agitation serves to bring people to a realization of the enormous fire waste, it will have accomplished a great economic benefit. In Texas and Ohio improvement is already noticeable and in view of this fire insurance company officials are disposed to accept it, so long as it is administered in a fair, impartial way.

NEW ENGLAND BREVITIES.

Week end fires of serious destructiveness have been the rule in Boston all the month. A fire loss aggregating some \$400,000 was sustained Saturday afternoon in the supply plant of the Boston Elevated Railway Company at 49 Albany street. The loss will be covered by a blanket insurance, placed by John C. Paige & Co., which covers all the elevated property, and aggregates some \$11,000,000. A sad result of this fire was the death of Captain Lanegan, one of the bravest and most efficient men on the fire force, who was struck by a falling wall.

At next Saturday's meeting of the New England Exchange, the adoption of lumber rates recommended by the executive committee at the meeting of March 5, will come up for action; also an amendment of article III of the constitution, and a substitute to take the place of article V of the by-laws.

The Massachusetts Bonding has appointed G. R. Griffin & Co., of Boston, as agents of its burglary department for the Metropolitan district.

The prosperous Boston agency of Kaler, Carney & Liffler has again been obliged to enlarge its quarters by securing additional space.

Kollock, Rice & Co. have been appointed Boston agents of the Franklin Fire of Washington, under Edmund Winchester, manager for Massachusetts.

The Massachusetts Accident Company has been admitted to Michigan, with E. M. Hopkins, of Detroit, as State agent.

The Central National Fire, of Chicago, has been admitted to Maine and to Connecticut.

The Phoenix Preferred Accident, of Detroit, has applied for admission to Massachusetts.

OTHERS WOULD LIKE TO KNOW.

United States Manager Case, of the London Assurance Corporation, will address the members of the Insurance Society of New York at its next meeting, which will be held on the 22nd inst. Full attendance is to be expected. It is not quite fair that Mr. Case should confine his subject entirely to fire insurance, for men in all lines of insurance, not excepting insurance journalists, will be interested in knowing "What a Fire Insurance Man Should Do to Get His Salary Raised."

SECRETARY SCHICK RESIGNS.

Charles E. Schick has resigned as secretary of the Federal Union Surety Company of Indianapolis. He has not announced plans for the future, but it is understood he has several propositions under consideration. He has contemplated a change for some time, and it is possible he may make an agency connection. His successor has not as yet been announced.

It is thought this is the preliminary move to a complete change of control and reorganization of the company, rumors of which, and its entry into multiple lines, have been rife for about a year past.

T H E PROVIDENT LIFE AND TRUST COMPANY OF PHILADELPHIA

Insurance in Force, \$214,509,255.00
(Paid for Basis)

Assets \$70,514,350.45
(Market Value, Dec. 31, 1909)

Contingency Reserve . \$9,207,276.38
(Inclusive of Capital Stock, \$1,000,000.)

The Provident has been particularly distinguished for the development of a highly trained force of agents. The systematic instruction which its agents receive has resulted in their being recognized as representatives of exceptional knowledge of the business and of marked efficiency.

TRUST COMPANIES AS INSURANCE AGENTS.

Last week Fred W. Kiefer, resident secretary of the North British and Mercantile, made the following statement before the "Smoke and Cinders" Club, composed of fire insurance men, on the subject of trust and bonding companies and incorporated agency companies doing a general insurance brokerage business. It is of especial interest to a number of "The Chronicle's" readers and may prove to be a guide post:

Trust Companies as Brokers or Agents.

The question of the right of trust companies to transact an insurance business, was recently submitted to a prominent firm of corporation lawyers, and after careful investigation and conference with the banking and insurance departments, this firm gave as its opinion that such institutions could not act as brokers and place insurance on property for others or in which they are not interested, and receive a commission thereon either directly or indirectly without violating both the banking and insurance laws of the State.

This is in harmony with the opinion of the Attorney General of Ohio who declares, "That soliciting insurance as agent and writing fire insurance could not be united with a banking corporation incorporated under the Thomas law (under which trust companies are incorporated) may have in order to carry into effect those powers expressly granted to accomplish the purpose of its creation."

Incorporated Agencies.

The question of incorporated agencies where any number of individuals join to transact an insurance business under a license issued to one member of such an agency was recently submitted by the president of a prominent incorporated agency to his attorney, and, after going over the matter, and advising with the State authorities, he was advised that to comply with the law, each member, officer and stockholder of such company must be licensed.

If this is true of corporations chartered to transact an insurance business, must it not be so in a greater sense of a bank, trust company, or other corporation whose corporate rights do not include those of soliciting and writing fire insurance.

This is liable to severely jolt some of the executives who have formed agency corporations to conceal their connection therewith, putting some relative in command, but in reality directing the wheels. There are several which the insurance reform movement, which has been sweeping the country, has not eliminated.

Further on in his talk, Mr. Kiefer touches upon another very live topic of great interest as to the insurance broker.

In Pennsylvania the insurance bro-

ker is defined by law in the following words:

Whosoever acts or aids in any manner in negotiating contracts for insurance or reinsurance, or placing risks, or effecting insurance or reinsurance for any person other than himself, receiving compensation therefor, and is not an officer, member or agent of the company or companies in which such business is effected, shall be deemed to be an insurance broker.

In defining this law, the newly appointed Insurance Commissioner of Pennsylvania under very recent date, declares:

"Under the laws of this State, the agents of Pennsylvania companies can be commissioned direct by the companies, but a certificate as agent does not protect a broker who solicits insurance and has policies written by the company. Such a solicitor is acting as a broker and must have a license as such. Where a man goes out and solicits risks and receives a broker commission, although he places the business with a local company, he must have a broker's license."

Another declaration of the Insurance Commissioner, and published very recently will be of interest to real estate and insurance agencies:

"We have held that where an agent or firm of agents employing clerks on salary and sending them out to solicit risks for the agency, the clerks are acting as brokers and must have licenses."

He qualifies this by saying further: "Whether it is called a commission or a compensation or a gift, or whether it be a fixed sum or a percentage of the premium does not in my opinion affect the status of the transaction at all."

While these declarations may sound drastic, they come from one who is thoroughly informed regarding the insurance laws.

Who Does the Broker Represent?

Is the broker the agent of the as-

sured or of the company? The standard form of policy in many States contains this clause:

"In any matter relating to this insurance, no person, unless duly authorized in writing shall be deemed an agent of this company."

Under this provision the companies seem to place the responsibility of the acts of the broker upon the assured. It is hardly unreasonable that the assured should regard the person that solicits, quotes rates, negotiates, secures and delivers policies, collects premiums and is remunerated by the company allowing him a percentage of the premiums, as acting for and being an agent of the company.

It seems that this is the only provision of the policy to which the courts have refused recognition. According to its terms, and from the conflicting opinions and decisions, it would appear that the actual standing of the broker in his relation to the company and assured is rather uncertain and the practice of serving cancellation notice on the broker for the assured is somewhat questionable as to its legal effect as is also the serving of notice of cancellation to the assured on account of unpaid premium, the premium having been paid the broker by the assured.

OUR

Course of Insurance Education.

Department for Furnishing Prospects.

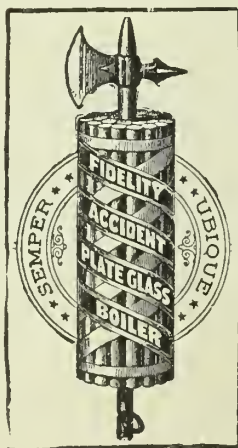
New "Model Policy"

Will Plough the Field and Assure the Harvest for Good Agents.

Phoenix Mutual Life
INSURANCE COMPANY,

Hartford, Conn.

Write Home Office.



THE FIDELITY & CASUALTY COMPANY

97 TO 103 CEDAR ST., NEW YORK CITY.

ASSETS - \$8,649,885.66

Cap. & Surplus \$3,011,834.00

LOSSES PAID to Jan. 1, 1909, \$29,195,835.85

This Company grants Insurances as follows:

Bonds of Suretyship for Persons in Positions of Trust, Fidelity Bonds, Burglary, Plate Glass, Steam Boiler, Fly Wheel, Employers, Public, Teams, Workmen's Collective, Elevator and General Liability; Personal Accident, Health and Physicians' Liability.

OFFICERS:

GEORGE F. SEWARD, President.

Robert J. Hillas, V.-P. & Sec'y. Henry Crossley, Ass't Sec'y. Frank E. Law, 2d Ass't Sec'y. George W. Allen, 3d Ass't Sec'y.

FIRE LLOYDS AGAIN.

The recommendation of Insurance Superintendent. Hotchkiss, of New York, in the form of a bill which is pending in the Legislature and which was printed in full in last week's issue of "The Chronicle," concerning the operations of the Lloyds in particular, gives renewed interest in the recent report of the department, out of which the recommendation was based and which was made after a somewhat extensive inquiry into Lloyds methods of underwriting.

The report goes into the history of Lloyds insurance, particularly the statutes affecting the same and the official investigations previously made.

The report includes a short sketch of the parent institution, Lloyds, London, and a history of Lloyds in New York, with particular reference to the effect of the legislation of 1892 which, though intended to limit these associations, really resulted in their increase. The Richard-Sherer and Edgcomb investigations of 1895 and 1902 are referred to and a summary of the laws of 1903, 1905 and 1909 affecting these institutions and of the Attorney General's opinions concerning, as well as the legal proceedings at various times ordered or taken against them, is given. The individual histories and present financial condition of the Lloyds and inter-insurers now doing business in New York are given, each being captioned by a summary giving the important facts concerning their organization, changes in name, legal proceedings against, if any, premium income in 1908, and the amount of insurance in force at the end of that year. There is included also a summary of the views of the Superintendents and Commissioners of Insurance of the different States as to Lloyds insurance in such States.

Appended to the report are copies of affidavits obtained in connection with the organization of the Lloyds in the early 90s, opinions by Judges Russell and Truez in the Locw and Abell cases, the leading Lloyds cases in this State, sections of the insurance law applicable to Lloyds and the opinions of the Attorney General on this subject in full.

The report has been mailed to members of the Legislature and to Insurance Commissioners of various States, as well as generally to officers of insurance companies.

It seems certain that the department is going to be wide awake as to the concerns and so-called agents and brokers which use the good name Lloyds to conjure with.

STRIKE INSURANCE.

The great strike now on in Philadelphia and which threatens to spread to indefinite bounds, which the leaders claim will shortly include all the labor unions of the United States, brings forcibly to mind the matter of insurance against these strikes and the resultant loss to both employer and employee.

It is interesting to note from the report of the American consul at Brunswick, Germany, how the subject is handled there by the 48 strike indemnity companies which he classifies as follows:

Thirteen strike indemnity insurance companies, twenty-six employers associations for strike insurance and nine in which indemnity is from occasion to occasion granted. The company of United German Employers' Association for Indemnity for Loss by Strike is a reinsurance company, and comprised twenty membership companies in 1908. The number of workmen employed in the industries insured was 411,028, and the sum of yearly wages amounted to \$111,090,305. During the year claims to the amount of 525,318 men's days were presented, chiefly from the metal industry. The amount of indemnities paid in 1908 was \$26,520. The association closed the year with a large surplus.

The conditions under which a strike indemnity is paid is different in the several companies. Assistance is granted in the case of strikes and generally in lockouts. But this is subject to fixed conditions, the most important of which is that the stoppage of work has not been produced by the fault of the employer himself.

The whole institution is still in its infancy, but the number of its adherents increases from year to year. The fact that it strengthens the position of the employer against the attacks of labor is evidenced by the dimin-

ished number of strikes, with their unhappy consequences.

There is a big opening for the credit insurance companies to open this line in America. The conditions now existing are extremely favorable.

THE MICHIGAN REPORT.

The report of the Insurance Department of Michigan shows that there were 130 fire insurance companies of other States to 37 foreign companies, to three local stock companies doing business in Michigan in 1909. Of the taxes collected the Michigan companies paid nothing; the companies of other States, \$175,961; and the foreign companies, \$56,210.

The Preferred
ACCIDENT INSURANCE COMPANY
of New York

SUPERIOR POLICIES

KIMBALL C. ATWOOD, President
290-292 Broadway, New York

The Connecticut Mutual

That means the best life insurance to have and the best to sell. If you can sell life insurance, you can sell more of it for the CONNECTICUT MUTUAL.

Men of Character and Ability are invited to apply.

Conn. Mutual Life Ins. Co.,
Hartford, Conn.

Please mention this paper.

Royal Exchange Assurance

OF LONDON.

Incorporated by Royal Charter A.D. 1720.

UNITED STATES OFFICE:

92 William Street * * * New York City

UBERTO C. CROSBY, General Manager.

RICHARD D. HARVEY, Assistant General Manager.

GETTING WARMER.

The remarkable and sudden developments, announced in last week's "Chronicle," indicated by the entry of the Maryland Casualty into surety lines and the entry of the United States Fidelity and Guaranty Company and the Fidelity and Deposit into casualty lines, making the home town of these three a sort of storm center, is very much more greatly complicated by the National Surety Company of New York shying its castor into the ring.

Two or three of the minor concerns have recently talked about and looked longingly at the multiple field, but had neither the general to lead the way nor a financial exhibit that would attract an able man. But the trend has all been that way and now that the big ones are in the running it is one best bet that something will be doing—not now, but soon.

There was an unfounded item printed by some journal last week that the American Surety would also enter, but President Lyman's unqualified denial puts an effectual quietus on the report—for the present at least. The trend of events may compel its falling into the multiple lines to save its single line agencies and business.

United States Manager Ising also stoutly asserts that the Ocean does not intend any subsidiary corporate organization through which it could get around the inhibition in the State and Federal statutes against other than domestic companies as sureties.

Vice-President Whelan Talks.

By some it has been thought that the change in the Fidelity and Deposit Company is a retaliatory measure on the Maryland Casualty Company, which has been seeking to have its charter amended so that it may enter the surety field. In commenting upon this Vice-President Thomas A. Whelan informs "The Chronicle":

"The proposed amendment to our charter is not, in any sense, retaliatory. The Fidelity and Deposit Company is absolutely in accord with the Maryland Casualty Company, and the most pleasant and cordial relations exist between the two companies and their officers. This statement is true as regards the United States Fidelity and Guaranty Company also."

Mr. Whelan, who is also a director in the Maryland Casualty, further explained that the Fidelity and Deposit sought a change in its charter in order to have the same powers as other companies organized, at a later date. He also said that since the Fidelity Trust Company of Baltimore had taken over the banking business of the Fidelity and Deposit, the latter no

longer conducted a banking business. A change of name is accordingly proposed, substituting the word "Surety" for "Deposit," making the name of the company the Fidelity and Surety Company, which will indicate more accurately and exactly the character of the business done by the company and remove a now misleading word from its corporate title.

"We have conducted the surety business for twenty years," said Mr. Whelan, "and initiated and developed many of its present lines, believing in a widely distributed liability, and this may, largely, account for the splendid success of our efforts. The same rule, I believe, applied to casualty lines, will insure similar success."

"This matter has been in our minds for several years and we have simply awaited the convening of our State Legislature in order to execute our plans."

Employers Liability Field.

While the general development of surety and casualty business has contributed greatly toward this influx of new entries in the field, it is reasonably certain that the coming flood of employers liability business has been the main incentive. Every considerable State has under consideration a revision of its liability laws.

On Tuesday the Wainwright Commission appointed by Governor Hughes, of New York, to formulate a revision announced at Albany that after a patient and exhaustive research and the holding of open meetings in the principal cities of the State, its report, crystallized in the form of a proposed statute accompanying, would be submitted within two or three days.

The recommendations of the committee will include a workmen's compensation act, covering persons engaged in hazardous occupations; an optional compensation act, to cover all other trades, and the strengthening of the employers' liability law generally. Bills having these provisions will be introduced by Senator Wainwright and Assemblyman Phillips, two members of the commission.

The compulsory act, it is said, will provide that in case of death the compensation shall be \$3,000, which is twice that allowed by the English law, in case of injuries the compensation is to be at the rate of \$10 a week while the disability lasts, and in the case of total disability it is to be on a basis of \$10 a week for ten years.

In case the employer elects to waive the optional act he is to be governed by the general employers' liability law, which is to be greatly strengthened in

favor of the employee. The commission now intends to take up the causes of accidents incident to employment and their prevention.

This gives but a faint idea of the tremendous development immediately ahead for the liability underwriters.

"The Leading Fire Insurance Company of America."



WM. B. CLARK, President.
W. H. KING, Vice-President.
HENRY E. REES, Secretary.
Assistant Secretaries,
A. N. WILLIAMS, E. S. ALLEN,
E. J. SLOAN, GUY E. BWARDSLEY.

OUR BOND—YOUR SECURITY.

T. J. FALVEY, JOHN T. BURNETT,
President, Sec'y & Treasurer.



**Massachusetts
Bonding and
Insurance Co.**

Organized under
the Laws of the
Commonwealth of
Massachusetts.

Home Office, 77-81 State Street, Boston.

Capital\$500,000.00
Surplus\$250,000.00

**SURETY BONDS and BURGLARY and
THEFT INSURANCE.**

New England Mutual Life

Insurance Company

BOSTON, : : : MASS.
Chartered 1835

Assets, January 1, 1910..\$51,316,543.00
Liabilities 47,050,672.15

Surplus \$4,265,870.85

Sixty-six years of honorable dealing with its policyholders has placed the **NEW ENGLAND MUTUAL LIFE INSURANCE COMPANY** in the front rank of Life Insurance Companies of the Country.

ALFRED D. FOSTER, President.
D. F. APPEL, Vice-President.
J. A. BARBEY, Secretary.
WM. F. DAVIS, Assistant Sec'y.
J. G. WILDMAN, Assist. Sec'y.

EDWARD W. ALLEN, Manager,
220 Broadway, New York.
LATHROP E. BALDWIN, Manager,
141 Broadway, New York.
CHARLES H. STRAUSS, Gen. Ag't,
200 Fifth Ave., New York.

A WIDE PROSPECT.

The surety companies are particularly interested in the postal savings bank bill, which has just passed the Senate and is now pending in the Lower House of Congress, due to the fact that every bank used by local and branch postoffices for the deposit of receipts will be required to give a special bond. This would mean a large volume of new business in depository bonds, reaching into the nearly seventy-five thousands of postoffices, in addition to the heavy staff of employes that would be necessary to administer such a large and widely distributed banking system and its depositors.

The idea of this may be gathered from New York City postoffice alone, where there are about seventy-five branches, and each of these branches has "stations" in practically half of all the drug stores in its boundary. In Manhattan Borough alone there are 1,250 drug stores, and it is pretty certain that Brooklyn and the other boroughs have an equal number. From this it will be seen how ramified is the postal system, and, as about the same conditions exist throughout the United States (in the ratio of population) the subject looms large on the horizon.

The proposal should, in the ordinary course of events, look very good to surety agents.

FOR LIABILITY LAW.

The first meeting of the recently appointed committee of the National Civic Federation on compensation for industrial accidents and their prevention was held last Friday at the Metropolitan Life Building. August Belmont presided. There was a large attendance of members representing the various industries. The object of the committee is to urge a uniform employers' liability law in all the States.

On motion of E. W. De Leon, president of the Casualty Company of America, this resolution was passed:

This committee declares itself as unequivocally in favor of a new and more comprehensive system of compensation for industrial accidents.

Otto M. Eidlitz and Colgate Hoyt were appointed, with Mr. Belmont, as a committee to select sub-committees to adopt plans for furthering the movement. They chose one for drafting a plan of compensation that can be enforced by law, with P. Tecumseh Sherman as chairman. The other sub-committees are on statistics and cost (consisting of Sylvester C. Dunham, Hartford, Conn.; W. C. Faxon, John Mitchell, Launcelot Packer and Ralph M. Easley, and a committee on State

factory inspection, consisting of State Labor Commissioner John Williams, Louis B. Schram and W. I. Saunders.

The temper of the meeting indicated that it is the earnest purpose of the Federation to pursue this subject vigorously, and the presence of several of the eminent accident insurance people further indicated the intention to work out an equitable plan. It is a great step toward the elimination of avoidable poverty and its toll of crime.

THE STEAM BOILER HAZARD.

The 1909 record of reported boiler explosions as furnished "The Chronicle" by the Hartford Steam Boiler Inspection and Insurance Company, sheds an interesting light on this neglected employers' liability hazard and gives good campaign material for the wideawake agent and solicitor.

This is the record for 1909: Number of explosions, 550; number killed, 227; number injured, 422.

The enormous increase of installations of steam and hot water low pressure boilers for heating apartment houses, hotels and residences, public and other, and, in fact, every class of modern buildings, calls for indemnity to the owner, not only against his own property damage, but against his public and other liability as well. One of the older of the casualty companies has recently inaugurated a monthly inspection system for these so-called low pressure boilers in residences, based upon the experience that when their safety valves get rusty and the attendant is visiting for the evening explosions do occur. It is very much on the order of the so-called fireproof buildings that are reported nearly every day as having been destroyed by fire.

The entry of several big companies into the multiple casualty lines, including steam boiler, will probably liven things up a bit in that line and develop some fresh ideas of interest.

INCORPORATED 1833.

British America

Assurance Company

HEAD OFFICE, TORONTO, CANADA

UNITED STATES BRANCH.

JANUARY 1, 1910.

Assets	\$1,556,740.94
Liabilities	902,438.61
Surplus	\$ 654,302.33

Hon. GEORGE A. COX, President.
JOHN HOSKIN } Vice-Presidents.
W. R. BROCK }
W. B. MEIKLE, General Mgr.

1860 50th YEAR 1910

HOME LIFE

Insurance Company of New York.

GEORGE E. IDE, President.

Assets	\$23,626,018.63
Liabilities	21,858,691.52
(Including Deferred Dividend Fund)	
Dividend Endowment Fund	
(Deferred Dividends)	2,119,044.00
Net Surplus	1,767,327.00
Insurance in Force	92,532,583.90

The record for 1909 shows the following GAINS:

Insurance in Force	\$4,164,239.00
Assets	1,917,117.00
Deferred Dividend Reserve...	148,581.00
Contingency Reserve (Surplus)	655,149.17

THE BANKERS LIFE ASSOCIATION

DES MOINES, IOWA.

ERNEST E. CLARK, President.

Exceptional Record During twenty-nine years for

LOW RATE OF MORTALITY
ECONOMY OF MANAGEMENT
PROMPT PAYMENT OF CLAIMS
SECURITY OF ITS FUNDS

and satisfactory results
for its policyholders.

BONDS--CASUALTY

AGENTS IF YOU { Can Command Bond or Casualty business
Are seeking an Agency connection
Are not representing another like Company

ADDRESS, AGENCY DEPARTMENT,

The Empire State Surety Co.
NEW YORK

NERVE.

Last week's issue of "The Chronicle" gave briefly the story of the meeting of a number of liquor dealers on the day before issue, at which violent protests against the bonding system of the surety companies, as related to excise bonds, were made. The account was tame compared with the later one of the "New York Journal," which is of sufficient interest to surety companies generally to be reprinted in full.

The Committee of Fourteen has proven its reason for existence many times, but never so sharply as is indicated in this howl from the minions of Satan. The credit for this work is largely due to the personal activity of Dr. John P. Peters and Frederick H. Whitin, chairman and secretary respectively of the "14," the real heat and burden of which has fallen upon the latter, and to whom all commendation is due for the fearless way in which he has faced these dangerous and murderous elements, who would not hesitate an instant at any form of crime.

The "Journal" article follows, with its principal highly descriptive heading: **DIVEKEEPERS IN PACT TO VIOLATE THE LAW.**

One hundred divekeepers, at a secret conference on Wednesday, at the Plaza assembly rooms on Fifty-ninth street, formed an organization to enable them to violate the law.

As boldly expressed at the gathering, the purpose of the resort owners is to counteract a crusade initiated against them three years ago by the Committee of Fourteen, of which the Rev. John Peters is chairman and Congressman William S. Bennet is a leading supporter.

Within the last few months the divekeepers have become alarmed. Frequent raids as a result of the activity of the Committee of Fourteen, with, in many instances, the revocation of licenses as a climax, have spread terror among them. While they had gone along for years, secure in the protection the Raines law gave them, they discovered, some time ago, with the Committee of Fourteen attacking them, that some radical step must be taken if their existence was to continue.

The Committee of Fourteen struck at the foundation of the dive evil when it took up an agitation against the bonding of resorts by various surety companies which, for years, had had a rich revenue from that source. The committee found that owners of the vilest of dens were able to obtain the \$1,800 bond required by State law from all saloonkeepers. Any saloonkeeper, whether his place was classified as eminently "decent" or of the most vicious type, was able to get a responsible surety company to put up the \$1,800 bond and the cost to all was nominal.

Forced to Pay Heavy Tribute.

After the committee got to work with its crusade seven of the bonding

companies withdrew their support of the divekeepers, leaving but one that now panders to that trade. The resort owners, as a result, have been compelled to pay heavy tribute to get the requisite bonding. The surety concern exacts cash deposits of anywhere from \$750 to \$1,800 from the dive-owners, according to the character of the place operated. In no few cases, after raids and convictions, these bonds have been forfeited.

All this has had the effect of creating nothing short of a panic among the resort keepers. There are 350 of them on what is called the "black-list" of the Committee of Fourteen. These men run places of the lowest type.

Wednesday's conference of these keepers was called at the instance of a former agent for bonding companies which had catered to the resort element.

Suggests a Bonding Company.

The organizer, a shrewd-looking fellow, wearing heavy-rimmed eyeglasses, presided. What was wanted, he explained, was a bonding company to be made up of the resort keepers, which would take the place of the concern levying such heavy tribute. It was time to wage desperate war on the elements which were trying to sound the death-knell of the dive men, he said, and it was up to the resort owners to take up the cudgels.

"That's right," responded a Bowery saloonkeeper. "There's no use letting them get ahead of us. We are violating the law—no one denies that—and we have got to fight to keep them from driving us out of business. It's a fair fight."

A murmur of applause passed over the conference. The chairman went on to explain the details of the proposed organization. The dive owners, he said, would have to get up a fund of \$150,000 to start it. Of this \$75,000 would have to be deposited with the Secretary of State, and it would be necessary to have another \$75,000 to invest in securities before the bonding company could come into existence.

"But how are we to get a charter from the Secretary of State?" demanded one dive owner.

"That's easy," was the reply. "I have already made up a list of dummy incorporators. The Secretary of State won't know that the saloonkeepers are behind it. We can get our organization going, and then there won't be any trouble."

To Work at Albany, Too.

The conferees were assured that with their own bonding company no dive could be kept from doing business. As fast as a bond was forfeited the convenient organization would supply another.

The chairman informed the conference that not only would the organization be of inestimable service in supplying bonds for dives, but that it could probably do some telling work among legislators at Albany.

After a full discussion of the advantages to be derived from a stubborn fight against the Committee of Fourteen, the conference voted to organize itself into the Hotel Men's Protective Association, with the former

bonding company agent as temporary chairman.

The conferees were assured that plans would go ahead for the incorporation of the dive owners' bonding company, and that the papers would be ready for their scrutiny at a gathering to be held next Wednesday.

The idea is to have the chief dive owners purchase from \$5,000 to \$10,000 of the stock of the new concern. The others will be asked to buy as much as they can afford. Some of those at the conference pledged themselves to take \$5,000 in stock at the start and to make further purchases if necessary.

There is a recent saying that runs something about the chance of a celluloid dog chasing an asbestos cat through Hades, and it might well apply to the chance of organization of this proposed excise bonding company, for the simple reason that its sponsor is highly disrated, has been arrested several times for his operations in excise bonding matters, and because these divekeepers will not collaborate or co-operate, as has been proven in several previous efforts along the same line, due to mutual fear and distrust of each other, combined with the known hazards of such an undertaking.

Vice-President Marshall of the Union Central Life Insurance Company, of Cincinnati, Ohio, sailed last Saturday for Europe, where he expects to remain for about three months.

SAFETY FUND INSURANCE

NIAGARA

Fire Insurance Company

—OF—

NEW YORK

OFFICE:

46 CEDAR STREET, CITY.

TO WIN IN COMPETITION

Represent the Company whose agents have the strongest fighting material and the most telling arguments. Everyone knows the superiority in low cost to policyholders, (due to high interest earnings, low death and expense rate) of

THE Union Central Life Insurance Co. of Cincinnati.

Assets, \$74,523,966.29
Liabilities, \$72,224,302.92

JESSE R. CLARK, President.
ALLAN WATERS, Sup't of Agents.

BLOUNT TO TAKE AGENCY.

The opening of an insurance office in Chicago by Fred M. Blount & Sons has caused considerable comment in the insurance district there. Before Mr. Blount's connection with the Illinois Surety, from whose presidency he recently retired, he was for many years a banker. For a long time he has been prominent in Republican politics in Chicago and has a very large number of acquaintances and much influence. It is stated at his office that the firm will not be brokers, and the question naturally arises of what companies it will secure the agency.

Rumor has named one company which writes several casualty and surety lines as one which may change its Chicago arrangements, but as yet no definite announcements are forthcoming. It is not even known whether or not the ex-president will confine operations to surety business or go in for fire and casualty lines in addition.

Mr. Blount, owing to his experience as executive, will no doubt be a formidable competitor, in surety circles especially, for political business.

A LIABILITY DEADLOCK.

There is disappointment among some of the liability men in Chicago that it has not been possible so far to get an agreement on automobile liability rates. Negotiations to this end have been in progress for some time. The season is now opening and it is high time there was uniformity of rates if there is going to be any, but the agreement apparently has been thwarted by the dispute between the Travelers and the Employers Liability in the East over commissions. While many offices in Chicago have paid brokers 20 per cent. for automobile liability insurance, the sentiment was quite prevalent among managers that this was a mistake, and that the figure should have remained at 15 per cent. The branch office of the Travelers has no authority to change the company's brokerage scale of 20 per cent. without instructions from headquarters, although the local manager has shown every desire to co-operate. Because of the position of that company the brokerage rate never got beyond the discussion point. It is understood all offices in the city were ready to agree upon insurance rates, except the American Fidelity, which has its own rates. The Employers Liability, however, insisted upon the fixing of the brokerage as a condition precedent to its permitting its general agent to enter the local agreement. As the Travelers

has not consented to change its scale, the matter appears to have come to a standstill for the present. It is not likely, however, that efforts to get together on automobile rates and on other matters will be given up, as the need of co-operation is too evident and some of the managers are too much in earnest about it.

CASE OF VAN LANINGHAM.

Following "The Chronicle's" exclusive announcement a few weeks ago of the abandonment by Van Laningham of his New York venture and sudden departure for the greener pastures of the Pacific Coast, comes a wire from F. B. Lloyd, president of the Pacific Surety, concerning a two-page article in the "Underwriters Report" of San Francisco, connecting Van Laningham and the Pacific Surety's proposed increase of stock by the salesmen method, in which he denounces the article and its motive in language that cannot be misinterpreted.

Mr. Lloyd wired that he had mailed a full statement, but it had not time to reach this issue, and it is hoped to produce it next week, and will probably be of considerable interest to the whole surety world and the insurance commissioners convention.

THE PRUDENTIAL

is the most extensively advertised Life Insurance Company in the world. This advertising is a wonderful help to its Agents. You may take advantage of this great campaign. Write for information concerning agency.



THE PRUDENTIAL
Insurance Company of America.
Incorporated as a Stock Company by the State of New Jersey.
JOHN F. DRYDEN, Home Office,
President. NEWARK, N. J.
Write for Agency.

COMMERCIAL - UNION ASSURANCE CO., (LIMITED) OF LONDON.

OFFICE;

Cor. Pine & William Sts.

NEW YORK.

HARTFORD LIFE INSURANCE COMPANY, OF CONN.

1909 Policies are Participating, or Non-participating, with Lower Rates and Values based on FULL RESERVE.

For Right Contracts,
Address, Second Vice-President.

Home Office, HARTFORD, CONN.

WESTERN ASSURANCE Co.

HEAD OFFICE,
TORONTO, - - CANADA.

Incorporated 1851.

Hon. GEORGE A. COX.....President
W. R. BROCK and JOHN
HOSKIN, K. C. LL. D., Vice-Presidents
W. B. MEIKLE.....General Manager

United States Statement, Jan. 1, 1910.

Assets\$2,377,303.37
Surplus in United States..... 839,263.07

THE HOME LIFE INSURANCE COMPANY OF AMERICA

Incorporated 1899.



THE COMPANY FOR THE AMBITIOUS AGENT who desires to sell "COMMON SENSE" insurance at LOWEST COST, and who seeks, through most liberal first year and guaranteed renewal commissions, to receive just recognition of service. All policies registered, signed and sealed by the Insurance Commissioner of the State of Delaware, making them truly

SAFE AS GOVERNMENT BONDS.

Address Executive Offices, 416-18-20 Walnut Street,
PHILADELPHIA, PA.

JOHN LANGHAM, Jr.,
President.

JOSEPH L. DURKIN,
Secretary.

GEORGE M. NETTLESHIP,
Manager of Agencies.

A FIRE RISK FOLLY.

Wooden shingle roofs are one of the chief causes of conflagrations in the United States, says "Insurance Engineering," in its present issue. They abound everywhere and are constantly ready, like a powder magazine, to spread destruction on being ignited. They represent one of the greatest follies committed by the American public. The list of conflagrations to their credit is almost as long as that of general fires due to unprotected window openings. Apparently no distance is too great for them to be an important factor in spreading a fire in all directions. When the roof of a building is on fire, what chance is there of saving the building? How soon after the fire starts will it be discovered? Who will be likely to notice it first? If there is a high wind, how long will it take for embers to start other roof fires? Who will be the first to discover these fires? If the roofs of ten buildings, or fifty buildings, scattered in all directions, are burning at one time, what chance is there that the best fire department will prevent a general conflagration? Will a general conflagration be confined to the first city, or will other communities several miles away be menaced by embers carried by the wind? These questions are forcefully answered by the compilation of "roof conflagrations" printed in this number of the "Insurance Engineering," notably the conflagrations in the past year or two in Chelsea, Dallas, Fort Worth, Greenwich, Milton, Monticello, New Orleans, Manchester, Rochester, Sanger, Tampa and Three Rivers. Burning roofs mean combustible roofs. Roof fires often mean delayed alarms of fire. Many roof fires at one time mean a demoralized fire department and probably a general conflagration. The cheapest roof is one that will resist fire. If it is capable of helping to confine a fire to a building in which it originates, so much the better. If a roof is strong enough to resist the destructive effects of falling bodies, as when the wall of a higher building collapses during a fire, then it is a better barrier against the ingress of fire than a wall with unprotected windows. Roof openings, such as skylights, are about as bad as floor openings. If unprotected, fire starting in another building may easily communicate through them, as in the case of the fire of December 2, in Hopkins place, Baltimore. Skylights should have metal frames and be glazed with wireglass, except over standard elevator shafts, where plain glass with separate wire screen protection is preferable to permit the

shaft to be used to vent smoke from a fire. Old thin glass skylights may be protected by a wire screen in the manner recommended by underwriters. There is no device that will protect property owners twenty-four hours of the day against delays in the discovery of fires on roofs except a roofing material that will not support combustion.

Fred S. James & Co. have been appointed United States managers for the Campagnie d'Assurances Generales of Paris, the oldest French insurance company. This company has been doing a small surplus line business here and now expects to conduct a general agency business. It will make the required deposit of \$200,000 with the State Department, and \$300,000 with trustees.

President Henry Evans has been living such a strenuous life in his Dewey-like performance in bringing order out of the threatened chaos in the Phenix fire affairs and his successful rescue from the powerful prayers that he has been medically directed to put on a lower speed controller, go to Europe for a rest, and cut all cables behind him.

JOHN C. PAIGE & CO.

INSURANCE

65 KILBY STREET

BOSTON

LEADING FIRE COMPANY
OF THE WORLD



[of Liverpool,

England.]

Organized 1871

Life Ins. Co. of Virginia,

Home Office, Richmond, Virginia.

J. G. WALKER, President.
T. W. PEMBERTON, 1st Vice-President.
W. L. T. ROGERSON, 2d Vice-President.
E. D. HARRIS, Secretary.

The OLDEST Southern Life Insurance Company.
The LARGEST and STRONGEST Southern Life Insurance Company.
The PIONEER Southern Industrial Life Insurance Company.
Its policies are clear and definite in their provisions and their values are absolutely guaranteed.

Assets Dec. 31, 1909.....	\$5,372,691.99
Liabilities Dec. 31, 1909.....	4,312,405.32
Insurance in Force Dec. 31, 1909.....	68,337,613.00
Total Payments to Policy-holders since Organization	9,820,412.49

Hanover Fire

INSURANCE
COMPANY
of New York



Agencies
in all the Principal Places
in the United States.

The Star of Success

shines over the fields in which our agents work.

Why? Popular company, policies that cover public needs, low net cost, literature that prospects read.

Now writing the largest business in our history.

For agency information apply to

Massachusetts Mutual
Life Insurance Company
Springfield, Mass.

Incorporated 1851.

COMPARATIVE RESERVE TABLES

BY

MILES M. DAWSON

Consulting Actuary.

Containing Mean and Terminal Reserves for the
usual forms of policies and by the
following standards:

American Experience, Select and Ultimate $3\frac{1}{2}$ per cent.
American Experience, Select and Ultimate 3 per cent.
American Experience, Modified Preliminary Term $3\frac{1}{2}$ per cent.
American Experience, Modified Preliminary Term 3 per cent.
American Experience, Select and Ultimate 4 per cent.
Actuaries', Modified Preliminary Term 4 per cent.
American Experience, Committee of Fifteen, $3\frac{1}{2}$ per cent.
American Experience, Illinois and Tennessee, $3\frac{1}{2}$ per cent.
American Experience, Michigan, $3\frac{1}{2}$ per cent.
American Experience, Wisconsin, $3\frac{1}{2}$ per cent.
American Experience, New Jersey, $3\frac{1}{2}$ per cent.
H^M, Canadian Life Officers' Association, $3\frac{1}{2}$ per cent.
O^[M], Select and Ultimate, $3\frac{1}{2}$ per cent.

THIS covers all the standards, other than the net level
premiums, in use in this country. Tables showing
the first year margins set free by each method of valu-
ation are given.

Send all orders to the Publishers,

The Chronicle Co., Ltd.

No. 90 William St.

NEW YORK

Germania Fire INSURANCE CO., NEW YORK.

ORGANIZED 1859.

Cash Capital.....\$1,000,000.00
Assets\$6,562,329.14
Net Surplus.....\$2,008,419.02
Surplus for Policyholders,\$3,008,419.02

HEAD OFFICE:

Cor. William and Cedar Streets.

The Columbian National Life INSURANCE COMPANY OF BOSTON, MASS.

LIFE, ACCIDENT AND HEALTH
INSURANCE.

The Only Massachusetts
Non-Participating Company

The New Columbian Policies (Sept. '09)
are Unexcelled in Clearness and Liberality

Good Contracts and Territory for
Good Producers.

ARTHUR E. CHILDS, President.

NOTEWORTHY ADVANCE.

The BERKSHIRE LIFE Insurance Company,

OF PITTSFIELD, MASSACHUSETTS,

takes an advanced step in the interest
of the policyholder by the adoption of
the following liberal features in its new
policy contract:

Low premium rates.
Large surrender values.
Dividends at the end of each policy
year.

Thirty-one days of grace in payment
of all premiums after the first year.

Paid-up insurance or cash surrender
value or extended insurance after two
years' premiums have been paid.

Loans for the full cash surrender
value.

Policy payable in one sum or in instal-
ments for terms of years.

Policy has no restrictions upon resi-
dence or travel and is incontestable after
the first policy year, except for non-pay-
ment of premiums.

Right of the insured to change the
beneficiary.

Liberal re-instatement privileges.

Every effort has been made to make
this new policy the very perfection in a
life insurance contract.

For further information apply to
JOHN H. ROBINSON, General Agent
FRANK ALLEN, Associate General Agent
For New York and New Jersey,
Postal Building,
253 Broadway, - - - NEW YORK.

The Best, Safest, Most Liberal and Most Equitable Forms of Policy Contracts
are issued by the

JOHN HANCOCK MUTUAL LIFE INSURANCE CO. OF BOSTON, MASS.

ROLAND O. LAMB, President.

WALTON L. CROCKER, Secretary.

Issues the Most Perfect Forms of Life, Endowment, Instalment and Term
Policies Greatest Sellers in the Market.

LIBERAL CONTRACTS TO THE RIGHT MEN.

ROBERT K. EATON, Supt. of Agencies, Boston.

WILLIAM N. COMPTON, General Agent, Metropolitan District,
St. Paul Building, 220 Broadway, New York.

UNITED SURETY COMPANY BALTIMORE, MD.

HENRY G. PENNIMAN PRES.

JOHN B. MURPHY,

Resident Vice-President.

84 WILLIAM STREET - - NEW YORK

Telephone, John 1770 - 1771.



CLAIMS PAID OVER \$11,300,000	CASH CAPITAL \$500,000.00	RESERVE--SURPLUS--POLICY HOLDERS OVER \$3,300,000
----------------------------------	------------------------------	--

All forms of Accident, Sickness, Industrial
and
Liability Insurance
THE
STANDARD
Accident Insurance Co.
OF
Detroit, Michigan.
Lem W. Bowen, Pres. E. A. Leonard Sec

Metropolitan Department,
C. A. TIMEWELL, Manager,
92 William St., New York City.

The Chronicle.

1866

Published by THE CHRONICLE COMPANY, Ltd., 90 William St., New York City.

1910

VOLUME LXXXV.

New York, March 24, 1910.

NUMBER 12

PARTNERSHIP AND CORPORATION INSURANCE

pays the life agent better in proportion to the time and work involved than any other form of life underwriting. Agents who make a specialty of corporation insurance find it necessary to represent a company impregnable in strength and capable of accepting application for large amounts.

THE EQUITABLE LIFE ASSURANCE SOCIETY OF THE UNITED STATES

by reason of its strength, size and prominence, affords exceptional inducements to life agents of standing and ability who desire to take up corporation insurance as a specialty.

ADDRESS:

GEORGE T. WILSON, 2d Vice-President,
120 Broadway ; : ; ; ; ; ; : NEW YORK,

INCORPORATED 1833.

British America
Assurance Company

HEAD OFFICE, TORONTO, CANADA

UNITED STATES BRANCH.
JANUARY 1, 1910.

Assets	\$1,556,740.94
Liabilities	902,438.61
Surplus	\$ 654,302.33

Hon. GEORGE A. COX, President.
JOHN HOSKIN } Vice-Presidents.
W. R. BROCK }
W. B. MEIKLE, General Mgr.

BONDS--CASUALTY

**AGENTS
IF
YOU** { Can Command Bond or Casualty business
Are seeking an Agency connection
Are not representing another like Company

ADDRESS, AGENCY DEPARTMENT,

The Empire State Surety Co.
NEW YORK

EDITION ALMOST EXHAUSTED

SAVES TIME AND LABOR

Various Derived Tables

AMERICAN EXPERIENCE

3 and 3½%

BY

MILES M. DAWSON

TABLE OF CONTENTS.

Single Premiums, Pure Endowment.

Accumulations, Pure Endowment.

Forborne Immediate Annuities.

Accumulated Temporary Insurances.

Accumulated Increasing Insurance.

Single Premiums Endowment Insurance.

Single Premiums Temporary Insurance.

Immediate Temporary Annuities.

Valuation Columns.

SELECT AND ULTIMATE VALUES.

Single Premiums, Whole Life.

Life Annuities.

Terminal Reserves, Life, Limited Payment, Endowment.

Mean Reserves, Life, Limited Payment, Endowment.

LOGARITHMS, SEVEN PLACES.

Forborne Immediate Annuities.

Curtate Summations of D Column.

Immediate Temporary Annuities.

USES.

Computing Annual Term Insurance Premiums:

Divide temporary insurance values by immediate temporary annuities.

Computing Annual Endowment Insurance Premiums:

Divide endowment insurance values by immediate temporary annuities.

Computing Annual Pure Endowment Premiums:

Divide pure endowment values by immediate temporary annuities or take reciprocals of forborne immediate annuities.

By these means, the net extra premium for a special guaranty can be quickly and accurately computed.

Computing Annual Semi or Double Endowment Premiums:

Add temporary insurance and pure endowment values for proper amounts and divide by immediate temporary annuity.

Computing Limited Premiums:

Divide the proper single premiums by immediate temporary annuity.

Computing Surrender Values:

Extended Insurance. Find the temporary insurance value next lower than the sum to purchase extension. This gives even number of years. Apply remainder to pay for additional days according to daily differences in the table.

Extended Insurance with Fractional Paid-up Endowment:

Deduct from purchase money, value of insurance for unexpired term; multiply remainder by accumulation, pure endowment, to get amount of endowment.

Computing Terminal Reserves:

Unvarying Benefits. Multiply net premiums by forborne immediate annuity and deduct accumulated temporary insurance.

Return Premium, Full Reserve. Multiply net premium by forborne immediate annuity and deduct accumulated temporary insurance and accumulated increasing insurance, multiplied by gross premiums to be reduced.

Return Premium, Extra Reserve. Multiply net extra premiums by forborne immediate annuity and deduct accumulated increasing insurance, multiplied by gross premiums to be returned.

Warranted Commissions for New Business.

Surrender Values.

Dividends.

For these purposes the "select and ultimate" will be most useful.

SEND ALL ORDERS TO

THE CHRONICLE CO. (Ltd.)

90 William Street, New York.

The Chronicle

VOLUME LXXXV.

NEW YORK, THURSDAY, MARCH 24, 1910.

NUMBER 12

ALFRED B. DAWSON, President.
R. B. Dawson, Treasurer. Chas. D. O'Brien, Secretary.
Emil Schwab, Manager New England Department,
178 Devonshire Street, Boston, Mass.

All communications should be addressed to and remittances should be made to The Chronicle Company, Limited.
Entered at the Post Office, New York, N. Y., as Second Class Mail Matter.

PUBLISHED EVERY THURSDAY BY
THE CHRONICLE COMPANY, Limited.
No. 90 WILLIAM ST., NEW YORK.
Phone "567 John." Cable Address, "Chronogram," New York

Subscription Price:
Three Dollars a Year. Single Copies, Twenty-five Cents.
Postage Prepaid in the United States and Canada.

Evidence of Legislative Graft.

On Friday of last week a departure was made by Hon. William H. Hotchkiss, Superintendent of Insurance, from the previous practice of his department, in the matter of taking testimony relating to insurance companies and insurance affairs. This departure consisted of conducting the examination in public, so that by means of the newspapers the testimony is made public virtually as rapidly as it is taken.

Prior to the amendments of the insurance laws, obtained as a result of the investigation by the Armstrong Committee, the power of the superintendent to examine was confined to "the officers and agents of any such corporation and its books, with reference to its business" and the corporation, its officers and agents could be required to "produce its books and all papers in its or their possession relating to its business or affairs." The Armstrong laws added to this the power to examine under oath "all persons deemed to have material information regarding the company's property or business" and also that "any other person may be required to produce any book or paper in his custody deemed to be relevant to the examination."

Not Much Used Until Now.

These increased powers had not been made much use of until the present time, excepting possibly in obtaining light on some matters in connection with the examination of a company such as, for instance, during the recent People's Mutual Life Association embroglio at Syracuse; but in the investigation which was commenced last week and is now going forward, this power has been made use of to require various officials of the Board of Fire Underwriters to appear before the superintendent and

testify as to its affairs and also to require various persons who were familiar with what had been done, but who were not officers, to appear and tell their stories.

In consequence of this, a sensation much like that which was created by the disclosures of political and legislative corruption while the Armstrong investigation was in progress, has been produced; and, while up to the present time most of the testimony has shown merely that a general condition, such as was already known to exist in regard to life insurance legislation, has also existed as regards fire insurance legislation, there are not wanting indications that individuals will be found floundering in the net before the fishing has closed.

Origin of "Phony" Bills Disclosed.

The expenses refer particularly to certain queer bills which have from time to time made their appearance in Albany, apparently with the direct intention of holding up the fire insurance companies and requiring them to pay money in order to escape grievous and burdensome statutory requirements or provisions.

In addition to these, however, the investigation is turned upon the funny—indeed "phony"—amendment to section 22 of the insurance laws, which was made in 1904, under which, upon the reinsurance of excess lines in fire insurance, the ceding company would still be held for a part of the reserve, while the company taking over the business by reinsurance would only be held for the pro rata portion of the reinsurance premium as its reserve. The obvious impropriety of this legislation was pointed out by "The Chronicle" at the time, as was also the fact that the only reason why there was any occasion whatever for such a law is that the reserve re-

quirements, being on a gross premium basis, are excessive and that if there is a genuine intention to rectify the reserve requirements as applied to re-insurances, it can best be done by amending the reserve laws in general so that company will not be forced into insolvency when it holds a reserve that is in point of fact ample, being a pro rata portion of the net premium, or about 65 per cent. of the gross premium reserve nowadays required.

The effect of the bill was to place at a disadvantage all the smaller fire insurance companies which were best able to do business by reinsuring a part of the lines which they took, and thereby to throw the business more and more into the hands of a few of the largest and strongest companies which by reason of their surplus funds could take as large excess lines as they chose, reinsuring all they did not choose to carry directly, because it cut no figure with them that they were charged with a large additional reserve. The efforts of almost all good fire underwriters, whether representing large or small companies, throughout the country have been continually directed since this amendment was passed, toward obtaining its repeal and so far without effect.

The Tax Bill of 1910 Also Probed.

Another measure which called for a large amount of expenditure by the fire insurance companies, and concerning which testimony has been taken, was the tax bill of 1901, for which Hon. B. B. Odell, then governor, was directly the sponsor. The proposal was to impose a direct tax upon the surplus of insurance companies and under orders from the governor the bill was introduced, referred to the

(Continued on Page 5.)

THE CONTINENTAL AND WESTERN UNION.

The unionization of the Continental is not creating any great stir in the West. Very few agencies have changed their complexions so far, and comparatively few agents are making any statement of their intentions. Both union and non-union special agents are keeping close watch on the situation, especially in towns where they hope to gain an advantage by change. The agents are pretty shrewd. The older ones have in most instances gone through separation once, and they are laying their plans so as not to disturb their business if it can be avoided. The fact that the Continental has nearly two years yet in which to get its house in order makes haste unnecessary, and there is reason to believe that agents who are affected by its change are likely to move cautiously. Every agent has some business that he controls almost absolutely, and some on which his hold is weak. It is surmised that agents will put into companies of the class they intend to keep their business on which they have a doubtful hold and load up those they intend to let go with the business they can hold against them when they are let out. This tends to keep the field men and the companies in the dark as to the agent's real intentions.

All Watching.

The change of so important a company from one camp to another is certain to cause some inconvenience and loss, but everybody interested will be glad to see it reduced to a minimum.

In view of present unsettled conditions the agents are justified in holding back from deciding upon their course as regards unionization. President Evans does not seem to have experienced any change of views on the commission question by reason of his new environment, as he still expresses himself as in favor of contingent commission contracts with agents. While it is hardly expected that his views will overcome those of his numerous union associates, other factors may enter into the situation before the Continental's two years shall have elapsed, which will result in changes.

State Laws May Intervene.

In some of the Western States companies may find themselves relieved by law of the privilege or necessity of paying agents more than 15 per cent. flat, or some States may permit a contingent arrangement while not permitting the present Western Union graded scale of commissions. With such uncertainty as to the future, agents are likely to prepare for con-

tingencies, but make no open move until they are obliged to do so.

Peaceful Iowa.

Representatives of companies writing farm business in Iowa held another of their periodical conferences in Chicago last week. Absence of anything like demoralization has not been more apparent in Iowa farm insurance circles in years than it is now. Field conditions are very satisfactory. Nevertheless company managers are worried over the constantly increasing loss ratio on farm business. It used to be that anybody with a fair knowledge of the business who could scrape together a few thousand dollars in cash and some more in stockholders' notes could launch a company in Iowa and make money on farm business. It is so no longer. It requires the most careful underwriting to show a profit for a company that is well established and has a good reputation.

The Increased Loss Ratio.

The rates have not been reduced in several years, but the hazard is increasing constantly. The big farm barn is the great menace. While the farmer used to stack his hay and keep his implements, stock, small grain and corn in different buildings, separated more or less around the farm yard, he has grown rich and built large barns in which everything, except, perhaps, his corn and hogs are sheltered. A distributed risk has become a concentrated one, and there are now total losses where formerly there were partial ones. With the storage of larger amounts of fresh hay in large barns, lightning losses have increased.

Gasoline an Increasing Menace.

What specially troubles farm underwriters in Iowa now, however, is the increase of the gasoline hazard. So many processes are now conducted on farms that gasoline engines have been installed. Many farmers now have gasoline or acetylene illuminating systems for their houses. The latest increase in this hazard is arising from the purchase of many automobiles, which the farmers run into their barns. While the companies have charges for gasoline storage, they have not yet decided upon a satisfactory way of handling the automobile hazard.

Is Now a Special Hazard.

The Iowa farm barn has really become a special hazard and some underwriters express the opinion that the large ones ought to be rated under schedules just as special hazards are. In view of the stringent anti-compact law of Iowa and the very large number of farm agents, among whom no local organization of an effective character can exist, the problems of farm

business are particularly hard to handle, and much consideration and discussion is necessary before any practicable plan of action can be mapped out.

The Rush Has Quieted.

The unusual influx of fire companies to the Western field, which was noticeable for several years, has largely ceased. There are companies constantly entering new States, but what with failures and reinsurances, the number actually engaged in business in the various States is not growing rapidly now. There appears also to be some reaction as regards the attempts of small companies to get extensive agency plants in a hurry. Some of the companies entering States are appointing only a few agents and these at points where there is considerable business and the prospect of getting a reasonable volume without unnecessary pressure is fair.

The Small Fry Are Quitting.

While the decline of the small general agency, which represented only one or two companies for a State or two, was noticeable a year or so ago, some of the larger ones which handle "fleets" are growing. These agencies have volume enough to warrant the employment of field men of ability, which raises the tone of the field somewhat. Their practice of reinsuring back and forth among the companies enables even small ones to take fair gross lines and it is not necessary to plant every company everywhere in order to get a fair volume of business.

Disillusionment.

The last couple of years has tended to disabuse the minds of underwriters in small companies of the fiction that there was so much velvet in the business that they could make money on it regardless of expense. Some of the smaller companies now entering parts of the field are watching the expense account with the utmost care, preferring to make haste slowly rather than get a volume of business at a cost which is bound to make it unprofitable in the end.

HARTFORD LIFE

INSURANCE COMPANY, OF CONN.

1909 Policies are Participating, or Non-participating, with Lower Rates and Values based on FULL RESERVE.

For Right Contracts,
Address, Second Vice-President,
Home Office, HARTFORD, CONN.

EMPLOYERS LIABILITY COMMISSION REPORT.

The Employers' Liability Commission, composed of the Senate and of the Assembly, and of appointees of Governor Hughes, which has been at work for the past year studying employers' liability laws of the State and the workmen's compensation laws of other countries, has reported recommending compensation without regard to negligence in cases of certain hazardous occupations, as follows:

The erection or demolition of any bridge or buildings in which there is or in which the plans and specifications require iron or steel framework; the operation of elevators, elevating machines or derricks or hoisting apparatus used within or on the outside of any such bridge or building for the hoisting of materials for such erection; work on scaffolds of any kind elevated twenty feet or more above the ground, water or floor beneath in the erection, construction, painting, alteration or repair of buildings or structures; the construction of tunnels or subways; all work carried on under compressed air; construction, operation, alteration or repair of wires, cables, switchboards, or apparatus charged with electric currents; all work necessitating dangerous proximity to gunpowder, blasting powder, dynamite or any other explosives, where the same are used as instrumentalities of the industry; the operation on steam railroads or locomotives, engines, trains, motors or cars propelled by gravity or steam, electricity or other mechanical power, or the construction or repair of steam railroad tracks and roadbeds over which such locomotives, engines, trains, motors or cars are operated.

For these occupations it is provided that there shall be compensation for all accidents, if the workman is injured in the employment either by the negligence of the employer, his agents or employees, or the necessary risk or danger of the employment or one inherent in the danger thereof and without regard to the negligence of the workman who is killed or injured.

Rate of Compensation.

For this class it is proposed that the compensation shall, in event of death, be four years wages, not exceeding \$3,000, in event of total disability, 50 per cent. of the average wages while disabled, and in event of partial disability 50 per cent. of the impairment of the earning power, provided that the weekly compensation shall not be more than \$10, and also that the payments shall not extend beyond a period of eight years. In event of the death of the workman caused by accident the compensation is payable only in case the decedent leaves a widow or a parent or a child.

It is provided that the rights of action now existing either at common law or under any statute, shall not be impaired by this legislation, but that the injured workman or his next of kin must elect, at the time of bring-

ing action, whether to claim under the compensation act or under the liability law, and must abide by such election.

Similar to the British Act.

This bill is similar in many respects to the British compensation law except that it pays four years' wages instead of three in event of death, and limits the weekly compensation in event of injury to \$10, and a period not exceeding eight years; and also excepting that if there is an election to sue under the existing laws there will be a total failure to recover in event that suit is not successful, whereas in Great Britain the court trying the same is empowered and directed to assess the compensation under the compensation act and give award for the same.

The British law, like this proposed compensation act, limits the application of the same to certain hazardous occupations and although it has since been very much extended it does not even yet apply to all employees.

An Optional Measure for Other Occupations.

Another bill has also been offered on behalf of and under the recommendation of the committee, provided that by agreement employer and his employees may introduce compensation for industrial accidents as a complete substitute for employers' liability by making such agreement and filing it with the county clerk. The schedule of compensation is as per the bill relating to hazardous occupations.

This second bill also introduces material modifications of the present liability act as by requiring the employer to prove contributory negligence instead of requiring the employee to

prove that he was not negligent, as by modifying the fellow servants rule, as by holding the employer liable for the negligence and not the employee, who is "entrusted with any superintendence," or "with authority to direct, control or command an employee in the performance of the duty of such employee," and as by all but abrogating the defense of assumption of the risk.

1860 50th YEAR 1910

HOME LIFE

Insurance Company of New York.

GEORGE E. IDE, President.

Assets	\$23,626,018.63
Liabilities	21,858,691.52
(Including Deferred Dividend Fund)	
Dividend Endowment Fund	
(Deferred Dividends)	2,119,044.00
Net Surplus	1,767,327.00
Insurance in Force.....	92,532,583.00

The record for 1909 shows the following GAINS:

Insurance in Force	\$4,164,239.00
Assets	1,917,117.00
Deferred Dividend Reserve...	148,581.00
Contingency Reserve (Surplus)	655,149.17

WESTERN ASSURANCE Co.

HEAD OFFICE,

TORONTO, - - CANADA.

Incorporated 1851.

Hon. GEORGE A. COX.....	President
W. R. BROCK and JOHN	
HOSKIN, K. C. LL. D.....	Vice-Presidents
W. B. MEIKLE.....	General Manager

United States Statement, Jan. 1, 1910.

Assets	\$2,377,303.37
Surplus in United States.....	839,268.07

OLDEST
IN
AMERICA

STRONGEST
IN THE
WORLD

THE MUTUAL LIFE Insurance Company of New York

Mutual Life Agents Make Most Money
Because Mutual Life Policies Sell Most Freely

For terms to producing agents, address

GEORGE T. DEXTER

2nd Vice-President

34 Nassau Street

New York, N. Y.

A LIE OR A MISCONCEPTION.

One of Platt's reminiscences was as to the morning when he was to appear before the insurance investigating committee. Robert C. Morris, now president of the Republican Club of New York, was Platt's counsel, and was with Platt just before Platt got into his cab to appear before the investigating committee. Platt went to his safe in his old offices at 49 Broadway and took out a bunch of papers.

"What are those papers?" inquired Morris.

"Read them yourself," replied Platt, "and they will tell you that they won't rough me very hard to-day."

Platt was on the stand only a short time. The contents of the papers had been made known to those directly interested in the investigation.—From several daily and other papers.

If there are anywhere to be found persons who can believe that anything Senator Platt could have flashed upon an astonished and admiring world, would have deterred Charles E. Hughes—and he, alone, at all times decided what lines of inquiry should be followed in the investigation—from doing his full duty or would have resulted in anything except that all such papers would have been promptly dragged forth into the light of day, had Charles E. Hughes known what they were and that they were on hand—why, then, there are persons who can believe it, may Heaven be considerate of their mental condition!

When Thomas C. Platt left the witness stand after Charles E. Hughes had uncovered the venality of the Republican State machine under his direction, there was no longer a soul so base as to do him reverence, in the length and breadth of the nation. And then and there commenced the tearing down of the system of party and legislative blackmail which it is now granted Charles E. Hughes, through his worthy appointee, the superintendent of insurance, to complete and, let us hope, to render its return forever impossible.

A FIFTH WHEEL.

In the United States there is a physician to every 568 inhabitants, according to the "Philadelphia Record." Speaking further, it says that in Europe the proportion is one physician to 1,500 inhabitants. Also that the overproduction in this country comes from insufficient and low-grade teaching. It would be a curious inquiry in taking the above figures as trustworthy, to compare the mortality statistics of countries where there are too many doctors with countries where there are too few, or only the voodoo type. Some years ago a very distinguished Philadelphia physician, now dead, declared "that if all the doctors in the country were decapitated, except the sur-

geons, there would be no change in the death rate. The surgeons and the nurses would save the day."

Which seems to imply that a physician's sign suggests to nervous, balky and lonesome folks that they need one, as a barber's pole suggests a hair-cut or a shave.

A motion is in order to abolish barber shops and give whiskers a chance.

There is just one point about the statistics of the "Record" which arouses inquisitiveness, always in bad form but nevertheless irresistible, and that is as to what it calls a physician in the United States. Surely its figures are neither based solely on the directories nor upon the diplomas that have been granted by medical schools. If they have been the grain of salt will reduce the figure about 90 per cent.

This is a case where a comparison is intensely odious, because in Germany and England the practice of medicine is a profession and science in reality. Here—well just call it a huckster's trade, for the most part.

THE DEADLY DRINKING CUP.

With the nearby advent of spring and the development of the germs of disease it is worth while to take warning from the Board of Health of the State of Kansas, which has issued a summary rule abolishing the old-fashioned germ laden drinking cups from schools, railway trains and stations and other public places.

For years the general communion cup has been being rapidly abandoned by the churches and the individual cup substituted. The sanitary reasons are obvious and the results are equally obvious. There is probably no more deadly single disease promulgator than the public drinking cup that could be conceived, and that would be a public toothbrush.

The Kansas Ruling.

This is the regulation now in force in Kansas, and it should be promptly followed by every municipal government. A fine of not less than \$50 nor more than \$500 is the penalty for violation.

The regulation follows:

Whereas, it has been repeatedly demonstrated that the use of what is usually known as the common drinking-cup is dangerous and is an undoubted source of communication of infectious diseases; now, therefore, in the interest of the public health,

Be it ruled by the Kansas State Board of Health:

That the use of the common drinking-cup on railroad trains, in railroad stations, in the public and private schools and the State educational institutions of the State of Kansas is hereby prohibited.

No person or corporation in charge or control of any railroad train, or station, or public or private school, or State educational institution, shall furnish any drinking-cup for public use, and no such person or corporation shall permit on said railroad train, station, or at said public or private school or State educational institution, the common use of the drinking-cup.

TWO CHAUFFEURS SENT UP.

Justice Crane of the Supreme Court in Brooklyn sentenced two chauffeurs, George Fenn and James F. Cross, to six months in the penitentiary Tuesday, for running over and killing William Jardine several months ago. The chauffeurs were convicted of manslaughter in the second degree.

A few convictions like these will sharply curtail the terrible carnage by the drunken and reckless motorists. If the auto makers are wise in their own interests they will endeavor to avoid further inflaming public sentiment, now already at feverish temperature, on this subject.

Insurance Commissioner Barton of Nebraska has received a pledge from the Court of Honor, a Springfield, Ill., fraternal society, that it will cease to employ special agents to handle death claims. He has also received a pledge from the Fraternal Order of Ben Hur that hereafter only elective delegates will be permitted to vote in its sovereign law-making body.

Fraternal Tributes, a fraternal insurance society of Rock Island, Ill., wrecked by claims arising from a brief union with American Home Circle, has voted to disband and reinsure in the Northern Life Insurance Company of Illinois.

"THE COMPANY WITH THE PYRAMID"

40 CONSECUTIVE YEARS OF PYRAMIDAL PROGRESS

ASSETS	SURPLUS
1,000,000.00	1,000,000.00
2,000,000.00	2,000,000.00
3,000,000.00	3,000,000.00
4,000,000.00	4,000,000.00
5,000,000.00	5,000,000.00
6,000,000.00	6,000,000.00
7,000,000.00	7,000,000.00
8,000,000.00	8,000,000.00
9,000,000.00	9,000,000.00
10,000,000.00	10,000,000.00
11,000,000.00	11,000,000.00
12,000,000.00	12,000,000.00
13,000,000.00	13,000,000.00
14,000,000.00	14,000,000.00
15,000,000.00	15,000,000.00
16,000,000.00	16,000,000.00
17,000,000.00	17,000,000.00
18,000,000.00	18,000,000.00
19,000,000.00	19,000,000.00
20,000,000.00	20,000,000.00
21,000,000.00	21,000,000.00
22,000,000.00	22,000,000.00
23,000,000.00	23,000,000.00
24,000,000.00	24,000,000.00
25,000,000.00	25,000,000.00
26,000,000.00	26,000,000.00
27,000,000.00	27,000,000.00
28,000,000.00	28,000,000.00
29,000,000.00	29,000,000.00
30,000,000.00	30,000,000.00
31,000,000.00	31,000,000.00
32,000,000.00	32,000,000.00
33,000,000.00	33,000,000.00
34,000,000.00	34,000,000.00
35,000,000.00	35,000,000.00
36,000,000.00	36,000,000.00
37,000,000.00	37,000,000.00
38,000,000.00	38,000,000.00
39,000,000.00	39,000,000.00
40,000,000.00	40,000,000.00

NEW HAMPSHIRE

2,937,319.76	840,940.17
3,163,880.05	946,763.34

FIRE INSURANCE CO.

3,779,569.67	1,154,810.10
3,877,444.70	1,254,867.00
3,975,319.76	1,354,924.17
4,073,194.81	1,454,981.34
4,171,069.86	1,555,038.51
4,268,944.91	1,655,095.68
4,366,819.96	1,755,152.85
4,464,695.01	1,855,210.02
4,562,570.06	1,955,267.19
4,660,445.11	2,055,324.36
4,758,320.16	2,155,381.53
4,856,195.21	2,255,438.70
4,954,070.26	2,355,495.87
5,051,945.31	2,455,553.04
5,149,820.36	2,555,610.21
5,247,695.41	2,655,667.38
5,345,570.46	2,755,724.55
5,443,445.51	2,855,781.72
5,541,320.56	2,955,838.89
5,639,195.61	3,055,896.06
5,737,070.66	3,155,953.23
5,834,945.71	3,256,010.40
5,932,820.76	3,356,067.57
6,030,695.81	3,456,124.74
6,128,570.86	3,556,181.91
6,226,445.91	3,656,239.08
6,324,320.96	3,756,296.25
6,422,196.01	3,856,353.42
6,520,071.06	3,956,410.59
6,617,946.11	4,056,467.76
6,715,821.16	4,156,524.93
6,813,696.21	4,256,582.10
6,911,571.26	4,356,639.27
7,009,446.31	4,456,696.44
7,107,321.36	4,556,753.61
7,205,196.41	4,656,810.78
7,303,071.46	4,756,867.95
7,400,946.51	4,856,925.12
7,498,821.56	4,956,982.29
7,596,696.61	5,057,039.46
7,694,571.66	5,157,096.63
7,792,446.71	5,257,153.80
7,890,321.76	5,357,210.97
7,988,196.81	5,457,268.14
8,086,071.86	5,557,325.31
8,183,946.91	5,657,382.48
8,281,821.96	5,757,439.65
8,379,697.01	5,857,496.82
8,477,572.06	5,957,553.99
8,575,447.11	6,057,611.16
8,673,322.16	6,157,668.33
8,771,197.21	6,257,725.50
8,869,072.26	6,357,782.67
8,966,947.31	6,457,839.84
9,064,822.36	6,557,897.01
9,162,697.41	6,657,954.18
9,260,572.46	6,758,011.35
9,358,447.51	6,858,068.52
9,456,322.56	6,958,125.69
9,554,197.61	7,058,182.86
9,652,072.66	7,158,239.03
9,749,947.71	7,258,296.20
9,847,822.76	7,358,353.37
9,945,697.81	7,458,410.54
10,043,572.86	7,558,467.71
10,141,447.91	7,658,524.88
10,239,322.96	7,758,582.05
10,337,198.01	7,858,639.22
10,435,073.06	7,958,696.39
10,532,948.11	8,058,753.56
10,630,823.16	8,158,810.73
10,728,698.21	8,258,867.90
10,826,573.26	8,358,925.07
10,924,448.31	8,458,982.24
11,022,323.36	8,559,039.41
11,120,198.41	8,659,096.58
11,218,073.46	8,759,153.75
11,315,948.51	8,859,210.92
11,413,823.56	8,959,268.09
11,511,698.61	9,059,325.26
11,609,573.66	9,159,382.43
11,707,448.71	9,259,439.60
11,805,323.76	9,359,496.77
11,903,198.81	9,459,553.94
12,001,073.86	9,559,611.11
12,098,948.91	9,659,668.28
12,196,823.96	9,759,725.45
12,294,699.01	9,859,782.62
12,392,574.06	9,959,839.79
12,490,449.11	10,059,896.96
12,588,324.16	10,159,954.13
12,686,199.21	10,259,011.30
12,784,074.26	10,359,068.47
12,881,949.31	10,459,125.64
12,979,824.36	10,559,182.81
13,077,699.41	10,659,239.98
13,175,574.46	10,759,297.15
13,273,449.51	10,859,354.32
13,371,324.56	10,959,411.49
13,469,199.61	11,059,468.66
13,567,074.66	11,159,525.83
13,664,949.71	11,259,583.00
13,762,824.76	11,359,640.17
13,860,699.81	11,459,697.34
13,958,574.86	11,559,754.51
14,056,449.91	11,659,811.68
14,154,324.96	11,759,868.85
14,252,199.01	11,859,926.02
14,350,074.06	11,959,983.19
14,447,949.11	12,059,040.36
14,545,824.16	12,159,097.53
14,643,699.21	12,259,154.70
14,741,574.26	12,359,211.87
14,839,449.31	12,459,269.04
14,937,324.36	12,559,326.21
15,035,199.41	12,659,383.38
15,133,074.46	12,759,440.55
15,230,949.51	12,859,497.72
15,328,824.56	12,959,554.89
15,426,699.61	13,059,612.06
15,524,574.66	13,159,669.23
15,622,449.71	13,259,726.40
15,720,324.76	13,359,783.57
15,818,199.81	13,459,840.74
15,916,074.86	13,559,897.91
16,013,949.91	13,659,955.08
16,111,824.96	13,759,012.25
16,209,699.01	13,859,069.42
16,307,574.06	13,959,126.59
16,405,449.11	14,059,183.76
16,503,324.16	14,159,240.93
16,601,199.21	14,259,298.10
16,699,074.26	14,359,355.27
16,796,949.31	14,459,412.44
16,894,824.36	14,559,469.61
16,992,699.41	14,659,526.78
17,090,574.46	14,759,583.95
17,188,449.51	14,859,641.12
17,286,324.56	14,959,698.29
17,384,199.61	15,059,755.46
17,482,074.66	15,159,812.63
17,579,949.71	15,259,869.80
17,677,824.76	15,359,926.97
17,775,699.81	15,459,984.14
17,873,574.86	15,559,041.31
17,971,449.91	15,659,098.48
18,069,324.96	15,759,155.65
18,167,199.01	15,859,212.82
18,265,074.06	15,959,269.99
18,362,949.11	16,059,327.16
18,460,824.16	16,159,384.33
18,558,699.21	16,259,441.50
18,656,574.26	16,359,498.67
18,754,449.31	16,459,555.84
18,852,324.36	16,559,613.01
18,950,199.41	16,659,670.18
19,048,074.46	16,759,727.35
19,145,949.51	16,859,784.52
19,243,824.56	16,959,841.69
19,341,699.61	17,059,898.86
19,439,574.66	17,159,956.03
19,537,449.71	17,259,013.20
19,635,324.76	17,359,070.37
19,733,199.81	17,459,127.54
19,831,074.86	17,559,184.71
19,928,949.91	17,659,241.88
20,026,824.96	17,759,299.05
20,124,699.01	17,859,356.22
20,222,574.06	17,959,413.39
20,320,449.11	18,059,470.56
20,418,324.16	18,159,527.73
20,516,199.21	18,259,584.90
20,614,074.26	18,359,642.07
20,711,949.31	18,459,699.24
20,809,824.36	18,559,756.41
20,907,699.41	18,659,813.58
21,005,574.46	18,759,870.75
21,103,449.51	18,859,927.92
21,201,324.56	18,959,985.09
21,299,199.61	19,059,042.26
21,397,074.66	19,159,099.43
21,494,949.71	19,259,156.60
21,592,824.76	19,359,213.77
21,690,699.81	19,459,270.94
21,788,574.86	19,559,328.11
21,886,449.91	19,659,385.28
21,984,324.96	19,759,442.45
22,082,199.01	19,859,499.62
22,180,074.06	19,959,556.79
22,277,949.11	20,059,613.96
22,375,824.16	20,159,671.13
22,473,699.21	20,259,728.30
22,571,574.26	20,359,785.47
22,669,449.31	20,459,842.64
22,767,324.36	20,559,899.81
22,865,199.41	20,659,957.98
22,963,074.46	20,759,015.15
23,060,949.51	20,859,072.32

TOTAL LIABILITIES \$2,585,953.23
POLICY-HOLDERS SURPLUS \$2,610,064.23

EVIDENCE OF LEGISLATIVE GRAFT.

(Continued from Page 1.)

insurance committee and immediately reported favorably without opportunity being granted for a hearing. In consequence of this there was a great deal of public outcry against the obvious unfairness of such a course and the senate committee was compelled to recall the bill and grant a hearing at the end of which the governor surrendered and changed the basis to a tax upon premiums collected in the State of New York.

Full Disclosure is Hoped For.

There is no doubt a strong indisposition on the part of men who have represented institutions which have been blackmailed, to "snitch" upon the blackmailers and although undoubtedly the memories of witnesses who are called upon to testify to transactions which are from eight to ten years old are doubtless faulty, there is a widespread belief that when it is seen to be quite the honorable thing to do, persons will step forth who can tell just what members of the Legislature received the relatively large aggregate sums disbursed. The testimony of Mr. Kennedy and of President Seward, of the Fidelity and Casualty, brings it very close to that; and the disclosures of the activities of Mr. Buckley may at any moment result in fixing the responsibility upon the guilty legislators.

The people of the State and county are undoubtedly not in a frame of mind, likewise, to endure concealment, and therefore, it is to be hoped that persons who do know of these things will come forward and aid the governor of the State of New York and the superintendent of insurance, who is doing his duty unflinchingly, to furnish a basis for such a housecleaning as will enable the legislature of the State to redeem itself and also will enable such legislation to be framed and methods to be adopted as will render it highly improbable that the machinery of a great political party in and out of the legislature will ever again be directed toward exploiting and despoiling the business interests of the State under a threat of unfavorable legislation.

AN AWKWARD ATTEMPT.

For some months "The Chronicle" has been calling attention to the operations of certain so-called Lloyds, of London, on this side. An extensive article was recently printed concerning the W. H. Crane Company, which purported to be a regular Lloyds' group of underwriters.

At that time it developed that it was composed of Americans whose names could not be traced over here and who had absolutely no connection with the genuine Lloyds. It seemed a dumified bunco band.

This was brought to the attention of the governing committee of Lloyds, of London, and has resulted in the promulgation of the following by that staunch old arm of the British Government:

The committee of Lloyds have recently received a form of policy which has been offered by the W. H. Crane Company to persons resident in America, headed:

**"LONDON LLOYDS MARINE POLICY."
"SIGNED BY UNDERWRITING MEMBERS ONLY."**

The wording is that of an ordinary Lloyds marine policy, and attached is a set of clauses commonly used by Lloyds and insurance companies for business similar to that to which the policy form in question relates, and names purporting to be those of the underwriters are stamped on the policy in the form and manner customary at Lloyds.

Inquiries have been made at the office of the W. H. Crane Company as to the financial status of these alleged underwriters, but little information has been given beyond a general statement that they are Americans.

Investigations made in America have been equally fruitless of result, and the committee of Lloyds have no hesitation in advising the public to have nothing whatever to do with these policies offered by the W. H. Crane Company, or with those on forms headed "British Underwriters," "Royal Underwriters," "Royal Alliance Underwriters," or "Imperial Underwriters."

This action by Lloyds is somewhat belated but is better than the indifference of the past. With it really aroused to action, as indicated by its recently having a voluntary housecleaning of its doubtful membership, and its now evident purpose to drive out the frauds and knaves who trade upon its good name, there is hope that conjoined action by the New

York Insurance Department may drive these semi-soldiers of fortune into an obscurity from which they may only emerge in disguise—or disgrace.

SUCH IS FAME!

"A Name Misspelled, a Bad Portrait and a Worse Bust."—Byron.

The "New York Times," in enlightening its readers about the labors of the Superintendent of Insurance of the State of New York, in the present investigation, which were already attracting much public attention, printed the following appreciative words at the head of its editorial column on Monday last:

The inquiry which Mr. Hitchcock of the Insurance Department is conducting into the methods of certain fire insurance companies in influencing legislation throws a good deal of light on the workings of the machinery of the Republican party, its character, and aims.

A Larger Income for Equal Energy IS ASSURED

MEN WHO SPECIALIZE WRITING INCOME INSURANCE

THEIR RENEWAL COMMISSIONS ARE NEVER REDUCED!
The Accumulation Feature Holds the Insured

Accident and Health Insurance Has Grown FIVE Times Faster Than Life or Fire Insurance in the Last 25 Years.

It is the ONLY Necessity of Life that has NOT INCREASED IN COST.

THE CONTINENTAL CASUALTY COMPANY

H. G. B. ALEXANDER, PRESIDENT
GENERAL OFFICES: CHICAGO

IS THE GREATEST HEALTH AND ACCIDENT INSURANCE COMPANY

MOST LIBERAL CONTRACTS TO ITS AGENTS	IN THE WORLD !!!	MOST LIBERAL POLICIES AND PROMPT PAY
--------------------------------------	------------------	--------------------------------------

CHICAGO'S GREATEST COMPANY

ILLINOIS LIFE INSURANCE CO.

OLDEST IN CHICAGO CHICAGO LARGEST IN ILLINOIS
JAMES W. STEVENS, PRESIDENT

We Guarantee where others Promise

The year 1909 was the most successful in this company's already splendid record of successful years.

INSURANCE IN FORCE
FIFTY MILLION DOLLARS

IN NEW ENGLAND

EXCHANGE ADOPTS LUMBER RATES AND AMENDS CONSTITUTION.

The matter of lumber rates (not applying to retail yards), which has been before the New England Insurance Exchange for several months, was settled at last Saturday's meeting by the adoption of the following schedule:

Portable sawmills	\$10.00
Lumber or logs within one hundred (100) feet of sawmill or other woodworking manufactory—Same rate as exposure.	
Lumber piled on cleared land—	
If policies contain the Piled Lumber Clause	3.57
If policies contain the Piled Lumber Clause and the Standard 80 per cent. Reduced Rate Clause.....	2.50
Lumber piled on pasture or meadow land—	
If policies contain the Open Lot Lumber Clause.....	4.28
If policies contain the Open Lot Lumber Clause and the Standard 80 per cent. Reduced Rate Clause.....	3.00
If policies contain the Open Lot Lumber Clause and Piled Lumber Clause.....	2.14
If policies contain the Open Lot Lumber Clause, the Piled Lumber Clause and the Standard 80 per cent. Reduced Rate Clause.....	1.50

Piled Lumber Clause.

In consideration of the reduced rate at which this policy is written, it is expressly stipulated and made a condition of the contract that a clear space of one hundred (100) feet shall be maintained between the lumber hereby insured and any standing wood, brush, steam railroad, steam or water power sawmill, planning mill or refuse burner, and four hundred (400) feet clear space shall be maintained between said lumber and any portable steam sawmill.

Open Lot Lumber Clause.

In consideration of the reduced rate at which this policy is written, it is expressly stipulated and made a condition of this contract, that the lumber hereby insured has been drawn from the forest lot on which it was cut and sawed, and piled on pasture or meadow land.

Article III. of the constitution was amended in the sense of reducing the number of vice-presidents to two, and making provision for the composition of the executive committee, and reads as follows:

The officers shall consist of a president, first and second vice-president and an executive committee consisting of a chairman and five other members. The officers shall be elected by ballot at the annual meeting of the

exchange, which shall be held on the first Saturday after the first Monday in January of each year.

At the annual meeting in January, 1911, there shall be elected a president, a second vice-president and three members of the executive committee for one year; also a first vice-president, chairman of the executive committee and two members of the executive committee for two years; after which all officers shall be elected for two years as their terms expire.

The president and vice-president shall be ex officio members of the executive committee, and all officers shall hold their office until their successors are elected.

All vacancies shall be filled by the executive committee for the unexpired term. The president and chairman of the executive committee shall not be eligible for re-election to the same office until the expiration of one year.

A secretary, who shall also act as treasurer, shall be appointed by the executive committee at a compensation to be fixed by them, and he shall hold office during their pleasure, subject to the approval of the exchange.

A new article V of the by-laws was adopted, which substitutes for the somewhat spontaneous method of nominating and electing officers, heretofore in vogue in the Exchange, a more deliberate and orderly course, as follows:

During the first week of November in each year, the secretary shall notify members by circular that at the meeting of the exchange to be held six weeks prior to the annual meeting, there will be elected a nominating committee. At the above mentioned meeting, a nominating committee of five members shall be elected by ballot in the following manner: each member present shall be entitled to cast a ballot containing not more than five names, and the five having the highest number of votes shall be declared as constituting the nominating committee.

It shall be the duty of the nominating committee to present to the secretary within two weeks of their election, nominations for each office, the term of which expires at the next annual meeting, and the secretary shall post such list in the assembly room and the general office not later than 10 a. m. on the fourth Saturday previous to the annual meeting, and shall notify members by circular during the following week of the list of nominations.

Other nominations may be made only by petition signed by twenty-five active members, by filing such petition with the secretary previous to the Saturday next preceding the annual meeting, and the secretary shall, not later than 10 a. m. on the Saturday next preceding the annual meeting, post such nominations and also notify members in the same way as provided for the nominations made by the nominating committee.

The secretary shall have printed ballots prepared for use at the annual meeting, which shall contain the names of all persons nominated in accordance with the foregoing. A majority of all the votes cast shall be necessary for an election to any office.

The Massachusetts Savings Banks Insurance Fiasco, as Viewed by a Reformer of Another Stripe.

Truly, an old saying might be paraphrased to read: "When insurance reformers' fall out, practical men get the truth"; witness the following considerations which Reformer Erving Winslow, of Boston, who wants life insurance, by the State, advances in a letter to "The Herald," in regard to the failure of the Massachusetts Savings bank insurance scheme:

There is no disposition to be censorious toward the savings bank insurance scheme or the Massachusetts Savings Insurance League, the latter constituted with large funds which enable it to carry on an active campaign involving the employment of eminent legal counsel.

In answer to the letter of your correspondent it might be said that he makes rather a strained comparison between the time necessary to "educate" the people to this method of insurance and that assumed to be required to educate the managers of savings banks, men of wisdom, experience and foresight, to take hold of an undertaking into which it has been found impossible to dragoon them!

May it not be temperately asserted that a scheme is conspicuously non-successful which was intended to be adopted by the savings banks of the State of Massachusetts, 189 in number, when only two of them, a little

T H E PROVIDENT LIFE AND TRUST COMPANY OF PHILADELPHIA

Insurance in Force, \$214,509,255.00
(Paid for Basis)

Assets \$70,514,350.45
(Market Value, Dec. 31, 1909)

Contingency Reserve . \$9,207,276.38
(Inclusive of Capital Stock, \$1,000,000.)

The Provident has been particularly distinguished for the development of a highly trained force of agents. The systematic instruction which its agents receive has resulted in their being recognized as representatives of exceptional knowledge of the business and of marked efficiency.

over 1 per cent., have taken up the scheme, or, as far as is known, have shown any intention of taking hold thereof? (Fortunately the South-bridge Savings Bank was not numbered among the minute fraction of experimentalists).

The non-success of the counter insurance system indicates to your sanguine correspondent a "promising field!" Yet little or no insurance would have been furnished thereby to the Whitman and Brockton Savings Banks. Their business came almost wholly from agencies established in manufacturing concerns where the Massachusetts Savings Insurance League through its paid representatives has been given opportunity for its propaganda. There was a sufficient warning in this respect, it might have been supposed, in the entire failure of counter insurance in England.

Once more, your correspondent alludes to a state insurance system, which simply consists in giving by the State that entire protection which it has been found impossible to offer to the insured under any system of inspection or control, as a "more socialistic scheme" than the savings insurance device. As a matter of fact, it is proposed in a State insurance plan that the whole expense should become a charge upon the co-operative undertaking, whereas the present scheme is so far "socialistic" that it furnishes a medical expert and an insurance expert, and supplies printed books and other forms needed for carrying on the business. It has, of course, already created a bureaucracy which furnishes it with a corps of advocates and defenders.

While writing, a friend reminds me of the fact that "the setting apart of a dividend by the savings insurance bank, which was so generally advertised through the newspapers, is akin to the dividends paid by gold mining propositions that begin to return 1 per cent. a month as soon as the unfortunate subscriber's money has been paid in, entirely regardless of the fact that no dividends have really been earned. If the contributions on the part of the State and of the misguided friends of the scheme should be added to the expense incurred by the savings insurance banks the public would readily see how far from being in the position to rebate any of the premiums the savings insurance banks are."

The savings bank experiment might have been welcome as in a certain way a step toward the one safe, economical and popular method of insurance, but unfortunately the non-success of headlong and unadvised attempts in the direction of a reform inevitably hinder and delay its adoption.

Join Forces April 1.

Boston, March 23 (Special)—Arrangements were completed to-day by which the Boston fire insurance offices of A. M. Bullard & Co. and Cyrus Brewer & Co. are to unite as of April 1, A. M. Bullard becoming the senior member of the firm of Cyrus Brewer & Co. The Fidelity-Phenix, the Royal Exchange Assurance and the German Alliance will be added to the representation of Cyrus Brewer & Co. The

new firm will consist of Alfred M. Bullard, Arthur B. Gilmour, Arthur K. Pope and William T. Ulman and the companies represented by the combined agencies are these: Fidelity-Phenix of New York, Royal Exchange of London, German Alliance of New York, Phoenix of London, American of New York, Delaware of Pennsylvania, Providence-Washington of Rhode Island and the Virginia Fire & Marine. This combination will doubtless be one of the most important agency unions ever consummated in Boston, and will stand second as to volume of premium income, according to the latest returns. Mr. Bullard, the head of the new firm, has been thirty-eight years in the service of the Phenix, and all the other members are well known and experienced insurance men.

New England Brevities.

The bill of Insurance Commissioner Hardison, defining the classes of insurance and amount of capital required, also that calling for standard provisions in accident policies, have been referred to the Massachusetts legislative insurance committee to a sub-committee, comprising Representatives Montague, Vinson and Cavanaugh, and an early report is looked for.

The Massachusetts Legislature has passed an enactment, permitting the payment of commissions, by companies other than life, in case of policies under which they or authorized representatives are insured; also an act prohibiting the use of fire balloons.

Fred M. Blount & Sons, of Chicago, have been appointed agents for Cook County of the Massachusetts Bonding.

To-morrow evening George A. Palmer will speak before the Boston Insurance Library Association on "Marine Underwriting," and Mayor How-

ard will discourse on the recent city election in Salem, Mass., of which he is the picturesque outcome.

Henry G. Morse, president of the Fitchburg (Mass.) Mutual Fire Insurance Company, died Sunday night, aged 72.

The Merchants Fire of New York has applied for admission to Massachusetts, and the Union Fire of Buffalo has withdrawn.

The Haverhill (Mass.) board has joined the N. A. of L. F. I. A.

FEDERAL LIFE INSURANCE COMPANY CHICAGO

ISAAC MILLER HAMILTON, ; ; President

Admitted assets.....	\$2,447,499.17
Capital stock.....	177,300.00
Surplus apportioned and unapportioned	77,510.61
Excess security to policy holders	254,810.61
1909 insurance in force increased over.....	\$6,300,000.00
Surplus increased over....	100,000.00

HIGH-GRADE MANAGERS AND AGENTS WANTED.
ATTRACTIVE POLICIES.
DESIRABLE CONTRACTS.
WILL ENTER NEW TERRITORY.

Address,
CHARLES M. TURNER,
General Manager,
Marquette Building, CHICAGO, ILL.

THE FRANKFORT MARINE, ACCIDENT AND PLATE GLASS INSURANCE CO. OF FRANKFORT-ON-THE-MAIN GERMANY ESTABLISHED 1865.

United States Department, 100 William Street, New York, N. Y.

TRUSTEES:

RICHARD DELAFIELD, Pres. of National Park Bank
ERNST THALMANN, of Ladenburg, Thalmann & Co.
STUYVESANT FISH, 214 Broadway, New York City.
C. H. FRANKLIN, U. S. Mgr. and Attorney JNO. M. SMITH, Sec. U. S. Branch

INSURANCES TRANSACTED

LIABILITY—
Employers, General, Vessel Owners, Burglary
Public, Landlords, Contingent, Workmen's Collective
Teams, Elevator, Druggists & Physicians, Individual Accident & Health
Industrial Accident & Health

AGENTS WANTED FOR UNOCCUPIED TERRITORY

FIRE INSURANCE AS A PRE-REQUISITE TO CREDIT.

Address by Arthur Hawxhurst, manager insurance department of Marshall Field & Company, before the Fire Insurance Club of Chicago, March 8, 1910, in part:

Fire insurance is an absolute pre-requisite, or a necessary factor in order to obtain credit. Credit is based on a mercantile reputation entitling one to be trusted or to receive goods on promise of an after payment; and this carries with it the understanding that every known precaution will be taken by the trusted party to protect himself, and the one trusting him, against loss; particularly such losses as he can shield both from. Accordingly, before one places his worldly goods under another's roof, without first receiving value thereof, it is demanded that they be protected by insurance being placed thereon. * * *

Such being the case, then, if we are merchants having this material wealth already spoken of, we cannot afford—we dare not venture the chance—to place this property of ours into the care of others, without a proper guarantee that it, or its equivalent in value, will be returned to us.

If this property should be destroyed by fire while in the possession of those we intrusted it to, and the trusted ones have no wherewithal to repay us, it stands to reason that we must lose, for our goods were placed on credit; and while one loss might or might not be a misfortune, yet if it can happen once, the very nature of the fact tells us that there may be many repetitions, so many, in truth, that without a guarantee against it extended and far distant business cannot be safely attempted or carried on. Especially so is this true in this country, where the losses by fire now amount to nearly \$220,000,000 annually, and reached the enormous figure of over \$518,000,000 in a single year, 1906; and yet we claim to be an enlightened and advanced people! * * *

The Origin Of Insurance.

Certainly, the entire elimination of loss by fire is not possible, although largely reducible; but this is not sufficient, for this but bespeaks for contraction of affairs, while the world seeks expansion. It is the same question that confronted men of business seeking the marine markets of the world before the epoch of the present fire insurance company, and it culminated then in the establishment of what is now known as London Lloyds, with which all no doubt are familiar. * * *

They were then, and are now, enabled to do this by each member contributing a sum or premium on the value of his property as regulated under the laws of average. In other words, each of the many submits to a small tax being imposed by companies created for that purpose. This tax is based largely upon unknown factors, but how it can be determined otherwise I do not know, for it is not possible to find out in advance just how much property will be destroyed in a given time. We do know by looking at the records of the past fifty years that for every \$205 written on an average only one dollar was paid

in losses, but it varied from one dollar paid to every \$245 written in 1905; from one dollar paid to \$121 written in 1906; from one dollar paid to \$256 written in 1907; from one dollar paid to \$223 written in 1908, and so on.

But to resume, this tax is that protector against this mighty element of fire. Fire insurance is the police power of the mercantile world. * * *

Insurance does not confine itself to the protection of any one nation or business; but like an apostle of truth and justice, it spreads over the civilized world, and it has missionaries everywhere offering to all protection from loss by fire, lightning and tornadoes; the actions of the thief; credits; the defects in a steam boiler or an elevator; the storms of the sea; the result of a personal accident, not to speak of death, all the misfortunes and mishaps of every conceivable nature in human life are lessened by it, and no one realizes or can realize this better than those who have passed through a bitter experience. Certainly the people of California have, and this is what I find in part in the "Report of the Special Committee of the Board of Trustees of the Chamber of Commerce on insurance incident to the San Francisco Fire": * * * "The lesson that the insured will take most to heart is that insurance will not take care of itself, nor will his broker take care of it for him without some watching. The insurance interests of a business house are immensely important and should be looked after by a trained person."

Fire Insurance Not for Dividends.

It is true, that fire insurance does not agree to pay a profit to any man, as some would like to believe and would enforce. No such intention was conceived at its birth, for it was only meant to indemnify the loser against loss—not a loss of a profit, but a loss of material property—such as is in the scales when a credit is made. This should be enough of a guarantee to an honest seller, for it fulfills all the actual necessities of his wants, and enables him to spread his trade and goods over the world. * * *

Now as insurance stands for protection against all necessary and unnecessary losses alike, it is consequently one of the most important adjuncts to any transaction of credit or otherwise, being at times the only plank of safety to the assured between prosperity and poverty. How few men comprehend this or even take the trouble to do so. They do not seem to realize that if credit is the motive power to the ship of business, insurance is its rudder and life raft and often the only hope left for salvation after the vessel goes down. This has been the case in many instances through the business world. * * *

Credit and fire insurance, especially, must always go hand in hand, for credit cannot be safely granted, or business now extensively carried on without insurance. This one fact alone should place it high among the valued things in commercial life, for without fire insurance what would become of business? * * * Overtaxed by every State, knocked around representative halls and senate chambers, abused and robbed by many beneficiaries of existence, nailed to the cross of many men's unfair criticism and grievances,

and yet, like a redeemer, not looking for the plaudits of this world, insurance goes on fulfilling its mission and saving from misery and want the children of men. * * *

Find, if you can, another business that is doing half as much for man's benefit, and then feel a just pride in the business in which you are engaged. The owners of no other industry would furnish from their private purse millions upon millions of gold because a city was destroyed and its people were in dire distress, having only its ashes to tell of a past greatness; but the owners of fire insurance companies have done this—they did it for San Francisco, and in return they were not even given credit for a magnificent fairness to do not only their own full share, but more than that; to meet every possible claim against them, preserving thereby the credit of a great metropolis. * * *

Right here, in passing, I want to say that you can make no better purchase, no safer investment than a long-term endowment policy in some good company. It will always be some protection to those depending upon you for the means of existence; it will be a savings bank of the very best kind for your capital; it will be a banker if you need to borrow; it will always be a source of comfort to you through life and a staff for your declining years. Get all you can of them and keep them until maturity, and they will demonstrate to you also the other side of the answer, that insurance is a pre-requisite to credit, for this is credit obtained in advance by having insurance. * * *

If we do have to pay an increased rate now and then if a city is destroyed, what sweeter or fairer way to demonstrate the brotherhood of man than by this means, for it enables us and at small cost to do good to the afflicted, to maintain the credit and integrity of our institutions for the welfare of others as well as for ourselves; for we know not the hour when we, too, not alone for our credit transactions, but for our homes, will need the helpful hand of insurance capital.

In conclusion, let me say, all honor to the business of insurance! May it ever be with us here, and may we have our policies with us when we go hence, and may they be in the right companies for us to obtain credit or indemnity if we strike a storm in crossing the dark river or a conflagration at our journey's end.

COMMERCIAL - UNION

ASSURANCE CO.,

(LIMITED)

OF LONDON.

OFFICE;

Cor. Pine & William Sts.

NEW YORK.

BACKWARD BALTIMORE.

Baltimore is making lamentably slow progress toward fortifying itself against a repetition of its memorable conflagration. Six years have passed but the new report of the engineers of the underwriters, noted elsewhere, says that the conflagration hazard is practically the same as it was after the big fire. The high pressure fire system will probably not be ready for use before July, 1910, and will cover only a part of the congested value district. Apparently Baltimore is suffering from a niggardly policy in the matter of making appropriations for the fire department. So many conflagration breeders still exist that it seems absurd to condemn the fire department for not preventing such fires as threatened the wholesale district this winter. Baltimore needed badly, in February, 1904, the assistance given by other cities—given at considerable expense and under inexcusable difficulties—but the recommendation to make the hydrants usable by other cities seems to have had scant consideration. It was not adopted.—“Insurance Engineering.”

The Western States Fire Insurance Company of Kansas City has been chartered. It has a capital stock of \$250,000. The board of directors is composed of these residents of Kansas City; John Kennish, J. R. Quarrels, P. F. Lang, August J. Bulte, P. S. Kault, D. A. Norton, N. F. Fitzpatrick, A. P. Espenshied, W. W. Goodwin, T. J. Coughlin, A. L. Ernst, Frank C. Peck and J. E. Seaver.

The following names have been added to the brokers list of the New York Fire Insurance Exchange: Bulkley & Horton, Inc., No. 414 Myrtle avenue, Brooklyn; Samuel Levinson, No. 100 William street; Benjamin Levy, No. 50 Suffolk street; Louis Solomon, No. 271 Broadway.

Judge Cox in the United States Circuit Court has denied the motion of the Helvetia Swiss Fire Insurance Company to dismiss the suit of John J. Tierney as assignee of claims arising out of the San Francisco fire in 1906. The case has been placed on the calendar for trial in April.

The Home of New York has reinsured the tornado business of the southern department of the Liverpool and London and Globe on the gulf coast and within 100 miles thereof.

Albert H. Griffen, No. 138 Montague street, Brooklyn, has been appointed manager for the London & Lancashire Fire Insurance Company.

AN IMPORTANT DECISION.

The Providence Washington has just obtained a victory over the Western Union Telegraph Company by a decision of the Appellate Court in Chicago. This decision holds the company liable for the failure of the local agent to cancel a policy through non-delivery of the telegram which ordered the cancellation. The Ohio State agent of the company sent a telegram from Van Wert to the local agent at Newark ordering the cancellation of the policy of the Providence-Washington on the Newark Paper Company's plant. The telegraph company sent the message to New York by mistake. The order never reached the local agent and in less than a week after the telegram was sent the risk burned. The insurance company sued the telegraph company for the amount it paid in settlement of this loss and secured judgment in the lower court. The telegraph company appealed the case and the Appellate Court held against it.

James W. Shirley, who has for many years been connected with the American of Newark, as special agent in New Jersey and the New York suburban district, has been promoted to an important position at the home office.

The “Baptism of Fire,” which “The Chronicle” predicted six months ago for the fire insurance companies is fulfilled. But it never dawned that the casualty and surety people would be dragged into the crucible.

A fire doing considerable damage recently occurred in a paper mill, insured in Mill Mutuals, caused by the use of patented compound for waterproofing paper as it comes from the paper machine.

William J. Kelley, for many years special agent for Maine and New Hampshire of the Phenix of Brooklyn, died early this week.

IN FINE CONDITION.

The New York insurance department has issued the report of the examination of the Buffalo German Insurance Company of Buffalo. It was made for the purpose of verifying the annual statement filed with the insurance department at the close of the year on a proposed increase of “guaranty surplus” and “special reserve” funds. The examiners, Richard A. Elmer and W. H. Nagle, report that the financial condition of the company is such that the increases are permissible.

The meeting of Continental Insurance Company stockholders was held last Friday and the 100 per cent. stock dividend ordered by the directors was ratified. About 8,000 shares were represented.

The Lion Bonding Company of Omaha has reinsured its plate glass business in the United Surety, of Baltimore. This queer concern has had several old changes recently.

New England Mutual Life

Insurance Company

BOSTON, : : : MASS.

Chartered 1835

Assets, January 1, 1910..\$51,316,543.00
Liabilities 47,050,672.15

Surplus \$4,265,870.85

Sixty-six years of honorable dealing with its policyholders has placed the **NEW ENGLAND MUTUAL LIFE INSURANCE COMPANY** in the front rank of Life Insurance Companies of the Country.

ALFRED D. FOSTER, President.

D. F. APPEL, Vice-President.

J. A. BARBEY, Secretary.

WM. F. DAVIS, Assistant Sec'y.

J. G. WILDMAN, Assist. Sec'y.

EDWARD W. ALLEN, Manager,

220 Broadway, New York.

LATHROP E. BALDWIN, Manager,

141 Broadway, New York.

CHARLES H. STRAUSS, Gen. Ag't,

200 Fifth Ave., New York.

THE HOME LIFE INSURANCE COMPANY OF AMERICA

Incorporated 1899.



THE COMPANY FOR THE AMBITIOUS AGENT who desires to sell “COMMON SENSE” Insurance at LOWEST COST, and who seeks, through most liberal first year and guaranteed renewal commissions, to receive just recognition of service. All policies registered, signed and sealed by the Insurance Commissioner of the State of Delaware, making them truly

SAFE AS GOVERNMENT BONDS.

Address Executive Offices, 416-18-20 Walnut Street,
PHILADELPHIA, PA.

JOHN LANGHAM, Jr.,
President.

JOSEPH L. DURKIN,
Secretary.

GEORGE M. NETTLESHIP,
Manager of Agencies.

WHAT IS THE RATIONALE OF RATING?

In view of the socialistic and paternalistic development of State rate-making in the golden West where former borrowers are now riding in autos and lending money to their former Eastern mortgagors, the remarks of a fire insurance company, thoroughly balanced, mentally and financially, by long experience, counts for much. And it's worth while, from the standpoint of staying qualities, to deliberate on the host of new things proposed insurancewise in this same golden West.

The entire subject is well covered by President Chase, of the Hartford Fire, in the following statement made to "The Chronicle," and to its agents:

A Wide Subject.

Recent events in certain parts of the country indicate that ere long public interests will require a correct general understanding of the following important question: "On how wide a territorial basis of experience must estimates of rates be predicated in order to properly apportion insurance cost?" The subject is one on which the impressions of the average citizen are but vague. Some think that if the insurance companies have made a substantial profit for five or ten years in an individual city, that fact of itself calls for a reduction in its rates of insurance. Others go further and are heard to say regarding their own property, "I have carried insurance for twenty years and never collected a dollar of loss. I believe I should have a lower rate." This remark is often uttered in perfect good faith, the person making it being unaware that he states his own *reductio ad absurdum*.

Fallacies.

The opinion of such an individual is based on two fallacies; first, that his case is exceptional, and, second, that fire insurance rates can be predicated upon so narrow a basis as the companies' experience on a single risk. If it were not true that for over a period of twenty years there were thousands of individuals who sustained little or no loss on their insured property, the business of fire insurance could not exist except at an average rate much greater than that which now obtains. The average rate throughout the United States on all classes of risks, hazardous, non-hazardous and extra hazardous, is now a little over 1 per cent. If, for purposes of illustration, we assume 1 per cent. to be the average rate, it is apparent that an average risk could be insured for ninety-nine years without sustaining a cent of loss and yet, if destroyed in its hundredth year, not only cost the companies all the premiums it had paid, but leave them out of pocket its proportionate share of a century's expense. It is therefore evident that a single risk's prolonged immunity from fire is no exceptional feature, and justifies no individual modification of rate. Rates, as far as possible, are based upon the experience of classes of risks, composed of great numbers of units located throughout wide

areas. The greater the area the truer the average experience and the more accurate and less fluctuating the resultant charge. While a certain individual risk may for twenty or fifty years sustain no loss at all, many similar risks will burn during the same period, and the entire class to which it belongs may show an unprofitable record. Such a result must be reflected in the rates of all risks in the class. This is unavoidable. The money to pay losses must come from the premiums, and the very office of fire insurance is to distribute the burden which the loss consumption of the country entails. A proper share of that burden must be borne by each property owner, whether he sustains loss or not.

A False Premise.

But one step removed in fallaciousness is the claim, frequently made by newspapers and business men's organizations, that a profitable record in a certain city proves rates in that city to be too high. In the broad average essential to a safe continuance of the fire insurance business, the experience of one city, however large, is analogous to the experience on a single risk—and its significance is only measurably greater. While during a certain term of years the experience at an individual place may be favorable, yet at the same time in many similar places it may be the reverse, and there is no way to meet losses but to distribute them.

A concrete example will serve as an illustration. Let us suppose there are a thousand sizable cities whose losses are to be met out of the premiums which those cities produce under standard schedules applicable to local physical conditions. Experience in particular cities will vary. Sometimes one will be for a long time free from costly fires, while subsequently, during a series of succeeding years, from no apparent cause, its fires will be frequent and disastrous. For years before April, 1906, insurance companies found San Francisco the most profitable city in the United States. Over a term of years some of these thousand cities will have periods in which their percentage of loss will be high and other periods in which it will be low. Some cities will show a good profit for the whole term, while others will produce a heavy net loss. In a succeeding term the experience of each may be reversed, but if the losses of all are to be met, the premiums of each should be based upon the same schedule, in order that the combined insurance fund may not prove inadequate.

The Law of Average Is Immutable.

If rates are not to be averaged and prices are to be reduced at particular cities during periods of immunity, then, when fires at such places become numerous, the charge for insurance must needs be increased to a price which, in some cases, would mean ruin to their merchants to pay.

Quite as fallacious is the suggestion, now sometimes made, that rates in an individual State should be determined by that State's loss experience—although some gentlemen who occupy important political positions do not seem to appreciate it. We trust, if they contemplate acting upon a contrary conception, they will study the

question with care and avail themselves of the best fire insurance actuarial knowledge. As is true of cities, the loss experience of individual States varies greatly from year to year, even when no individually important fires occur. When conflagrations come the fluctuation is extreme. Those who claim that the experience of their own State should regulate insurance rates, and that their citizens should not contribute toward payment of losses in other commonwealths, must remember that in their own time of calamity even-handed justice would refuse to them aid from the premium-payers of sister States, and, contrary to the spirit of insurance, force them to bear disaster without the help of general contribution. Imagine what rates the citizens of Illinois would for many years have been obliged to pay if the insurance cost of the Chicago fire had been assessed upon them alone!

The History of the Hartford.

The Hartford Fire Insurance Company began to transact business in the State of Illinois in the year 1837. During the nearly thirty-five years which elapsed before the Chicago fire, it had accumulated a handsome profit in that State. Moreover, from 1871 to 1900 the average profit to the Hartford as well as other insurance companies in Illinois was higher than in most States, yet it was not until nearly 1900 that the Hartford's ledger for Illinois showed a profit; in other words, all the earnings of its business in Illinois from 1837 until nearly 1900—more than sixty years—were absorbed by the Chicago conflagration.

NATIONAL LIFE

Insurance Company,

MONTPELIER, VERMONT.

Established in 1850.
Operating in 37 States.

JOSEPH A. DE BOER, President.

FRED A. HOWLAND, Vice-President
JAMES B. ESTEE, 2nd Vice-President
OSMAN D. CLARK, Secretary
H. M. CUTLER, Treasurer
A. B. BISBEE, Medical Director
C. E. MOULTON, Actuary

This Company held January 1, 1910,
and gained during the past decade:

ASSETS . . .	\$47,490,998.98
GAIN, 167 PER CENT.	
LIABILITIES . .	\$41,661,130.12
GAIN, 162 PER CENT.	
SURPLUS . . .	\$5,829,868.86
GAIN, 211 PER CENT.	
INSURANCE .	\$161,423,115.00
GAIN, 79 PER CENT.	

**Absolute Security and
Economy of
Management**

In what condition would the business of California be to-day if existing rates in that State reflected the unparalleled cost of San Francisco—a fire in which the Hartford alone paid a sum equal to nearly 75 per cent. of the entire annual premiums of the State? Similar questions could be asked respecting Massachusetts after the Boston fire, Maryland after Baltimore or Florida after Jacksonville. If New Orleans were destroyed, what rates would prevail in Louisiana if its citizens alone must shoulder the burden of the loss? What in Texas if Dallas burned, or in Kansas if one of its important cities were consumed.

Generalizing on a Particularity.

Again, if a State's individual experience must determine its rates, what shall be the rates on those classes of risks of which the State contains but few examples? The beet sugar factories of Michigan are an instance. They are not many, but represent an industry important to the State. If one of these valuable plants burn must the consequent loss be loaded on the rates of the State's few remaining establishments of the class? If Michigan were to refuse contribution toward the losses of other States, who would pay its beet sugar losses if not the remaining sugar manufacturers of Michigan? Abnormally high rates or no insurance would be alternatives, either of which would seriously handicap these manufacturers in competition with concerns of other States.

We say nothing against reduction of rates when circumstances warrant. Such a reduction, besides being just, is expedient from the standpoint of the companies. However solicitous he may be for individual success, no intelligent manager is willing to invite additional competition by efforts to keep prices above the line of a moderate general profit—and as a matter of fact the average rate of the United States is just now rapidly declining. As Mr. James J. Hill has said, "Steadiness of prices and profits is regarded by capital everywhere, and by every management intelligent enough to hold its place, as far more desirable than excessive price and undue profits."

But the point we are now considering is, "What is the true measure by which the reasonableness of rates may be judged?" Without vitiating the very underlying principle of insurance, we cannot assume that standard to be the experience of a single risk, or of a single city or State, but must be the broad average experience of the whole country.

Billy Sexton Speaks.

The Firemen's Fund, of 'Frisco, is one of the strong companies that has been in the crucible and its utterances are of value. From its enviable position and the following from its own "Billy" Sexton, on the subject of rating, is well worth while:

"Mischievous or misguided legislation against fire insurance companies interfering with unconstitutional rights of contract; taxing them excessively (6 per cent. or more) on gross instead of on net income; compelling frequent and expensive changes of blanks and

of methods for keeping their records must be paid for by the insured and are important items in the "too high cost of fire insurance to the people."

"Some of the States have attempted to cure the fire insurance evils by making rates for the companies instead of getting at the source of the trouble by legislating against the people who cause the fires and the losses, but such mistakes will soon be seen and avoided.

"Many new insurance companies have been incorporated; some have real money for capital, and if properly managed may be expected to live; others will die young, leaving their stockholders with more experience and less money than they started in with.

"There seems to be a growing tendency to reduce rates for fire insurance by legal restrictions directed against the companies instead of attacking the true source of the difficulty by inaugurating and enforcing proper building laws; however, the good sense of the people may be depended upon to eventually adopt proper means for relief in this respect as they have in many others. In the meantime insurance companies must make the best of the difficulties they are confronted with, simply hoping that they might live long enough to enjoy the future prosperity to be anticipated when property owners get a clearer idea of their relations with underwriters and the best methods to promote their mutual interests."

U. S. Fengado, No. 1 Montgomery street, Jersey City, has been appointed agent of the German Fire of Pittsburg, by Ward & Crawford. The same firm's Jersey City agency with Fischer & Smith has been discontinued.

The Chelsea (Mass.) Board of Control is advocating the construction of a fireproof warehouse, to be occupied jointly by the rag dealers of that city.

The Connecticut Mutual

That means the best life insurance to have and the best to sell. If you can sell life insurance, you can sell more of it for the CONNECTICUT MUTUAL.

Men of Character and Ability are invited to apply.

Conn. Mutual Life Ins. Co.,
Hartford, Conn.

Please mention this paper.

The amended charter of the Pittsburgh Fire Insurance Company, which has had several changes of name since it was incorporated in the 70s, has been approved. The capital is to be \$100,000, with these men named in the reincorporation: James S. Hoon, J. S. Lecch, John S. Dilworth, Charles A. Colton, Samuel McClurke, William Philips and John A. Wilsen, all of Pittsburg.

LEADING FIRE COMPANY OF THE WORLD



[of Liverpool, England.]

FOUNDED 1792

118th ANNUAL STATEMENT INSURANCE COMPANY OF NORTH AMERICA. OF PHILADELPHIA, PA.

ASSETS.

	January 1, 1910.
Real Estate	\$ 364,410.00
First Mortgages on Real Estate	373,803.48
Philadelphia, New York, Boston and other City and State Loans	1,134,390.00
Pennsylvania, Philadelphia and Erie, Lehigh Valley and other Companies' Bonds and Stocks	8,909,150.32
Cash in Bank and Bankers' hands	1,134,635.88
Notes Receivable and Unsettled Marine Premiums....	347,440.69
Net Cash Fire Premiums in course of Transmission....	1,069,510.62
Accrued Interest, and all other property	52,160.57
Total Assets	\$13,385,501.56

LIABILITIES.

Capital Stock	\$ 3,000,000.00
Reserve for Re-insurance ..	6,813,862.47
Reserve for Losses	877,250.00
All other Liabilities	104,982.45
Surplus over all Liabilities ..	2,589,406.64

\$13,385,501.56

Surplus to Policyholders	\$5,589,406.64
Increase in Reinsurance Reserve	349,934.71
Increase in Net Surplus	838,500.98
Increase in Assets	1,371,438.93

Eugene L. Ellison.....President
Benjamin Rush.....Vice-President
T. Howard Wright.....Secretary
Henry W. Farnum.....Assistant Secretary
John O. Platt.....Assistant Secretary

Agencies in all Prominent Cities & Towns.

AN INTERESTING SURETY SITUATION.

The Treasury Department furnishes "The Chronicle" its revised limits of surety companies on federal bonds as of March first. As usual, the 10 per cent. limit is on combined capital and surplus, but the department is beginning to recognize that its ruling must have some measure of flexibility and has, therefore, modified its original ruling as to reinsurance offsets.

This is the new list:

American Surety	\$562,784
Fidelity and Deposit	434,564
Fidelity and Casualty	356,423
United States F. & G.	244,766
National Surety	166,997
American Bonding	150,025
Title Guaranty and Surety ..	124,718
Massachusetts Bonding	70,006
Empire State Surety	60,058
United States Guarantee	60,053
Bankers Surety	55,346
United Surety	53,577
Peoples Surety	50,684
Southern Surety	47,172
Citizens T. & G.	46,013
Pennsylvania Surety	44,774
International Fidelity	39,258
Federal Union Surety	38,006
Pacific Surety	37,513
American Fidelity	33,805
Illinois Surety	33,272
Aetna Indemnity	32,646
Reinsurer:	
Guarantee Company of N. A.	50,000
	\$2,792,460

This indicates clearly the need of more capital and to it is already due the incentive of the casualty companies to enter the surety field. At present the possible bond that can be written is \$2,792,460, while in this day of big undertakings, like canal and water supply contracts, bonds in excess of that amount are required by law, and there's the rub.

However, when the Maryland Casualty, the Commercial Casualty, the Prudential Casualty, and probably the Continental—as rumored—is added, there will be combined resources sufficient to meet any demand. There are several companies under way, and at least two of those in the above list are increasing their capital, and this will also increase facilities for swinging big bonds. In addition some of the weaker companies in the list whose "society" is tabooed by the big fellows, are facing reorganization, which may make them also available for their limits in large undertakings.

It is in evidence that corporate suretyship has become a force as an essential accessory in business and civic life that will automatically maintain the impetus already acquired.

SILLY.

An amusing incident in connection with the recent unionization of the Continental is the charge by a non-union manager, well known for his positive opinions, that the insurance press was subsidized by the Western Union to attempt to stampede other companies into the union. This assertion would be taken more seriously if it emanated from some other source. It was only a few years ago that the same manager, then in the union, claimed that the insurance papers were subsidized by the Continental to take an anti-union position. At that time he advocated the starting of a company organ, under the direct control of the Western Union, to give out honest, unbiased news.

The suit instituted against the Kensington Mutual Fire Insurance Company and the Mutual Reserve Fire Insurance Company, both of Pennsylvania, to show cause why both companies should not be dissolved, will be defended. The attorney for both companies served notice on the Dauphin County Court that the action would be contested. The defense is based on the argument that although judgment had been rendered execution had not been served.

The application for admission of the Inter-Southern Life Insurance Company of Louisville, Ky., has been denied by William E. Hawkins, insurance commissioner of Texas, because the stock is not fully paid up according to law.

Philip De Q. Mesney has been appointed Chicago agent for the automobile department of the Insurance Company of North America. The fire insurance department of George L. McCurdy & Co., marine agents, has been transferred to Mr. Mesney.

H. D. Jones, superintendent of agencies of the National Union Fire Insurance Company, has resigned to assume a position in the office of the New York Underwriters' Agency, covering a portion of the Eastern field.

Louis M. Wise, Western supervisor of the Equitable Life, and F. G. Hogan, agency supervisor, have resigned to become general agents at Kansas City for the State Life for Missouri, Iowa and Kansas.

Plans have been completed for a new fireboat for Boston, which will make the third of the city's fire-fighting fleet. The keel will be laid in a week or two.

A HARD JOLT.

Mississippi has passed the bill which provides for interinsurance associations doing business in the State without supervision by the Insurance Department. This measure nullifies the recent Supreme Court decision, which held interinsurers accountable to the insurance commissioner. This will be a shock to Insurance Commissioner Darst, of West Virginia, who has quoted the Mississippi Supreme Court decision as the basis for his attitude toward the interinsurers.

Germania Fire

INSURANCE CO.,

NEW YORK.

ORGANIZED 1859.

Cash Capital.....\$1,000,000.00
Assets\$6,562,329.14
Net Surplus.....\$2,008,419.02
Surplus for Policyholders,\$3,008,419.02

HEAD OFFICE:

Cor. William and Cedar Streets.

The Star of Success

shines over the fields in which our agents work.

Why? Popular company, policies that cover public needs, low net cost, literature that prospects read.

Now writing the largest business in our history.

For agency information apply to

Massachusetts Mutual
Life Insurance Company
Springfield, Mass.

Incorporated 1851.

CHICAGO FOR ORGANIZATION.

The organization bee is buzzing merrily in Chicago casualty circles. The surety men have been organized for some time. Now the burglary insurance men are working in apparent harmony, although it would take but little underhanded work or violation of agreements to start another commission war. The automobile liability people claim that all but about four companies are doing business under an agreement and at least two of those four will probably be in soon.

By reason of their inability to get together on commissions, it is stated that they adopted a lower scale of rates than some of them wanted, but they have uniformity among the conference offices, and that is much gained. It will shortly put a stop to the practice of some brokers in "shopping" risks from office to office seeking the lowest rate.

Plate Glass Meeting.

Last week a call was issued for a meeting of the plate glass general agents and managers to be held Saturday, when it was hoped a start could be made towards an organization. Plate glass compacts in Chicago have met with such little success in the past that some of the leading managers are not enthusiastic on the subject of agreements. One or two who have spoiled compacts have learned a few things since, however, something may come of this movement.

AETNA INDEMNITY APPOINTMENTS.

The Aetna Indemnity Company has appointed the following agents for its accident and health department: Peter B. May at Terre Haute, Ind.; Albert H. Brosher at Portland, Ind.; Wilson & Willis at Sullivan, Ind.; Thomas L. McDonald, at Clinton, Ind.; W. G. Redfield, at Edwards, Miss.; Dennis C. Gillfillan, at Brazil, Ind.; Edgar S. Monks, at Winchester, Ind.; George T. Whitaker, at Dunkirk, Ind.; John N. Strickland, at Meriden, Conn.; Chas. W. Tator, at Bridgeport, Conn.; F. H. Sanborn, at Astoria, Ore.; Fulks & Johnson, at Dunkirk, O., and John N. Bonham, at Hartford City, Ind.

The Amicable Life Insurance Company, of Texas, has been organized at Waco. The authorized capital is \$500,000 and the proposed surplus \$500,000. Artemus R. Roberts is president and actuary.

Gross R. Scruggs & Co., of Texas, have been appointed general agents in that State for the Dutchess Fire of Poughkeepsie.

EXCELLENT APPOINTMENTS.

J. R. Wilbur and L. J. Braddock, both of whom have long been in the service of the Continental, have been appointed assistants to Secretary J. R. Tuttle, who will have charge of the Western department of the Continental and the Fidelity Underwriters on the removal to New York next month of Vice-President George E. Kline. Mr. Wilbur has been in charge of the special hazards department in the West and Mr. Braddock is one of the veteran examiners.

A charter was granted at Harrisburg, Pa., to the Stewartstown Mutual Fire Insurance Co. The officers are J. W. Anderson, president; J. G. Patterson, vice-president; J. Clay Anderson, treasurer, and Allen I. Fry, all of Stewartstown.

Plans were filed last Friday for the building to be erected by the Germania Life Insurance Company, at the northeast corner of Fourth avenue and 17th street. The building will be twenty stories and will cost \$1,000,000.

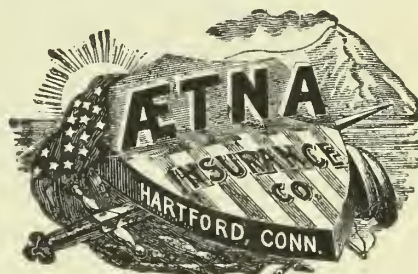
Frank H. Jones has resigned as special agent for the Aetna in southern Illinois to become special agent for the Hartford in northern Illinois, succeeding J. J. Johnson.

SPECIAL OPPORTUNITIES offered now in Southern States to Representatives of

CITIZENS LIFE INSURANCE CO.

W. H. GREGORY,
President.

"The Leading Fire Insurance Company of America."



WM. B. CLARK, President.
W. H. KING, Vice-President.
HENRY E. REES, Secretary.
Assistant Secretaries,
A. N. WILLIAMS, E. S. ALLEN,
E. J. SLOAN, GUY E. BEARDSLEY.

Organized 1850

ISSUES GUARANTEED CONTRACTS

JOHN P. MUNN, M.D. PRESIDENT, FINANCE COMMITTEE CLARENCE H. KELSEY Pres. Title Guarantee and Trust Co. WILLIAM H. PORTER Pres. Chem. Nat. Bank EDWARD TOWNSEND Pres. Importers & Traders Nat. Bank	* Good men, whether experienced in life insurance or not, may make direct contracts with this company, for a limited territory if desired, and secure for themselves, in addition to first year's commission, a renewal interest insuring an income for the future. Address the Company at its Home Office, No. 277 Broadway, N. Y.
---	--

THE PACIFIC SURETY MATTER.

The article regarding the Pacific Surety Company in "Underwriters Report," of San Francisco, referred to in these columns last week, is commented on by President F. B. Lloyd, of that company, in a letter to "The Chronicle" as follows:

You have no doubt seen the scurrilous and maliciously inspired articles that have recently appeared in the publication known as the "Underwriters Report." The persons responsible for their publication have taken care that they were generally circulated. Several thousand extra copies were published and mailed. I assume that you have not been overlooked.

The spirit actuating these articles is manifest. The fact that copies of these papers, which have been freely circulated to every bank and the majority of large institutions in this State were received, in most instances, for the first time, and, in addition, were marked copies, evidence the malice. I felt that people receiving this paper would appreciate that it was not sent them for the first time through motives of protecting the public, but was the action of envious and cowardly competitors.

I had believed that those associated with me had, and that I had, earned reputations in this State which would not necessitate a circular on this subject. It has been stated to me that an answer of some kind was necessary. In justice, therefore, to investors and insuring interests, and for their protection as well as ours, I lay the facts before you.

John C. Piver, the ostensible publisher of the "Underwriters Report," called upon me, at my office, and solicited an advertisement. I offered to pay the usual advertising rates for space in his publication, but he demanded five hundred dollars, and stated that if I did not give him this sum, that he would and could go to our only local competitors and get that much from them for "roasting" the company. He further stated that he could get that much fun out of "roasting" E. Myron Wolf, present Insurance Commissioner, who will be the vice-president of this company. Mr. Wolf has consistently refused to allow Piver to come into his office for the past three years.

I indignantly told him to "roast," etc., and threw him out of my office, as I would any other blackmailer.

Mr. Wolf's reputation is unimpeachable; his integrity has been established. He has unquestionably been the most efficient Insurance Commissioner the State has ever had. He has been tried in a way that no other commissioner has ever been tried, and his excellent record is known. Although he had made other plans for the future, Mr. Wolf was induced to affiliate with this company on account of its excellent prospects.

Redress in any form seems difficult of attainment. Piver cannot respond to a judgment for damages, and attorneys advise that the writer of these attacks has been quite dexterous in approaching, but probably avoiding the line of criminal prosecution.

The increase of capital stock was arranged by the former management before I had any connection with the company, and is being sold on its

merits, upon proper businesslike lines and among people who will be a factor in building up the company. It is worth the money that is being asked for it, and it is being sold under the personal direction of the writer and no one else.

The proceedings in connection with the increase of the capital stock have been passed upon by the Attorney General of the State and found to be in accordance with the law.

The former president, Mr. Wallace Everson, severed his connection with the company in a spirit of kindness and good feeling.

The success that has been attained in disposing of the stock and securing desirable business through the medium of its new stockholders, is gratifying. There is not a stockholder in this company, nor any one financially interested in it, who has a word of criticism for the management. What I have been doing and am doing is clean and above board. There is no inquiry or investigation made in good faith that would not be welcomed.

I have too much confidence in the good sense and fairness of the people whom these articles are expected to influence to believe that attacks inspired as these are, stinging with slander and boughten purpose, circulated at the request of no one in their receipt, and with such open intent, will have any effect other than to react upon those who have instigated them and strengthen permanent faith and loyalty in this company and its great future.

A Vicious Attack.

A careful and analytical reading of the two-page paranoical attack by the "Underwriters Report" on the Pacific Surety Company and its president and vice-president-elect, fails to reveal any creditable motive; on the contrary, its very virulence and violence evidences spleen and "getting even."

The Pacific Surety is the second oldest surety company in America, and has had a long and highly reputable career. Its new president, F. B. Lloyd, is recognized as the ablest surety manager on the Pacific Coast. Until this connection he was San Francisco and Coast general agent for the United States Fidelity and Guaranty Company, of Baltimore, and built up the largest surety office on the Coast. The vice-president-elect is E. Myron Wolf, the present Commissioner of Insurance of California, who will retire at the nearby end of his term to take up the new duties. The other officers and the directors of the company are men of high standing in their own community, and the financial statement of the company shows it sound and healthy. It has paid six per cent. dividends consistently for more than ten years past, beside adding to its surplus. For conservative management it cannot be surpassed by any insurance company. Therefore, the animus of the attack seems purely personal and for that reason entirely negligible.

The "Insurance Press" of yesterday

prints the following alleged information from 'Frisco on this subject:

Piver Arrested.

John C. Piver, publisher of "Underwriters' Report," was arrested in this city on Saturday on a charge of criminal libel, preferred by F. B. Lloyd, president Pacific Surety Company, who alleged that he was libelled by an article in the publication on March 17.

The first article of the series charged that President Lloyd had entered into a deal with O. L. Van Laningham to sell for \$2,500,000 capital stock of the surety company for which the two paid \$375,000 in December last. Mr. Piver declared that high-pressure methods and unwarranted estimates of future profits of the company were used to aid in the sale of stock to small investors.

Mr. Piver said his arrest would bring before the public facts that would end the promotion of the Pacific Surety enterprise on present lines.

The collapse of the Consolidated Casualty Company, that awfully high-browed and big brained monkey doodle company, headed by R. B. Armstrong, late "Honorable," because he had held political office in Washington, is in the nature of a pathetic tragedy and verifies the old adage about fools rushing in, etc.

The next annual meeting of the Southwestern Underwriters' Association will be held at Hot Springs, Va., on May 18-19.

The Columbian National Life INSURANCE COMPANY OF BOSTON, MASS.

LIFE, ACCIDENT AND HEALTH INSURANCE.

The Only Massachusetts
Non-Participating Company

The New Columbian Policies (Sept. '09)
are Unexcelled in Clearness and Liberality.

Good Contracts and Territory for
Good Producers.

ARTHUR E. CHILDS, President.

A PENN MUTUAL PREMIUM, less a
PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS is unsurpassed for net low cost and care of interests of all members.

THE PENN MUTUAL LIFE INSURANCE COMPANY OF PHILADELPHIA

On January 1, 1909, rates were reduced
and values increased to full 3% reserve.

EDITOR ALISON RETIRES.

In the current issue Stephen H. Alison announces his retirement next Thursday as president and manager of the Vindicator Publishing Company, Ltd., and also as editor, having disposed of his entire interest in both "The Insurance Vindicator" and the "Southern Insurance Directory" to William Pfaff and D. R. McGuire, who assumes full responsibility for both publications on and after that date.

The able Alison will be missed from the circles which he has so well adorned and edified.

Insurance Commissioner Hawkins, of Texas, is doing things to the companies. He has assessed the companies doing business there 3 per cent. of the premiums collected by them in 1910 to defray the expense of preparing and applying the new rating schedules required by the Texas law. This expense has been figured at \$212,000, covering the \$5,000 salary of Manager Roulet and the salaries and traveling expenses of sixty-five inspectors, four chief raters and three fire protection engineers.

The project to improve the north-east corner of John and Dutch streets with a 16-story office building, launched some time ago, will be started in the near future. The project is that of the Underwriters' Building Company, which leased the ground from the Reformed Dutch Church for 84 years. Plans for the structure have been filed and the cost is estimated at \$600,000.

An examination of the Consolidated Casualty Company is being made by the West Virginia Insurance Department, the company having been chartered in that State. It is only a few weeks ago that an examination was made and this fresh one arouses many comments.

A bill to incorporate the Baltimore Bonding & Fidelity Company has been introduced in the Senate. The capital stock is limited to \$500,000 and permission is asked to do a fidelity and surety business.

Charles J. Okell & Co., general agents of the Employers' Liability Assurance Corporation at San Francisco, have removed their offices into larger and more convenient quarters in the Royal Insurance building.

President Henry Evans of the Fidelity-Phenix is not yet prepared to say whether or not his company will apply for membership in the Eastern Union.

Chicago's and the Northwest's leading insurance journal, the "Western Underwriter," is opening an Eastern office in New York April 1, under the direction of George H. Holden, who is now connected with the "Weekly Underwriter," as reporter. The report is that this means the acquisition of one of the New York insurance journals to be conducted in conjunction with the "Western Underwriter."

Ernest J. Miller, assistant superintendent in charge of the burglary department of the National Surety, has resigned to become burglary manager for the Prudential Casualty, of Indianapolis, just organized and licensed by Indiana. The National has not announced a successor, but at the munificent salary of \$1,320 paid Miller, it is probable that it will be difficult to find one.

D. E. Monroe has been appointed Illinois State agent for the National of Hartford, succeeding H. F. Espenscheif, who resigned to go into the local agency work. Mr. Monroe was for several years a special for the National in Illinois, and was transferred to Iowa a few months ago.

Chief of Detectives—Now give us a description of your missing cashier. How tall was he?

Business Man—I don't know how tall he was. What worries me is that he was \$25,000 short.—"Philadelphia Record."

The Niagara has gone on the sole agency basis at Cincinnati, appointing E. E. Shipley as manager for Hamilton County. The agencies heretofore with Fred Rauh & Co. and Carl Kleve & Co. are taken up.

Governor Hughes, of New York, has signed the bill appropriating \$54,266 for salaries and expenses of the State Insurance Department for the remainder of the year.

Reference to the next General Court has been reported by the Massachusetts insurance committee on the bill petitioning for a charter for the National Automobile Insurance Company.

The Republican Assurance Company, proposed capital \$2,000,000 and surplus \$3,000,000, to write fire and marine, is the latest New York proposition.

An executive meeting of the Illinois Fire Insurance Commission was held in Chicago yesterday, to prepare for a special hearing in April.

The Preferred
ACCIDENT INSURANCE COMPANY
of New York

SUPERIOR POLICIES

KIMBALL C. ATWOOD, President
290-292 Broadway, New York

MEN OF ENERGY **ARE OFFERED** **WORK OF MOMENT**

in desirable localities representing a sixty-year old institution, with modern, liberal, law-conforming policies, and helpful Home office co-operation. Much good territory available. Many opportunities for advantageous positions. Inquire NOW.

UNION MUTUAL LIFE **INSURANCE COMPANY** **PORTLAND, MAINE**

FRED E. RICHARDS, President.

Address either:
ALBERT E. AWDE,
Supt., 386 Congress St.,
Portland, Maine.
THORNTON CHASE,
Supt., 405 Exch. Bldg.,
Los Angeles, Cal.

The Employers' Liability **Assurance Corporation, Ltd.**

LIABILITY, STEAM BOILER,
ACCIDENT, HEALTH, FIDELITY
and BURGLARY INSURANCE.

UNITED STATES BRANCH.

SAMUEL APPLETON, United States
Manager,

Employers' Liability Building,
33 BROAD STREET, BOSTON, MASS.

EDMUND DWIGHT,
Resident Manager for New York State
56 MAIDEN LANE, NEW YORK.

AGENTS WANTED.

Organized 1871

Life Ins. Co. of Virginia **Home Office, Richmond, Virginia.**

J. G. WALKER, President.
T. W. PEMBERTON, 1st Vice-President.
W. L. T. ROGERSON, 2d Vice-President.
E. D. HARRIS, Secretary.

The OLDEST Southern Life Insurance
Company.
The LARGEST and STRONGEST South-
ern Life Insurance Company.
The PIONEER Southern Industrial Life
Insurance Company.

Its policies are clear and definite in their provisions and their values are absolutely guaranteed.

Assets Dec. 31, 1909..... \$5,372,691.99
Liabilities Dec. 31, 1909..... 4,312,405.32
Insurance in Force Dec. 31,
1909..... 68,337,613.00
Total Payments to Policy-
holders since Organization 9,820,412.49

TO WIN IN COMPETITION

Represent the Company whose agents have the strongest fighting material and the most telling arguments. Everyone knows the superiority in low cost to policyholders, (due to high interest earnings, low death and expense rate) of

THE Union Central Life Insurance Co. of Cincinnati.

Assets, \$74,523,966.28
Liabilities, \$72,324,302.92

JESSE R. CLARK, President.
ALLAN WATERS, Sup't of Agents.

201st Year.

SUN Insurance Office OF LONDON.

FOUNDED 1710.

UNITED STATES BRANCH:
54 PINE STREET, NEW YORK.
WESTERN DEPARTMENT:
171 LA SALLE ST., CHICAGO.
PACIFIC DEPARTMENT:

Sansome & Sacramento Sts.,
SAN FRANCISCO, CAL.

AGENTS WANTED
AT UNREPRESENTED POINTS.

A first class life underwriter with a successful field record, and an untarnished reputation can secure good open territory by addressing

SECURITY MUTUAL LIFE INSURANCE COMPANY

Binghamton, N. Y.

THE BANKERS LIFE ASSOCIATION

DES MOINES, IOWA.

ERNEST E. CLARK, President.

Exceptional Record During
twenty-nine years for

LOW RATE OF MORTALITY
ECONOMY OF MANAGEMENT
PROMPT PAYMENT OF CLAIMS
SECURITY OF ITS FUNDS

and satisfactory results
for its policyholders.

THE Philadelphia Casualty Co.

WALTER LE MAR TALBOT, Pres't.

Our New Accident Policy Is Perfection.

It's the Policy Your Client Wants.
It's the Policy That's Easy to Sell.

Personal Accident, Health, Liability
Automobile, Plate Glass and
Credit Insurance.

Agency Correspondence Solicited.

THE PRUDENTIAL

is the most extensively advertised Life Insurance Company in the world. This advertising is a wonderful help to its Agents. You may take advantage of this great campaign. Write for information concerning agency.



THE PRUDENTIAL

Insurance Company of America.

Incorporated as a Stock Company by the
State of New Jersey.

JOHN F. DRYDEN, Home Office,
President, NEWARK, N. J.
Write for Agency.

The Northwestern Mutual Life Insurance Co. of Milwaukee

GEO. C. MARKHAM, President
A. S. HATHAWAY, Secretary



New Business Paid-For

1905		\$ 90,334,038
1906		93,563,452
1907		102,233,634
1908		109,773,709

Each year larger than any in the previous
history of the Company.

Commenced Business 1858

INSURANCE MEN will note the significant increase in The Northwestern's new business during the past four years.

IMPORTANT FACTS relating to this business are shown by the following percentages:

	Expenses	Mortality	Interest
1905	12.15	67	4.73
1906	11.76	59	4.72
1907	11.81	58	4.76
1908	10.76	59	4.84

It is capable of easy demonstration that The Northwestern is the best Company to insure in.

See The Northwestern's policy contract with its Dividend Options, Paid-up and Endowment Options, Options of Settlement and the Premium Loan feature. Issues Partnership and Corporation Insurance.

For further information or an Agency, address

H. F. NORRIS,
Superintendent of Agencies.

COMPARATIVE RESERVE TABLES

BY

MILES M. DAWSON

Consulting Actuary.

‘Containing Mean and Terminal Reserves for the
usual forms of policies and by the
following standards:

American Experience, Select and Ultimate $3\frac{1}{2}$ per cent.
American Experience, Select and Ultimate 3 per cent.
American Experience, Modified Preliminary Term $3\frac{1}{2}$ per cent.
American Experience, Modified Preliminary Term 3 per cent.
American Experience, Select and Ultimate 4 per cent.
Actuaries', Modified Preliminary Term 4 per cent.
American Experience, Committee of Fifteen, $3\frac{1}{2}$ per cent.
American Experience, Illinois and Tennessee, $3\frac{1}{2}$ per cent.
American Experience, Michigan, $3\frac{1}{2}$ per cent.
American Experience, Wisconsin, $3\frac{1}{2}$ per cent.
American Experience, New Jersey, $3\frac{1}{2}$ per cent.
H^M, Canadian Life Officers' Association, $3\frac{1}{2}$ per cent.
O^[M], Select and Ultimate, $3\frac{1}{2}$ per cent.

THIS covers all the standards, other than the net level
premiums, in use in this country. Tables showing
the first year margins set free by each method of valu-
ation are given.

Send all orders to the Publishers,

The Chronicle Co., Ltd.

No. 90 William St.

NEW YORK

LIVERPOOL & LONDON & GLOBE

NEW YORK OFFICE, 45 WILLIAM STREET.

H. W. EATON, *Manager*
G. W. HOYT, *Deputy Manager*.
B. KREMER, Jr., and T. A. WEED, *Agency Supts*

NEW ENGLAND STATES, NEW YORK, NEW JERSEY,
PENNSYLVANIA, MARYLAND, DELAWARE,
DISTRICT OF COLUMBIA, VIRGINIA,
WEST VIRGINIA, NORTH CAROLINA,
SOUTH CAROLINA, OHIO,
INDIANA, KENTUCKY,
TENNESSEE.

NEW ORLEANS OFFICE, COR. CARondelet & COMMON STS.

CLARENCE F. LOW, *Manager*
J. G. PEPPER, *Asst. Mgr.*
THOS. H. ANDERSON, *Deputy Asst. Mgr.*

LOUISIANA,
MISSISSIPPI,
ALABAMA,
OKLAHOMA,
FLORIDA,
ARKANSAS,
TEXAS,
GEORGIA.

SAN FRANCISCO OFFICE, 444 CALIFORNIA ST.

CHARLES D. HAVEN, *Manager*.
C. MASON KINNE, *Asst. Manager*.
JOHN W. GUNN, *Deputy Asst. Mgr*

CALIFORNIA, NEVADA,
ALASKA, OREGON,
WASHINGTON,
ARIZONA,
IDAHO.

ILLINOIS,
MICHIGAN, IOWA,
WISCONSIN, MINNESOTA,
MISSOURI, KANSAS, NEBRASKA,
COLORADO, N. DAKOTA, S. DAKOTA,
MONTANA, UTAH, WYOMING,
NEW MEXICO.

CHICAGO OFFICE, 205 LA SALLE STREET.

W. S. WARREN, *Manager*.
GEO. H. MOORE, *Assistant Manager*.
HUGH R. LOUDON, *Deputy Asst. Mgr.*

INSURANCE COMPANY

ESTABLISHED 1836. ENTERED U. S. 1848.

The statement of the condition of the United States Branch on the 1st day of January, 1910, in accordance with the Laws of the State of New York, is as follows:

ASSETS	\$13,885,802.88
LIABILITIES	8,766,622.58
SURPLUS	\$5,119,180.30

As an illustration of the Company's practice in maintaining its assets in the United States in years of excessive loss, the following figures may interest policyholders:

Year.	Assets at January 1.	Income.	Expenditure.	Excess of Expenditure.
1871	\$3,054,361	\$3,163,901	\$5,122,653	\$1,958,752
1872	3,640,450	3,733,101	4,484,999	751,898
1873	4,165,290			

Thus showing excess of expenditure in the two years of \$2,710,650
And increase of assets in the same time of 1,110,929

Progress of the United States Branch: Net Fire Premiums: 1848, \$4,519; 1858, \$471,998; 1868, \$1,739,620; 1878, \$2,422,126; 1888, \$3,928,010; 1898, \$4,979,422; 1908, \$7,427,617.63.

LOSSES.—The amount paid in the satisfaction of fire losses in the United States to the beginning of the present year was over \$119,461,623.72. This large sum, in conjunction with the growth of the Company's business, evinces the confidence of the public and the faithfulness with which the Company's losses are adjusted and settled.

The Chronicle.

1866

Published by THE CHRONICLE COMPANY, Ltd., 90 William St., New York City.

1910

VOLUME LXXXV.

New York, March 31, 1910.

NUMBER 13

A General Agency is open
in the State of

PENNSYLVANIA

For one of the best Old Line
Companies in America

Write "B," care of this paper

FOUNDED 1792

118th ANNUAL STATEMENT

INSURANCE COMPANY OF NORTH AMERICA. OF PHILADELPHIA, PA.

ASSETS.

Real Estate	January 1, 1910.
First Mortgages on Real Estate	\$ 364,410.00
Philadelphia, New York, Boston and other City and State Loans	373,803.43
Pennsylvania, Philadelphia and Erie, Lehigh Valley and other Companies' Bonds and Stocks	1,134,390.00
Cash in Bank and Bankers' hands	8,909,150.32
Notes Receivable and Unsettled Marine Premiums	1,134,635.88
Net Cash Fire Premiums in course of Transmission	347,440.69
Accrued Interest, and all other property	877,250.00
	1,069,510.62
	52,160.57

Total Assets\$13,385,501.56

LIABILITIES.

Capital Stock	\$ 3,000,000.00
Reserve for Re-Insurance ..	6,813,862.47
Reserve for Losses	877,250.00
All other Liabilities	104,982.45
Surplus over all Liabilities ..	2,589,406.64

\$13,385,501.56

Surplus to Policyholders	\$5,589,406.64
Increase in Reinsurance Reserve	349,934.71
Increase in Net Surplus	838,500.98
Increase in Assets	1,371,438.93

Eugene L. Ellison	President
Benjamin Rush	Vice-President
T. Howard Wright	Secretary
Henry W. Farnum	Assistant Secretary
John O. Platt	Assistant Secretary

Agencies in all Prominent Cities & Towns.

THE American Credit-Indemnity Co. OF NEW YORK.

CREDIT INSURANCE ONLY.

Insures Wholesalers and Manufacturers against Excessive Annual Loss through the Insolvency of their Customers.

We can always use a few high-grade solicitors.

ST. LOUIS, MO.

NEW YORK, N. Y.

Offices in All Principal Cities.

A. B. TREAT, General Agent,

302 Broadway, : : : : : New York.

OLDEST
IN
AMERICA

STRONGEST
IN THE
WORLD

THE MUTUAL LIFE Insurance Company of New York

Mutual Life Agents Make Most Money
Because Mutual Life Policies Sell Most Freely

For terms to producing agents, address

GEORGE T. DEXTER

2nd Vice-President

34 Nassau Street

New York, N. Y.

Oldest and Strongest Illinois Company

All Franklin Policies are Registered, and approved securities equal in value to the Legal Reserve thereon are deposited with and held in Trust by the State of Illinois for the benefit of holders of such policies.

GOOD
SALESMEN
WANTED



WRITE THE
HOME
OFFICE

ASSETS	-	-	-	\$ 5,064,430.36
LIABILITIES	-	-	-	4,407,757.89
SURPLUS	-	-	-	656,672.47
OUTSTANDING INSURANCE	-	-	-	36,853,610.00

The Chronicle

VOLUME LXXXV.

NEW YORK, THURSDAY, MARCH 31, 1910.

NUMBER 13

ALFRED B. DAWSON, President.
R. B. Dawson, Treasurer. Chas. D. O'Brien, Secretary.
Emil Schwab, Manager New England Department,
178 Devonshire Street, Boston, Mass.

All communications should be addressed to and remittances should be made to The Chronicle Company, Limited.
Entered at the Post Office, New York, N. Y., as Second Class Mail Matter.

PUBLISHED EVERY THURSDAY BY
THE CHRONICLE COMPANY, Limited.
No. 90 WILLIAM ST., NEW YORK.
Phone "567 John." Cable Address, "Chronogram," New York.

Subscription Price:
Three Dollars a Year. Single Copies, Twenty-five Cents.
Postage Prepaid in the United States and Canada.

Further Evidence of Legislative Graft.

At last Friday's session, "In the Matter of an Investigation of the Insurance Companies Doing Business in the State of New York in the Years 1900 to 1910, Inclusive, and Particularly as to Expenses and Disbursements of Such Companies," as conducted by Superintendent Hotchkiss, of New York, William H. Buckley, former legislative attorney-at-large, was the chief witness. His testimony was not in any sense voluntary. His only explanation of all the interesting correspondence that passed between the late George P. Sheldon and himself was "the letter speaks for itself."

Superintendent Hotchkiss made strenuous efforts to procure admissions from Buckley that he represented the law and legislation committee of the New York Board of Fire Underwriters in his legislative work. This Buckley vigorously denied, insisting that he only knew Mr. Sheldon in such matters and was paid by him for his work.

Phenix Loans to Buckley.

The correspondence offered in evidence seemed to show that Buckley had procured loans of \$48,000 prior to his retirement from the Insurance Department in March, 1901, and that these loans were taken over by the Phenix Insurance Company by a series of indirect transactions. One of these was the transfer of a \$13,000 loan from the books of the North American Trust Company to those of the Phenix by the much-talked-of check drawn to E. E. McCall. Another check for \$35,000, drawn by the Phenix to Buckley's account was not indorsed by Buckley, but was indorsed by McCall, with Buckley's name, for reasons which Buckley, when questioned on the witness stand, would not specify.

Besides the mention of Justice McCall, another prominent New Yorker's name was brought into the limelight, that of former Comptroller Edward M. Grout, who appeared as having played an active part in legislative attempts to tax insurance reserves in 1903. This bill was the McKeown bill, and the predecessor of the Grady bill of 1904. The correspondence between Buckley and Mr. Sheldon was most interesting from a political standpoint, inasmuch as they showed the possible connection between many prominent men of this State and certain strike legislation.

Andy Fields Redivivus.

On March 23, 1903, Buckley wrote to Mr. Sheldon regarding some adverse measures which had unexpectedly been taken out of committee:

"On the arrival of General Fields to-night we got to work at once, with the result that several bills were either recommitted or held up in committee in both houses."

Actuary Dawson Tells of Request for Bribe Money.

In the afternoon session Miles M. Dawson, consulting actuary, was put on the stand and testified that he went to Albany in 1905 on behalf of the Washington Life Insurance Company, in connection with a bill which was advocated by that company and some other life insurance companies, which wrote their policies as preliminary term. He said Buckley, whom he identified as the former witness and who was known to him as representing the Provident Savings Life which was also in favor of the bill, came to him and said that the bill could not pass unless some money should be provided for the "boys." He suggested that as Dawson would probably receive a good sized fee, he divide it with those who could help the

bill through. The witness stated that he told him he was not there to bribe anybody; and that if the bill could not pass without that, it would never pass. It did not.

Monday's Session.

Among the interesting features developed Monday was the admission by William Bro Smith, counsel of the Travelers Insurance Company, of Hartford, that his company paid \$21,450 to Buckley for services rendered in 1903.

Mr. Bro Smith said that that year the law creating a liability claim reserve was passed by the New York legislature and that his company favored it. He said he believed that the payments to Mr. Buckley had something to do with this measure, but also stated that the company's regular Albany attorneys, Rosendale & Hessburg, also represented them in connection with this matter, and were paid \$450 for their services. Further, he stated that he personally attended the hearings on the bill. He stated that his company had never before or since employed Buckley.

Buckley Withholds Consent to Examine Bank Account.

It developed that Buckley, who at the closing session last week stated that he was willing to have the Superintendent of Insurance examine his bank account, immediately afterward notified the National Commercial Bank, of Albany, not to give any conscript of his account from 1900 on to the Insurance Department. In view of the fact that Superintendent Hotchkiss had already shown that Buckley had received at least \$100,000 in his five years of legislative service, the examination of this account might have shown that perhaps his legal

(Continued on Page 6.)

IS NOT THE TIME OPPORTUNE?

Actuary Dawson Addresses Readers of "The Chronicle."

It is very much to be hoped that in addition to President Kingsley, of the New York Life Insurance Company, and myself, who have both testified that Mr. Buckley, whose relationship with the enactment and repeal of legislation is now under investigation, asked us for money to bribe legislators, persons connected with insurance companies, or acting for them directly or indirectly, who know more definitely that such use was made or was to be made of money paid, the names of legislators to whom the same was paid, or to be paid, and, if possible, that it was so paid, should come forward at this time and remove all uncertainty, both as to what was being done and as to who were some of the legislators at least, who were thus in effect blackmailing the insurance companies.

I am well aware that there is deeply ingrained in every honorable man an indisposition to "snitch," and that this is doubly so, when, perhaps, his name has not been brought forward and might conceivably not come forward; and this is particularly the case when his own conscience is clear and he feels that whatever was done was, so far as his part was concerned, virtually under duress, and much as if a loaded revolver had been pointed at his head, with the exclamation, "Your money or your life!"

The Present Moment Opportune.

But the present conditions are peculiar in that they offer a well-grounded hope for a complete and permanent escape of the insurance interests of the State of New York—and through the example which the State of New York may afford, the insurance interests of all the States—from ever again being victimized in a similar manner; and this hope may be dashed by the failure thoroughly to ventilate what has taken place in the relatively recent past.

Already at the very time when these various heavy disbursements were being made through Buckley—and for the most part yet heavier disbursements through other men engaged in a similar occupation—the conditions had, in my humble opinion, so far changed that nearly, if not quite, all the money so spent was thrown away, and the object, especially when it was an honorable object, could and would have been secured even more certainly without this expenditure.

The Story of the Tax Bill of 1901.

An illustration in point is the defeat of the tax bill of 1901. It is my

conviction, based upon a reasonably intimate knowledge of what honorable and intelligent arguments, directed at the head rather than the pocket, were presented at that time, that the amendment of the bill so as to change the basis of taxation from the surplus to the premiums received in the State of New York, and also so as to apply to all companies, and not to New York companies, only, was made at the direct request and upon the consent of Governor Odell, and because he became convinced that a tax upon surplus would put the New York companies at a serious disadvantage in competition, which would cost them many times as much as the tax and be of no benefit to the State in any way, but of great injury. Persons who were present at the hearing at Albany will recall that this view was obviously taken by members of the Senate committee, and especially by Senator Crum and Senator Higgins, afterward governor of the State, who virtually announced themselves as so convinced while the hearing was still in progress. It is known to many that the amendment of the bill was consented to by the governor that very evening after a conference with certain members of this committee and at least these two senators against whose integrity nothing has ever been brought, or, in the opinion of those who know them, could possibly be brought, and that his decision presumably was the result of this conference.

This is also supported by the fact, which is well known in many circles, that a very powerful man, then vice-president of one of the large companies had gone to the governor, who was shown by the Armstrong Committee to have known of the liberal contributions to the campaign funds, and also doubtless knew the ins and outs of the under ground operations of Buckley and men like him at Albany, and Governor Odell cut short the conversation by saying that the bill would pass without the dotting of an "i" or the crossing of a "t," and that legislators, if there were any, who sold themselves to vote against it, had best look out.

Can Respectable Legislators Support the Companies' Views.

It will be recalled that this bill, when introduced, was referred to the Senate committee of insurance and reported favorably immediately, and without a hearing, and that it required a great deal of agitation to cause it to be re-committed for a hearing. It was my fortune, whether good or ill, to join in this support and to approach with the request that they vote for re-committal upon the ground

that common fairness required it, several of the ablest senators, being men whose integrity is above suspicion. Upon the injustice of the action of the Senate committee being pointed out, they one and all consented to vote for re-committal, with instructions to grant a hearing; and one of them, Hon. N. A. Elsberg, in making the statement that he would do so, significantly said:

"I am convinced that re-committal with instructions to grant a hearing is demanded as a matter of fairness, and I shall vote for it; but I tell you right now, Dawson, that while I know that there are honorable insurance bills which come before the Senate, and I do not believe that you would give your support to any which are not honorable, these insurance people have created such a situation in Albany that it is almost equivalent to acknowledging that you are bought, to vote for any bill which they want or against any bill which they oppose."

Shall Such Conditions Rule Again?

It is certainly worth while to do away with such conditions and to create the condition that the insurance interests of the State of New York can go to Albany for meritorious legislation or appear there against legislation which is injurious and unjust, and may be assured that every honest man in both houses will feel free to champion their measures and

The Preferred
ACCIDENT INSURANCE COMPANY

of New York

SUPERIOR POLICIES

KIMBALL C. ATWOOD, President
290-292 Broadway, New York

SPECIAL OPPORTUNITIES offered now in Southern States to Representatives of

**CITIZENS
LIFE
INSURANCE
CO.**

W. H. GREGORY,
President.

oppose strike bills against them, without being subject to the suspicion of carrying their money in his pocket.

There may remain in some minds, however, the question whether there is such a prospect of accomplishing this most desirable object, that men upon whose shoulders rest the responsibilities concerning our insurance companies should be moved to disregard their own disinclination to keep out of the limelight and should at whatever apparent sacrifice to themselves, render assistance at this time to bring these matters to light.

It is not possible to say what legislation can be added to that which is now on the statute books under and by means of which such conditions as these will be avoided; but a reform of our primary laws, a reform of party organization, more complete responsibility to the voters of the State on the part of the party in power for all legislation, the doing away of professional privilege on the part of attorneys so far as accounting for money expended on behalf of their clients in connection with legislation is concerned, and various other alterations in our law and practice are already indicated and doubtless others will suggest themselves to minds more astute than my own, as the investigation progresses. It is an old saying in equity that "there is no wrong without a remedy" and certainly the ingenuity of those who desire the right is fully equal to the ingenuity of those who wish to corrupt legislation if the devious paths of the latter are once thoroughly exposed to the observation of all.

MILES M. DAWSON.

URGES FEDERAL CONTROL.

On Tuesday last, before the Life Underwriters Association of Western Massachusetts, Darwin P. Kingsley, president of the New York Life, made a strong plea for federal control of insurance companies.

President Kingsley took exception to the opinion of United States Senator Elihu Root that federal supervision had reached the limit of its powers, and warned him that such control of insurance companies was demanded by the people. He said in part:

"As a result of the methods by which it is now regulated and controlled, life insurance finds itself in the very forefront of those interests which are demanding a wider use of federal authority, a broader interpretation of the enumerated powers of Congress, a further application of the substantially unlimited powers of the Federal Supreme Court. There has never been a moment since 1789 when

the seeming conflict between national power and the rights of the States has not been in the hearts, if not on the lips, of our citizens and lawmakers.

"Cries for federal control are the growing pains of a great people. Let Senator Root and all others who are leaders make no mistake. The people of the country are not afraid of themselves, and they are no more doubtful of their power as citizens of the United States than they are of their power as citizens of the States. They see their opportunity and they will not run away from it. On the contrary, they will crowd every opportunity."

SUICIDE OF INSURED.

An insurer in a life policy stating that on the death of insured by self-destruction, sane or insane, the insurer shall be liable only for the returns of the premiums paid, is liable for the face of the policy where insured at the time he killed himself was so insane that he did not know that he was taking his life, or did not know that the act he was committing would probably result in death.—Inter-Southern Life vs. Boyd, 124 S. W. (Ky.) 333.

A WELL DESERVED PROMOTION.

The promotion of Dr. Lee K. Frankel to the position of an executive officer of the Metropolitan Life Insurance Company, with the title of assistant secretary, is well received in insurance circles, where Dr. Frankel has been making hosts of friends and attracting generally favorable attention since his entrance into life insurance.

Attorney General O'Malley, of New York, has advised Superintendent Hotchkiss that assessment life and casualty associations cannot insure the lives of minors, according to the present insurance law.

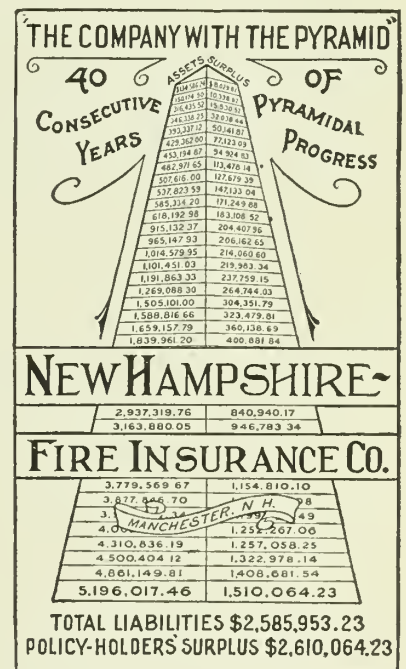
The Gibraltar Life is being organized at Indianapolis by W. J. Love and several other former agents of the Prudential, its name being taken from the well-known Prudential trademark. They propose to write industrial insurance and offer as a novelty a policy to be sold as low as a penny a week.

HARTFORD LIFE

INSURANCE COMPANY,
OF CONN.

1909 Policies are Participating, or Non-participating, with Lower Rates and Values based on FULL RESERVE.

For Right Contracts,
Address, Second Vice-President,
Home Office, HARTFORD, CONN.



THE FIDELITY MUTUAL LIFE INSURANCE COMPANY OF PHILADELPHIA

Has some excellent Agency Positions

FOR INFORMATION APPLY TO

ALEXANDER McKNIGHT, Vice-President
L. G. FOUSE, President.

ASSESSMENT POLICYHOLDERS OF MUTUAL RESERVE NOT LIABLE FOR ASSESSMENTS.

Judge Ward, of the United States Circuit Court of the Southern District of New York, handed down on Wednesday of this week, March 30, a decision in four suits brought on behalf of the receivers of the Mutual Reserve Life Insurance Company to enforce the collection of assessments. The court holds that the assessments are uncollectible, because levied when the company was insolvent, because the policies provided against "personal liability," because the contract consists of "the application, the certificate and the by-laws," and because the company had changed the rates of assessments without the consent of the members, which the Court of Appeals of New York recently decided to be a violation of the contract.

The opinion of the court is as follows:

December 16, 1907, the directors of the company, it then being in point of fact insolvent, adopted a resolution levying an assessment on all holders of its certificates subject to assessment, payable within thirty days from January 1, 1908. The company was put into the hands of receivers February 15, 1908. The defendants were members in good standing at the time they were assessed and admit that their failure to pay terminates their membership. But they say that this is the only consequence, they not being personally liable to pay the assessment.

The certificate of the defendant O'Donoghue was issued February 6, 1883, and it was agreed therein that the company would upon his death pay \$5,000 from the death fund or the next assessment or from the reserve fund and not otherwise and that the certificate was to become null and void upon his failure to make any required payment. It contained no express promise upon his part to pay assessments, but the plaintiffs contend that one must be implied. The Appellate Division of the Second Department of the Supreme Court of New York has so held in the case of *Gray v. Daly*, 40 App. Div. 41. The question has never been decided by the Court of Appeals of New York. The contract of the certificate holder is with the company and is in consideration of actual *bona fide* continuing insurance. If the company is insolvent when an assessment is levied this consideration fails and it would seem to be unfair to require a member to pay for something he is not getting. This view is forcibly expressed by Judge Blodgett in *re Protection Life Insurance Company*, 9 Bissell, 188, 196, and his remarks are cited with approval in the *Matter of Equitable Reserve Fund Life Association*, 131 N. Y., 354, 377. I am of opinion that a promise to pay may be implied in the case of O'Donoghue, but I think that he is excused from paying because of the insolvency of the company.

The cases of the other defendants

are clearer. Gallert's certificate was issued January 9, 1891, and contained this provision:

"II. No personal liability is incurred by becoming a member of this association. The contract is a bi-monthly term insurance renewable at the option of the member before expiration upon payment of mortuary premiums and dues at the times and in the manner herein provided."

And upon the back of the certificate is printed:

"This policy expressly provides that no personal liability shall be incurred by becoming a member of this association. Payments are at the option of the member to continue only so long as the member may desire to keep his policy in force."

And the application contained the following:

"Conditions upon which this application is made are that no personal liability of the applicant shall be incurred by becoming a member of the association. Payments by the member are voluntary at the option of the member to continue them as long as the member may desire to keep the said certificate or policy in force."

Dempsey's certificate was issued January 21, 1893, and it, as well as the application, contained the same provisions as Gallert's.

Ritchie's certificate was issued February 1, 1901, and called for a fixed annual premium without any liability for assessments at all. It contained the following provision:

"II. No personal liability is incurred by becoming insured in this association."

As the contract between the certificate holder and the company is to be ascertained from the application, the certificate and the by-laws, *People v. Grand Lodge*, 156 N. Y. 533, 537, it seems to me quite plain that the defendants, Gallert, Dempsey and Ritchie, are not liable for the assessment.

The plaintiffs, however, contend that because section 210 of chapter 690 of laws of 1892 (before which date the certificates of O'Donoghue and Gallert were issued) require every life or casualty insurance company doing business on the assessment plan to specify in its certificates the amount to be paid and because section 207 authorizes the Superintendent of Insurance to apply to the Supreme Court for an order to show cause why such an association should not be restrained from doing business if the matured claims exceed its assets and assessments made or in process of collection, certificate holders are required by law to pay assessments. Otherwise they say the provision of section 210 cannot be carried out. But I think these provisions do not affect the contract made between the certificate holder and the association, and are merely intended to provide a method of determining when proceedings may be instituted to wind up such associations. In view of the obvious purposes of the insurance law, the Attorney General might well advise the Superintendent of Insurance to withhold his approval of such certificates as these defendants held, but it does not follow that they can be construed by the court to be other than their terms make them.

Another ground of demurrer is that the assessment was at higher rates

than those fixed in the certificates of O'Donoghue, Gallert and Dempsey. A stipulation has been made of this fact. This is sought to be justified by provisions of the by-laws giving the directors authority either expressly or impliedly to fix rates of assessments. The certificate holders having agreed to be bound by the by-laws, it is argued that they are bound by assessments so fixed. But the Court of Appeals of New York has lately held that such by-laws do not authorize the directors to alter any material provision of a contract theretofore made, *Wright v. Knights of Maccabees*, 196 N. Y. 391, and *Dowdall v. Supreme Council*, id. 405. No estoppel arises from the fact that the defendants had on previous occasions paid assessments levied at rates higher than those provided for in their certificates.

L. A. Greenwood, for five years manager for the life and accident department of the Travelers in Chicago, has taken a similar position at Los Angeles in order to be near his family, exchanging positions with Erwin J. Mumua, who will go to Chicago as soon as Mr. Greenwood is installed.

Under a ruling by the Attorney-General the Washington Insurance Department has barred eight assessment companies, including the Western Life Indemnity Company, of Chicago.

The Columbian National Life INSURANCE COMPANY OF BOSTON, MASS.

LIFE, ACCIDENT AND HEALTH
INSURANCE.

The Only Massachusetts
Non-Participating Company

The New Columbian Policies (Sept. '09)
are Unexcelled in Clearness and Liberality.

Good Contracts and Territory for
Good Producers.

ARTHUR E. CHILDS, President.

THE BANKERS LIFE ASSOCIATION DES MOINES, IOWA.

ERNEST E. CLARK, President.

Exceptional Record During
twenty-nine years for
LOW RATE OF MORTALITY
ECONOMY OF MANAGEMENT
PROMPT PAYMENT OF CLAIMS
SECURITY OF ITS FUNDS

and satisfactory results
for its policyholders.

THAT ASSEMBLY RESOLUTION

On the last day of March, the Ways and Means Committee of the lower house of the New York legislature decided to report favorably the resolution of Assemblyman McInerny, of Rochester, calling for a legislative committee to investigate all insurance companies, except life, appropriating \$25,000 for its expenses and giving authority to examine witnesses under oath and to employ counsel.

This resolution was offered on January 17 last, and so before the investigation by Superintendent Hotchkiss was inaugurated. Doubtless it would never have been heard from had there been no such investigation. Yet the best possible reason why it should not be adopted, is that the superintendent of insurance not only has the power under the existing law to carry his researches as far as he deems proper, but also obviously has the disposition and the ability to do so. Moreover he commands the confidence of the entire State, while it is not too much to say that the New York legislature, as at present constituted, does not.

Superintendent Hotchkiss, being interviewed upon the matter, expresses his willingness to welcome the help of the legislative committee and to co-operate with it; but the question still remains, "Cui bono?"

HEARING ON AMENDMENTS TO SECTION 96.

On Wednesday of last week, there was a hearing at Albany before the assembly committee on the amendments to Section 96, relating to the limitation of new business, offered on the recommendation of the superintendent of insurance.

There were present at the hearing Hon. W. J. Tully, counsel for the Metropolitan; Edward D. Duffield, counsel, and F. H. Johnston, associate actuary of the Prudential, and E. J. Heppenheimer, president of the Colonial, all of them objecting to the proposed limitation of the ordinary business of industrial companies. There were also present Vice-President E. E. Rhodes, of the Mutual Benefit, and Vice-President A. A. Welch of the Phoenix Mutual; William Bro Smith, counsel of the Travelers; Hon. Robert Lynn Cox, manager of the Association of Life Insurance Presidents; James H. McIntosh, counsel of the New York Life, and Hon. Alfred Hurrell, counsel of the Insurance Department. Messrs. Tully and Duffield pointed out that the limitation would very materially reduce the amount of ordinary business which their companies

were now transacting, and Mr. Tully stated that not long after July 1, were the bill to pass, the Metropolitan would be compelled to cease doing ordinary business for the remainder of 1910.

Mr. McIntosh thought the bill fair if the policy of limiting new business was to be persisted in, but argued for repeal on the ground that the other provisions of the laws, limiting expenses and contingency reserve, and requiring the declaration of dividends annually, were adequate to enforce economy, which was the sole purpose of this provision.

Mr. Rhodes pointed out that under the retaliatory laws of various States, such as New Jersey, if a home company were driven out of New York by reason of a provision such as this, cancellation of the license of all New York insurance companies might result.

The committee will hold another hearing on April 5, at which time, likewise, the proposed amendments of Section 97 will be discussed.

IS THIS AN IMPROVEMENT?

The Great Western Life Insurance Company, which, according to a veracious contemporary "is showing substantial progress under the present management," is issuing the "guaranteed dividend" or "coupon" policy, of the same nature as that which was the subject of controversy between the Louisiana National Life Insurance Company and Commissioner McGivney of Louisiana some months ago, the company abandoning the policy after being convinced that its suit to restrain the commissioner from interfering with it was going against it.

If the scheme of "guaranteeing" for the payment of a sum of money represented by a "coupon," which sum of money is to be paid out of the premium that the insured is then

to hand over, is especially meritorious and deserving of three columns in an insurance newspaper strictly upon its merits, the most astute and painstaking observers have not been able, with the use of powerful microscopes, to discover the aforesaid merits.

A. A. Allen, president of the Los Angeles Fire Underwriters Association, has resigned that position in a huff. The board opposed his plan for changing the present brokerage rule there.

NOTEWORTHY ADVANCE.

The
BERKSHIRE LIFE
Insurance Company,

OF PITTSFIELD, MASSACHUSETTS,

takes an advanced step in the interest of the policyholder by the adoption of the following liberal features in its new policy contract:

Low premium rates.

Large surrender values.

Dividends at the end of each policy-year.

Thirty-one days of grace in payment of all premiums after the first year.

Paid-up insurance or cash surrender value or extended insurance after two years' premiums have been paid.

Loans for the full cash surrender value.

Policy payable in one sum or in instalments for terms of years.

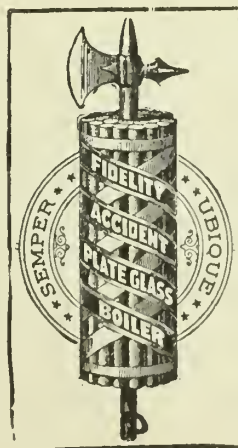
Policy has no restrictions upon residence or travel and is incontestable after the first policy year, except for non-payment of premiums.

Right of the insured to change the beneficiary.

Liberal re-instatement privileges.

Every effort has been made to make this new policy the very perfection in a life insurance contract.

For further information apply to
JOHN H. ROBINSON, General Agent
FRANK ALLEN, Associate General Agent
For New York and New Jersey,
Postal Building,
253 Broadway, - - - NEW YORK.



— THE —
FIDELITY & CASUALTY
COMPANY

97 TO 103 CEDAR ST., NEW YORK CITY.

ASSETS - \$8,649,885.66

Cap. & Surplus \$3,011,834.00

LOSSES PAID \$29,195,835.85
to Jan. 1, 1909,

This Company grants Insurances as follows:

Bonds of Suretyship for Persons in Positions of Trust, Fidelity Bonds, Burglary, Plate Glass, Steam Boiler, Fly Wheel, Employers, Public, Teams, Workmen's Collective, Elevator and General Liability; Personal Accident, Health and Physicians' Liability.

OFFICERS:

GEORGE F. SEWARD, President.

Robert J. Hillas, V.-P. & Sec'y. Henry Crossley, Ass't Sec'y.
Frank E. Law, 2d Ass't Sec'y. George W. Allen, 3d Ass't Sec'y.

FURTHER EVIDENCE OF LEGISLATIVE GRAFT.

(Continued from Page 1.)

fees had been considerably larger than those discovered, and that others in the vicinity of the State House were participants in these enormous emoluments.

President George F. Seward, of the Fidelity and Casualty Company, identified Edward A. Brown, of Middletown, N. Y., as, to the best of his recollection, the man who proposed to him eighteen years ago to kill a bill then pending in the legislature of New York State which, according to President Seward, threatened the very existence of his company, by the payment of \$10,000 to Big Tim Sullivan, for whom he was acting as henchman.

In his characteristic way that grand old Roman testified that he told Brown to tell Tim to go to h—.

"Hewing to the Line, the Chips Fall Where They May."

While evidently it is only the intention of the superintendent to reach the grafters at Albany and not to injure insurance interests, there were indication that he is following the old motto, "Hew to the line, let the chips fall where they may," as the afternoon session developed.

Besides the correspondence between Buckley and Sheldon he placed on record those from Buckley to C. F. Sturhahn, general manager of the Russia Insurance Company.

The remainder of Monday's session was almost wholly taken up by the reading of letters from Buckley to Sheldon and the unsuccessful attempt of Mr. Hotchkiss to get admissions from the witness.

Wouldn't Insult "Sen. B." With \$500.

Among those referred to in the correspondence was a Senator B., of Saratoga, presumably "Senator Brackett."

On October 18, 1904, Buckley wrote Sheldon as follows:

"Regarding the Saratoga party, I do not think you would want to give him less than \$1,000. If there are three in the matter it should be \$1,500, and I think the latter figure would be very satisfactory.

Mr. Sheldon finally sent a check for \$500 as his company's contribution, but failed to get funds from the other companies referred to. Buckley returned this check in a letter in which he said:

"It is to be regretted that some of those associated with you in the same kind of business are not so farsighted as you are, and it is too bad that you are obliged to be annoyed because

of their failures. However, we shall have to see what the future will do."

Tuesday's Session.

The most amusing feature of the hearing to date was the presentation of a letter from Buckley to the late George P. Sheldon, written shortly after the selection of the present Superintendent of Insurance for that office, announcing that he (Mr. Hotchkiss) was "absolutely all right and it would mean the retention of all our friends at both ends." But the real sensation was the testimony of Darwin P. Kingsley, president of the New York Life Insurance Company.

Sure About Hotchkiss.

The letter reads as follows:

"The new man named will probably be confirmed in time. He is absolutely all right and it will mean the retention of all our friends at both ends. I tell you this so you need have no concern about any new head coming in to take an initiative that might cause you trouble directly or indirectly. There is not the slightest reason for you to be concerned. Everything at both ends is all right and I have the best of assurances of that fact. Why don't the Board of Fire Underwriters or the men connected with them create a place for Ike Vanderpoel that will pay him between \$4,000 and \$5,000 a year. He is a very valuable fellow and I am anxious to see him located some place where his efforts can be made use of and there is no field that he is better qualified for than the fire field. I wish you would see what you can do with reference to it."

President Kingsley Was Also Asked for Bribe Money.

Mr. Kingsley said that while he was vice-president of the company he went to Albany in the spring of 1906, when the Armstrong insurance laws, as the result of the life insurance investigation, were pending in the legislature. He sought there to secure the passage of an amendment to prevent the lists of policyholders being made public.

Mr. Kingsley's testimony was in part as follows:

"Senator Horace White introduced this amendment, and it was carried on the first vote by a very small majority, some two or three only, I think."

"I was spending the evening after this vote in the Senate at the Ten Eyck Hotel. Some one called me on the telephone. I don't know who it was; it might have been Mr. Buckley.

"The voice remarked that while I had won a great victory that day, nevertheless, unless I were to lose it, I must have help. The voice advised me to walk up to the Capitol from the Ten Eyck and on the right hand side of the street I would meet some one who would talk to me and would tell me how to hold the victory I had won. After dinner I put on my hat and walked up the street toward the Capitol. In a doorway was standing Mr. Buckley, apparently waiting for me. He said to me as I recall, 'Well, you won a very notable victory to-day. They will take it away from you unless something is done.'

"I said, 'How can they do that?' He replied to me, 'The wheels are busy right now, but it needn't happen if something is done right now. For \$3,000 I can deliver you six votes in the Senate.' 'Well,' I said, 'I can't do that kind of a thing, Mr. Buckley.' He said, 'What are you up here for? Did you come here to run a Sunday school? You know this is Albany.'

In his own words Mr. Kingsley said his reply to Buckley was as follows: "There is one thing I won't do; I won't sacrifice my self-respect, and I won't give you a damn cent."

When placed on the stand Buckley denied that he had ever agreed to deliver senators at \$500 a head.

Buckley Didn't Succeed in Holding Up Mutual Reserve.

George D. Eldridge, a consulting actuary and formerly actuary of the

Have you seen the new policy of the PHILADELPHIA LIFE?

Agents are certainly writing business under this contract and an opportunity is presented to you to get busy on this. I don't say that there are not other good companies beside the Philadelphia Life and I don't want to disturb agents who are working for other companies, but if you are dissatisfied and are going to make a change, I think the Philadelphia Life is the Company you should be with and make it your last change, because with the Philadelphia Life you can do as much business as you want to do each year and make as much money as you want to make and if you don't make it it is your own fault.

Write PERRY to-day.

PHILADELPHIA LIFE INSURANCE COMPANY.
Philadelphia, Pa.

Mutual Reserve Life Fund and the Mutual Reserve Life Association, testified that he knew Buckley while he was third deputy in the Insurance Department and had met him several times. Regarding legislation in 1900 and especially the amendment to Section 52 of the insurance laws, the witness said he frequently talked with Buckley when he went to Albany and discussed the merits of the bill, which was passed May 10, 1901. He said that Buckley presented a bill for services of \$5,000, which the company considered altogether too high, especially as he had never been retained in any capacity. The counsel of the company offered \$500 as a compromise and recommended that if he declined he be allowed to sue, which he never did. Attorney Hurrell of the department said, "That was a strike that failed," to which Buckley took exception, without avail.

The Jakor Gets a Bargain.

It developed that the Jakor Insurance Company, of Moscow, was able to procure the services of Buckley for \$500 in connection with the company's admission to all States, whereas Buckley had collected \$3,500 from the Russia for services in connection with its admission to New York State alone.

Thursday.

At this morning's session Edwin E. Clapp further identified Edward A. Brown of Middletown as the go-between who offered to enlist the services of "Big Tim" Sullivan for \$10,000, in smothering a bill in 1892, referred to previously by President Seward, of the Fidelity and Casualty Company.

John B. Lunger, vice-president of the Travelers Insurance Company, was then called to shed what light he could on the payment of \$21,450, in 1903, to Buckley, as testified to previously by William Bro Smith, general counsel for the company. Although quizzed severely by Superintendent Hotchkiss, Lunger was unable to tell why he and the officers of that company considered that a lawyer who had been practicing but two years could render such services in four months as to be worth \$21,450 to the company. When questioned by Deputy Hadley, Mr. Lunger's memory also failed him as to why the bill placed before the Connecticut legislature and up for the governor's signature had been amended to meet the conditions of the bill before the New York legislature. However, Mr. Lunger declared vehemently that his company had never attempted to stifle competition, let alone backing legislation which would have this effect.

A STIRRUP CUP.

George E. Kline comes to a more responsible position in New York this week. He was the guest of honor at a farewell luncheon last Sunday at the Union League Club in Chicago, given by the other fire insurance managers of the city. Mr. Kline, who has been vice-president of the Continental, in charge of the western department, has been given supervision at the home office in New York as underwriting for the Continental, the Fidelity-Phenix and the Fidelity Underwriters, the largest fire insurance combination in the country.

The high regard in which Mr. Kline has been held by his associates was shown by the large and representative attendance.

Mr. Kline responded that the friendship and the good fellowship that prevailed in the west were priceless to him. It is known that Mr. Kline tried hard to avoid leaving Chicago, that he departs from the city in which his entire business life has been spent with great reluctance.

His underwriting ability had gained him fame and it was useless to resist the current of advancement now at hand. And so New York's fire underwriting circles gain what Chicago loses—a high type of the profession.

The Towner Rating Bureau, of 100 Broadway, which supplies advisory rates to the members of the Surety Association of America and other surety companies, has decided to adopt the loose-leaf rate book system formulated by the Empire State Surety Company, and will shortly commence supplying its members with the new form of rate books.

Mark R. Buxton, special agent of the Granite State and a member of the agency firm of Buxton & Crowley, Nashua, N. H., died suddenly yesterday in that city.

GOING SOUTH.

W. L. Steele, western manager of the Niagara, has returned from a month spent on his grape fruit plantation on the Isle of Pines, a section of Cuba. Investments in tropical fruit growing seems to be the latest fad. Atwood, of the Preferred, and Keelor, of the Empire, both have places in Florida (where the laws are worse than Cuba) on which they are fadding grape fruit and asparagus, respectfully.

Henry Evans, president of the Continental and the Fidelity-Phenix, has been elected an honorary member of the Western Union.

OUR BOND—YOUR SECURITY.

T. J. FALVEY,
President.

JOHN T. BURNETT,
Sec'y & Treasurer.



**Massachusetts
Bonding and
Insurance Co.**

Organized under
the Laws of the
Commonwealth of
Massachusetts.

Home Office, 77-81 State Street, Boston.

Capital\$500,000.00

Surplus\$250,000.00

SURETY BONDS and BURGLARY and
THEFT INSURANCE.

INCORPORATED 1833.

**British America
Assurance Company**

HEAD OFFICE, TORONTO, CANADA

UNITED STATES BRANCH.

JANUARY 1, 1910.

Assets\$1,556,740.94

Liabilities 902,438.61

Surplus\$ 654,302.33

Hon. GEORGE A. COX, President.

JOHN HOSKIN } Vice-Presidents.

W. R. BROCK }
W. B. MEIKLE, General Mgr.

THE HOME LIFE INSURANCE COMPANY OF AMERICA

Incorporated 1899.



THE COMPANY FOR THE AMBITIOUS AGENT who desires to sell "COMMON SENSE" insurance at LOWEST COST, and who seeks, through most liberal first year and guaranteed renewal commissions, to receive just recognition of service. All policies registered, signed and sealed by the Insurance Commissioner of the State of Delaware, making them truly

SAFE AS GOVERNMENT BONDS.

Address Executive Offices, 416-18-20 Walnut Street,
PHILADELPHIA, PA.

JOHN LANGHAM, Jr.,
President.

JOSEPH L. DURKIN,
Secretary.

GEORGE M. NETTLESHIP,
Manager of Agencies.

TOO MUCH PROMOTION.

What is to be the outcome of the present troubles of the Consolidated Casualty nobody seems able to predict. The opinion is held by some that the capital will be reduced enough to give the company a fair surplus; that it will be reorganized and then do business in a modest way. Others appear to think that it will have to be wound up.

That the company is in trouble surprises nobody who has been familiar with its brief but spectacular career. It was in trouble before it was born, and it never has seen a really healthy day. It was a case of too much Van Laningham, too much Armstrong, too much "Everybody's Corporation," too much four-flushing, and a few other things.

When the company started, under a cloud, last year there were but few casualty men who believe it was destined to be a success. The fact that more than half the receipts from stock sales had gone to promotion expense was in itself a terrific handicap, but the publication of this fact and the statement of Insurance Commissioner Darst of West Virginia that he would not license the company in its home State but for the law's compelling him to do so, was an added one. Van Laningham had "milked" the company to a fare-ye-well before it ever issued a policy.

A little concern, with only a few thousand dollars of surplus, it started off on an expensive scale entirely out of keeping with its size and prospects. It got licenses only in four States—West Virginia, Kentucky, Arkansas and Kansas. While ostensibly an Illinois company it could not do business in Illinois. The States in which it was licensed do not produce much casualty business at the best, so it was a fair conclusion that it was not getting a very large premium income. Figures at the end of the year showed it had done about \$14,000 in premiums. Before the end of 1909 it was a safe assumption that its original surplus of about \$14,000 must be wiped out unless the company was getting in considerable surplus by sale of stock. This sale of new stock was evidently what enabled it to make a statement January 1. From the time it was licensed to the end of the year it increased its paid capital from \$145,000 to about \$314,000, which naturally brought considerable to the surplus account. Now it is supposed to be impaired to the extent of about \$75,000.

West Virginia Takes Charge.

Following an examination to verify its annual statement, the West Virginia department took possession of

the company by authority of the directors. The examination in Chicago was not satisfactory. The examiners found difficulty in tracing the disbursements. It is stated that when they went to President Armstrong about these questions, he shifted responsibility to Secretary Mitchell, and he in turn to somebody else. Commissioner Darst decided to take all books and records to Charleston, the legal home office of the company, and endeavor there to unravel the snarl.

The examiners found a most surprising disregard of the value of money in the company. A few months ago the company left its spacious quarters in the Majestic building and bought an old residence for a home office. There a uniformed doorkeeper was installed. There were pages to carry messages and a chef to furnish luncheon to the office force. Inquiry showed that only 65,000 out of 500,000 envelopes ordered had been delivered. Mr. Armstrong had decided to have on the home office a large electric sign, with the famous red heart in colored lights. One design at \$1,500 had been submitted and disapproved. Then another, to cost \$4,000, had been submitted, and this one was ordered, but has not been delivered.

A Short but Merry Life.

One of the directors is quoted as saying that there were no large salaries except that of President Armstrong, which was \$12,000 a year. That was "going some" for a company of such dimensions. The directors are inclined to blame Mr. Armstrong for the trouble, saying that they left everything to the officers—something they had no business to do. Mr. Armstrong blames the situation on a conspiracy of competitors to put the company out of business before it got well started. Such talk is foolish. Competitors had "knocked" the company from the time it started, as they had no confidence in it and believed its methods and presence were a menace to the legitimate casualty business, but the likelihood of any conspiracy is extremely remote.

Conceived in Ignorance.

Aside from its bad start, from its failure to do much business, from want of confidence in Mr. Armstrong as an executive of a casualty company, the Consolidated has been under suspicion among casualty men. It will be remembered that when the West Virginia department examined it previous to giving it its original license it found it impaired about \$16,000. This was changed into a surplus of \$14,000 by the sale of \$90,000 of some bonds which the department had valued at \$60,000. This \$90,000 was

said to be represented by a certificate of deposit in an Iowa bank, and this caused considerable speculation of an unfavorable character. Stories also gained circulation about another certificate of deposit in a bank in a Southern State which did not bear a high local reputation. In the company's annual statement certificates of deposit made up an unusually large part of its total assets. Real estate also figured more prominently than is generally considered desirable. It is stated that one Western man capitalized his manufacturing business and turned in all the stock for stock of the Consolidated Casualty.

Officers Not Stockholders.

Vice-President C. H. Burras and Mitchell D. Follansbee, a member of the executive committee, both well-known Chicago lawyers, were found by the examiners not to be stockholders.

Exploitation of "Everybody's Corporation" added nothing to the company's reputation. Men who had been charitable towards the Consolidated, lost all confidence in it and in President Armstrong when he commenced to make a bid for \$10 stock subscriptions through the columns of women's magazines for this corporation which was going to buy up insur-

T H E PROVIDENT LIFE AND TRUST COMPANY OF PHILADELPHIA

Insurance in Force, \$214,509,255.00
(Paid for Basis)

Assets \$70,514,350.45
(Market Value, Dec. 31, 1909)

Contingency Reserve . \$9,207,276.38
(Inclusive of Capital Stock, \$1,000,000.)

The Provident has been particularly distinguished for the development of a highly trained force of agents. The systematic instruction which its agents receive has resulted in their being recognized as representatives of exceptional knowledge of the business and of marked efficiency.

ance companies and run them for the benefit of everybody—who had stock in Everybody's Corporation.

The Audit Company Is Rapped.

The Audit Company of New York, which issued a favorable report after auditing the company's annual statement is coming in for considerable criticism. Of late the casualty company has had as many as fifteen stock salesmen at work and they have used this report of the audit company effectively. Any future reports it may make on insurance companies will be read by insurance people with this one in mind.

With the company in such a bad mess and Mr. Armstrong out of control, it is easy to turn on him. But his mistakes alone should not be considered, and all reference to extenuating circumstances omitted. Others made a mistake when they gave him prominence in the casualty world by electing him president of the Casualty Company of America, with no knowledge of the casualty business and an experience made up chiefly of newspaper work and a few years as a public official.

Dreams.

There is no doubt that in the summer of 1908 he fully expected that he could get a large company organized within a short time and take over into it the Philadelphia Casualty, of which he was then president, and on a control in whose stock he stated he had an option. He was unwise in indulging in such expectations, but it is altogether likely Van Laningham impressed him beyond reason with his ability to do things. When he found himself out of the Philadelphia Casualty altogether he had to have a company if he was to carry out his plans and Van was able to drive a bargain which was liberal to him but not to the company. Throughout all the troubles which have beset the Consolidated, he has taken the drubbing of himself and his company in a way worthy of admiration. When the newspapers by printing the facts were making his way hard, he asked no quarter. He was a newspaper man himself and he knew it was the business of newspapers to publish the news. He has been too optimistic. He has indulged in over-confidence in his own ability to make a success of a business in which he had never received an elementary training.

Uncle Sam Interested.

In the meantime the Federal authorities in Chicago are investigating to see whether the mails have been used to defraud in the literature sent out

promising impossible profits for a new company. "Everybody's Corporation," the subsidiary concern recently organized by Armstrong and Mitchell, is also under investigation. One feature of the situation that is specially interesting is the position in which it places the Kansas Bankers Association, which made a contract with the Consolidated Casualty Company for the handling of the insurance of its members. This deal was used by the stock salesmen of the company to unload a lot of stock upon the Kansas bankers. The association was warned at the time that the company was not licensed to do business in Illinois, that its organizers had been extravagant and that its finances were probably seriously involved, but it, too, bit on the story that all this was due to the jealousy of the "big Eastern companies."

Buncombe.

The "suspended" president of the company, Robert B. Armstrong, is out with a statement in which he endeavors to gloss over and begot a situation that has been perfectly apparent to all observers since the publication of that section of the concern's by-laws was first made by "The Chronicle" a year or more ago, which provides that the "first president of the company must be a man who has been president of at least two casualty companies during the three years preceding," or to that effect. This covered Armstrong's presidency of the Casualty Company of America and the Philadelphia Casualty. Plainly the by-law was made to refer to him because he was probably the only man in the whole world thumb-marked and bertillonized to its identification.

This is his story:

Armstrong's Statement.

In the statements regarding the affairs of the Consolidated Casualty Company some errors have been made. In the first place the Insurance Department of West Virginia

is in charge of the company. Both Mr. Darst and Mr. Scherr have said they are co-operating to enable the company to continue in the insurance business. They should be given credit for sincerity. All the directors and all the officers have been co-operating with them.

As soon as criticisms of the statement of the company were made, the directors were called together and at my suggestion a committee of which Mr. McChord was elected chairman was placed in full control of the affairs of the company, with full powers and instructions to act with the Insurance Department.

Indications of a conspiracy on the part of competitors and others to

(Continued on Page 10.)

NATIONAL LIFE

Insurance Company,
MONTPELIER, VERMONT.

Established in 1850.
Operating in 37 States.

JOSEPH A. DE BOER, President.

FRED A. HOWLAND, Vice-President
JAMES B. ESTEE, 2nd Vice-President
OSMAN D. CLARK, Secretary
H. M. CUTLER, Treasurer
A. B. BISBEE, Medical Director
C. E. MOULTON, Actuary

This Company held January 1, 1910,
and gained during the past decade:

ASSETS . . .	\$47,490,998.98
GAIN, 167 PER CENT.	
LIABILITIES . . .	\$41,661,130.12
GAIN, 162 PER CENT.	
SURPLUS . . .	\$5,829,868.86
GAIN, 211 PER CENT.	
INSURANCE . . .	\$161,423,115.00
GAIN, 79 PER CENT	

**Absolute Security and
Economy of
Management**

Royal Exchange Assurance

OF LONDON.

Incorporated by Royal Charter A.D. 1720.

UNITED STATES OFFICE:

92 William Street New York City

UBERTO C. CROSBY, General Manager.

RICHARD D. HARVEY, Assistant General Manager.

IT'S PRESIDENT KELSEY NOW.

The directors of the Aetna Indemnity Company on Tuesday elected Otto Kelsey, former Superintendent of Insurance of the State of New York, president of the company, in place of Beekman Hunt, resigned. The increased capital stock of the company, amounting to \$100,000, was paid in cash. Daniel N. Gage, assistant secretary, in charge of the surety department of the company, was elected vice-president, in place of Samuel B. Brewster, resigned. Vice-President and former Secretary Charles I. Brooks remains with the company. William C. Lomax was elected secretary. It is thought that no other changes are contemplated.

These changes were brought about by the purchase of a large amount of stock by outside parties not heretofore connected with the company, who closed their negotiations with the owners of the stock of the company before the Commercial Union, of London, which has also been negotiating for the stock, closed its proposed transaction. It is understood that the option which the Commercial Union had was at \$50 per share, or 200 per cent. of the par value of the stock. The price paid by the new purchasers of the company is not known. Mr. Kelsey, who has been elected president, represents the interests that have assumed control.

DARE A. MACBETH.

The National Surety Company received a telegram to-day from the City of Mexico announcing the sudden death in that city yesterday of Dare A. Macbeth, assistant general solicitor of the company. The officers of the National Surety Company had not been aware that Mr. Macbeth was ill and the news of his death came to them as an inexpressible shock. They had been in close association with Mr. Macbeth in the service of the company for a number of years and held him in close affection for his many lovable personal qualities, as well as in high esteem for his varied abilities.

During his entire business and professional career Mr. Macbeth has been identified with the surety business. Commencing as a special agent of the American Surety Company at Indianapolis he passed into the service of the Fidelity and Deposit Company where the high order of his service won for him later the important and responsible position as superintendent of agencies and general manager of the American Bonding Company. Still later he became the vice-president and general man-

ager of the Bankers Surety Company, which position he surrendered to become identified with the National Surety Company, in whose service he remained as assistant general solicitor for a period of five years, with the exception of a brief interval, when he acted as general solicitor of the Metropolitan Surety Company.

ARMSTRONG'S STATEMENT.

(Continued from Page 9.)

put the Consolidated Casualty Company out of business before it had a fair start are multiplying. Such investigation as we have been able to make has disclosed some conclusive evidence of such a conspiracy. Whether we will be able to secure such proof as will justify further proceedings depends upon further investigation.

As the insurance officials have said, the Consolidated Casualty Company has a great opportunity. If it is given a fair chance there is no reason why it should not resume its operations and become a successful company. There certainly is no lack of co-operation on the part of any officer or director to bring about this desired result.

In regard to the statement that the Federal authorities have received a complaint regarding the Consolidated Casualty Company, I was informed about a year ago that complaint inspired by some of our competitors had been filed. I had no further information concerning the same until the public announcement this morning. As the matter has been pigeon-holed all this time, it evidently was not worthy of attention. Anyone may file a complaint against anyone else. Until the Insurance Department has completed its examination and has made its report, I desire to make no further statement.

THE PITY OF IT.

Twelve lives were sacrificed in the burning of Fish's furniture store in Chicago last Friday. The victims were mostly employes of the office, which was located on the sixth floor front. The only fire escape was on the rear, and was of the old style "ladder" variety. The present city ordinance permits these fire escapes on old buildings unless complaint is made. After the disaster the building inspection department was promptly out with a statement that no complaint had been made of the Fish building. Records of the fire department, however, show that its inspector did complain of the building to Chief Horan, and he claims to have transmitted the complaint to the building department.

The Iroquois Theatre fire in Chicago in 1903 awakened the whole West to the theatre hazard. The Collinwood school fire, near Cleveland, O., caused great activity in better protecting schools against fire. It is likely

that this disaster will have a similar effect and result in drawing tighter the restrictions on mercantile establishments. The pity is that municipalities require such a price for being spurred into doing their duty.

Manager Frank Lock, of the Atlas Assurance Company of London, sailed for England last week with his family for a two months' rest.

The Hepworth-Kirby agency at Duluth has unionized, taking in the Royal and surrendering a dozen non-union companies.

1860 50th YEAR 1910

HOME LIFE

Insurance Company of New York.

GEORGE E. IDE, President.

Assets	\$23,626,018.63
Liabilities	21,858,691.52
(Including Deferred Dividend Fund)	
Dividend Endowment Fund	2,119,044.00
(Deferred Dividends)	1,767,327.00
Net Surplus	92,532,583.00
Insurance in Force	

The record for 1909 shows the following GAINS:

Insurance in Force	\$4,164,239.00
Assets	1,917,117.00
Deferred Dividend Reserve	148,581.00
Contingency Reserve (Surplus)	655,149.17

WESTERN ASSURANCE Co.

HEAD OFFICE,

TORONTO, - - CANADA.

Incorporated 1851.

Hon. GEORGE A. COX	President
W. R. BROCK and JOHN HOSKIN, K. C. LL. D.	Vice-Presidents
W. B. MEIKLE	General Manager

United States Statement, Jan. 1, 1910.

Assets	\$2,377,303.37
Surplus in United States	839,268.07

TO WIN IN COMPETITION

Represent the Company whose agents have the strongest fighting material and the most telling arguments. Everyone knows the superiority in low cost to policyholders, (due to high interest earnings, low death and expense rate) of

THE Union Central Life Insurance Co. of Cincinnati.

Assets, \$74,523,966.28
Liabilities, \$72,324,302.92

JESSE R. CLARK, President.
ALLAN WATERS, Sup't of Agents.

IN NEW ENGLAND

URGE RETENTION OF PARKER.

All the members of the Boston Board of Fire Underwriters, save one, have signed a petition asking Mayor Fitzgerald to reappoint Fire Commissioner Parker, said petition reading as follows:

We, the undersigned, having large financial interests at stake in the good management of the Boston Fire Department and believing that Colonel Samuel Parker as fire commissioner has proved himself an able officer and that under him the fire department has become a well organized, well disciplined and most efficient force, beg of you to reappoint Colonel Parker as fire commissioner when his term of office shall expire.

Such men as Colonel Parker has proved himself are hard to get, and in reappointing him we are satisfied you will serve and protect the best interests of the business men and property owners of the city of Boston.

Annual Meeting Boston Protective Department.

Authority to expend a sum not to exceed \$105,000 for the maintenance of the Boston Protective Department during the ensuing year was, upon recommendation of the directors, voted by the members of that corporation at its annual meeting held last Thursday. Augustus S. Lovett was elected president, Horace H. Soule vice-president, and Edward Spaulding was re-elected secretary and treasurer. Edmund Winchester, H. H. Whitney and A. B. Gilmore were elected directors for three years. The directors holding over are W. B. Henderson, George W. Hinckley and S. M. Crain.

Memorial to the Late L. S. Jordan.

The Boston Board of Fire Underwriters at its meeting last Tuesday adopted the following memorial to the late L. Stewart Jordan, as prepared by Charles H. Porter, George A. Eastman and Adam Archibald, the committee appointed for that purpose:

L. Stewart Jordan began in the business of insurance at the office of his father in the Brazer building, No. 27 State street, in 1857. He was in this building until the firm of Dobson & Jordan was formed; the new firm occupying rooms at 46 State street.

In 1867 the firm of Jordan, Eddy & Co. was formed and in 1870 was changed to Jordan, Lovett & Co., and this co-partnership existed until the death of the senior partner, which took place on March 14, 1910.

He was active for many years and there was, with one exception, no one who had been continually in the business for so long a period of time.

Faithful in the performance of his

business, loyal in all ways to this board, his upright career is one which may ever serve as an example worthy of emulation by us all.

By his death a useful man of affairs has gone from our midst.

To his partner we tender our regrets at the closing of so many years of close relations.

To his daughter we send our deepest sympathy in this her hour of bereavement, hoping that in the memory of a loving and devoted father will come relief to her hours of grief, when looking back upon the record which he leaves.

New England Brevities.

Mark R. Buxton, since 1889 special agent for New England of the Granite State Fire, died at his home in Nashua, N. H., Wednesday of last week, aged 73. He was an able, honorable and likeable man.

The Massachusetts legislative insurance committee last Monday reported a bill in the House providing that from time to time directors of a mutual fire insurance company may by vote fix and determine the percentages of dividend or return of premium to be paid on expiring policies, which percentages may in their discretion be different for policies insuring farm, manufacturing or storage risks from those insuring in other classes of risks.

The committee has referred to the next general court the bill asking for incorporation of the Massachusetts Annuity Fund and Insurance Company and has reported leave to withdraw on the anti-compact bill.

William H. Dowling, heretofore assistant treasurer of the Massachusetts Bonding, has been appointed manager for Eastern Massachusetts of the accident and health branch of the Casualty Company of America.

Crain, Jones & Bixby are to be the Boston representatives of the Merchants of New York, when its application for admission to Massachusetts is granted.

TO INFLUENCE CO-OPERATION

A number of fire insurance companies are not subscribers to the various State rating boards, and while getting the benefits of their work are not bearing their share of the expense. Brokers placing large lines in the various States and realizing the importance of the service performed by the State advisory raters are placing their business so far as possible only with companies that are subscribers to the rating bureaus in order to influence more general co-operation.

Organized 1871

Life Ins. Co. of Virginia

Home Office, Richmond, Virginia.

J. G. WALKER, President.
T. W. PEMBERTON, 1st Vice-President.
W. L. T. ROGERSON, 2d Vice-President.
E. D. HARRIS, Secretary.

The OLDEST Southern Life Insurance Company.
The LARGEST and STRONGEST Southern Life Insurance Company.
The PIONEER Southern Industrial Life Insurance Company.
Its policies are clear and definite in their provisions and their values are absolutely guaranteed.

Assets Dec. 31, 1909.....	\$5,372,691.99
Liabilities Dec. 31, 1909.....	4,312,405.32
Insurance in Force Dec. 31, 1909	68,337,613.00
Total Payments to Policyholders since Organization	9,820,412.49

Germania Fire

INSURANCE CO.,

NEW YORK.

ORGANIZED 1859.

Cash Capital.....	\$1,000,000.00
Assets	\$6,562,329.14
Net Surplus.....	\$2,008,419.02
Surplus for Policyholders	\$3,008,419.02

HEAD OFFICE:

Cor. William and Cedar Streets.

COME AND PROSPER

Among the 15 largest American companies (excluding industrials) this is our 1909 ranking:

First place in percentage of gain in insurance in force; third place in gain over 1908 in amount of paid-for new business.

New business first quarter of 1910 far in excess of first quarter of 1909. Our agents are busy and prosperous—and are not driven by the Home Office.

New York Agency: 1401 Empire Building, 71 Broadway.

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY,

Springfield, Mass.

Incorporated 1851

WORKMEN'S COMPENSATION CASE.

An important decision was given by the House of Lords in *Hodgson vs. Owners of West Stanley Colliery*. By an accident at respondents' colliery the appellant lost her husband and two sons, and the appellant claimed compensation in respect of each on the ground that their wages formed a common fund out of which the household was maintained. The courts below limited the liability of the company to one death.

Their Lordships reversed this decision, and allowed the appeal.

The Lord Chancellor declared that there was not a word in the act to justify the contention that though there were three deaths the applicant could only recover the maximum of one workman's death. He brushed aside the argument that the mother was in the eye of the law wholly dependent upon her deceased husband, but declared that it would be an erroneous view to hold that because the widow was only partially dependent upon the husband's earnings she could not receive the full sum of £300 at his death. He decided that she and her family were dependent upon those who supplied them with the means of subsistence, namely, in the present case her husband and each of her two deceased sons.

Lords Macnaghten, Collins and Shaw of Dunfermline concurred.

O, you Lords!—"Insurance Journal," London, March 15.

AS THE WIND BLOWS.

In connection with the refusal of Commissioner Hartigan, of the Insurance Department of Minnesota, to relicense the United Surety Company, of Baltimore, for 1910, there comes up the old question that has perplexed insurance companies for years: Why such a favorite mark for legislators?

That's a fair question. Why are they? A day or so at the insurance investigation now going on at 165 Broadway by the New York State Department might suggest light on the matter. Not on this particular bill, but in general.

It's what the commissioner calls the "Minnesota Basis" of computing reserves, an ever-present tantalizer in every State, a condition which the Insurance Commissioners Convention has seriously considered and decided should be remedied by uniform action.

It appears that the application of the Minnesota law, as interpreted by the commissioner, in this instance, makes what may properly be called a bookkeeping impairment of capital of the company. This condition is

created by reason of the fact that collateral loans on securities are unauthorized under Minnesota laws. Speaking further on the subject the commissioner says that the real estate is not yielding satisfactory returns and the expense ratio is 73 per cent. of the premiums earned, and that the deposits in trust companies and banks are too large.

This is a fair illustration of the power of life and death held by a State insurance department over a company and, entirely aside from this quoted instance, what this power is pregnant with under a vicious influence. It is unnecessary to cite the past and its incidents, at the memory of which comes a thrill of disgust, contempt and pity.

Speaking on this subject a prominent insurance man says:

"Mr. Hartigan has stood consistently for uniform laws. He is sworn to enforce the laws whether he concurs in their wisdom or not. The interpretation and application rests only with him.

"This serves as an illustration of the way in which the values of company stocks may be juggled and tampered with. Under uniform laws or Federal supervision of insurance this could not occur. One or the other of these is essential for the proper protection of the people."

A SPEAKING CAMPAIGN.

Pending action by the Illinois Supreme Court, State Fire Marshal Doyle, of Illinois, is conducting what the politicians call a "speaking campaign." A Supreme Court decision on another case some weeks ago cast doubt upon the validity of the laws creating several State offices and commissions, including that of fire marshal. It is hoped that the court will grant a rehearing soon and so amend its decision that the doubt will be removed from these other offices. Meanwhile the fire marshal is taking advantage of opportunities to address bodies of citizens on the subject of fire waste and the need of its reduction. He is a good speaker and presents a striking array of facts.

An important liability decision has been rendered by the Supreme Court of Michigan, where the administrator of an estate was held legally responsible for the safe condition of buildings. It was held to be his duty to keep buildings in a safe condition so that travelers along the street would not be injured and he was held individually liable for damages when a woman walking along the street was hurt by glass falling from the third-story window of a building owned by the estate.

RESIGNED.

S. M. Powell, Mississippi manager of the Des Moines Life, has resigned.

E. O. Burgan has resigned as manager of the Security Casualty Company of Indiana.

Frank E. Smith has resigned as Oregon manager of the American Surety Company.

R. R. Denny, of Seattle, has resigned as manager for Western Washington of the Travelers.

William R. Lattimer has been appointed State agent of the New York Underwriters' Agency for Alabama. Mr. Lattimer will assume control in that State on April 15.

MEN OF ENERGY ARE OFFERED WORK OF MOMENT

in desirable localities representing a sixty-year old institution, with modern, liberal, law-conforming policies, and helpful Home office co-operation. Much good territory available. Many opportunities for advantageous positions. Inquire NOW.

UNION MUTUAL LIFE INSURANCE COMPANY PORTLAND, MAINE

FRED E. RICHARDS, President.

Address either:
ALBERT E. AWDE,
Supt., 326 Congress St.,
Portland, Maine.
THORNTON CHASE,
Supt., 405 Exch. Bldg.,
Los Angeles, Cal.

COMMERCIAL - UNION ASSURANCE CO., (LIMITED) OF LONDON.

OFFICE;

Cor. Pine & William Sts.
NEW YORK.

OUR

Course of Insurance Education.

Department for Furnishing
Prospects.

New "Model Policy"

Will Plough the Field and Assure
the Harvest for Good Agents.

Phoenix Mutual Life
INSURANCE COMPANY,
Hartford, Conn.

Write Home Office.

UNEMPLOYED INSURANCE IN SWITZERLAND.

We are informed that by a law dated November 6, 1909, which came into force on December 12 last, the Cantonal government of Geneva is authorized, for a period of ten years, to grant subsidies to the amount of 60 per cent. of the sums paid to their members by unemployment insurance funds which are attached to trade unions, and which fulfill certain conditions as to registration. Such grants are not to accrue for more than sixty days in the year in respect to any one member, and are to be paid only with regard to members who have been domiciled in Geneva for twelve months, or have been members of a Swiss trade union for a similar period. The State grant will not be paid in respect of unemployment caused by strikes, sickness, accidents, or physical incapacity.—"Insurance Spectator," London, March 15.

GENERAL LIABILITY.

An important decision was recently handed down by the Appellate Division of the New York Supreme Court in a case involving a question of general or public liability. A mother accompanied by two young children while walking the street was frightened and slightly injured by the explosion of a pot of molten lead. In the lower court the woman was awarded \$2,000 damages. The higher court held that the award was excessive in accordance with the actual physical injuries or incapacities due entirely to the fright.

One bond only is required from fire insurance companies in Texas, according to the Supreme Court. The additional bond of \$10,000 called for by the commissioner is not necessary, the court holding that the bond named in section 1 and covering a liability from \$10,000 to \$50,000, according to the business of the company, answered all purposes.

The St. Louis fire insurance situation is still seriously demoralized, with no indications of improvement. The agents say that conditions could be corrected if the companies would take a firm stand against further slashing of advisory rates, while the companies retort that the fault rests with the agents.

Henry G. Morse, president and treasurer of the Fitchburg Mutual Fire Insurance Company, died on Monday.

IRON SAFE CLAUSE.

Insured, a mercantile firm, who kept invoices showing all purchases, but kept no record of daily sales, except credit sales, deposited in a bank all moneys collected from accounts and cash sales, but their bank book did not discriminate between deposits made by the firm and those made by one of them in his individual capacity.

Held, that such book was not a substantial compliance with an iron safe clause requiring the insured to keep a set of books which shall clearly present a complete record of sales for cash or credit.—Houff & Holler v. German American, 66 S. E. (Va.) 831.

Superintendent Hotchkiss, of the New York State Insurance Department, announced on Monday that he had appointed George E. Merigold third deputy superintendent. Mr. Merigold is a graduate of the Buffalo Law School and for the past four years has been secretary to Supreme Court Justice Laughlin.

The Illinois Surety Company has furnished a bond for \$1,000,000 to John W. Hudson, cashier of the Denver National Bank, as executor of the will of the late Amelia Eddy Smith, this being the largest probate bond ever given in Denver.

SUN Insurance Office OF LONDON.

FOUNDED 1710.

UNITED STATES BRANCH:

54 PINE STREET, NEW YORK.

WESTERN DEPARTMENT:

171 LA SALLE ST., CHICAGO.

PACIFIC DEPARTMENT:

Sansome & Sacramento Sts.,
SAN FRANCISCO, CAL.

AGENTS WANTED
AT UNREPRESENTED POINTS.

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS is unsurpassed for net low cost and care of interests of all members.

THE PENN MUTUAL LIFE INSURANCE COMPANY OF PHILADELPHIA

On January 1, 1909, rates were reduced and values increased to full 3% reserve.

201st Year.

The Employers' Liability

Assurance Corporation, Ltd.

LIABILITY, STEAM BOILER, ACCIDENT, HEALTH, FIDELITY and BURGLARY INSURANCE.

UNITED STATES BRANCH.

SAMUEL APPLETON, United States Manager,

Employers' Liability Building,
33 BROAD STREET, BOSTON, MASS.

EDMUND DWIGHT,
Resident Manager for New York State,
66 MAIDEN LANE, NEW YORK.

AGENTS WANTED.

SELL LIFE INSURANCE



If you have latent ability as a salesman we will help you develop it, and you'll make money while learning.

The Prudential Wants Agents. Write Today for Particulars.

THE PRUDENTIAL

Insurance Company of America.

Incorporated as a Stock Company by the State of New Jersey.

JOHN F. DRYDEN,
President.

Home Office,
NEWARK, N. J.

BONDS--CASUALTY

AGENTS
IF
YOU

{ Can Command Bond or Casualty business
{ Are seeking an Agency connection
{ Are not representing another like Company

ADDRESS, AGENCY DEPARTMENT,

The Empire State Surety Co.
NEW YORK

SEWARD ON UNCONSTITUTIONALITY.

President George F. Seward, of the Fidelity and Casualty, who is chairman of the legislation committee of the Board of Casualty and Surety Underwriters, and the leading insurance authority on that subject in America, and whose testimony before Insurance Superintendent Hotchkiss' investigation of legislative graft in New York State is of special interest at the moment, pays his respects to the bill now in the Ohio Senate, which is regarded as what has here come to be termed a "strike" bill. In other words, the use of the great power vested in the people's so-called chosen representatives in the legislature to extort money and favors which would otherwise be rejected with scorn.

President Seward, in view of the attempted "hold ups" testified to by him before the Superintendent, displays a remarkable degree of poise and self-restraint in his memorandum on this proposed Ohio law with which he has favored "The Chronicle." In it he says:

"This bill proposes to add to the General Code five new sections which are, in substance, as follows:

Section 9583-1. When a loss covered by a policy issued in the State occurs, the insured may give written notice to the insurance company in the same manner that a summons may be served.

"Section 9583-2. Thereupon the insurance company shall adjust and settle the loss, or attempt to do so. If it fails to do this, such failure shall be a waiver of all conditions precedent or limitations in the policy. If the parties shall not agree upon such loss, and either party desires the amount thereof to be determined by appraisal or arbitration, such party shall notify the other party in writing thereof. On failure to make demand for appraisal or arbitration, or failure to proceed therewith after demand has been made, the right to appraisal and arbitration shall be deemed waived, and shall constitute no bar to an action.

"Section 9583-3. If the insurance company denies liability on the ground that it is not covered by the policy, or that the policy is void for any reason, this shall be deemed a waiver of any of the conditions precedent to the bringing of an action.

"Section 9583-4. If the parties fail to agree upon the loss or upon appraisers or arbitrators, the party demanding appraisement may apply to the court on three days' notice for the appointment of appraisers or arbitrators. This notice may be served as an ordinary summons. At the end of three days the court shall hear and determine the petition and appoint three appraisers or arbitrators, who shall make such appraisement and ascertain the amount of loss.

"Section 9583-5. The court shall confirm the report, and if anything is 'found due' by the said appraisers or arbitrators, it shall render judgment

for such amount. Within three days after filing the finding of the appraisers or arbitrators, either party may petition to set aside the finding on the ground of fraud, undue influence or mistake, the facts to be set forth in the petition, and to be deemed denied without answer. The court shall try the question thus presented under the rules governing equitable actions, and either affirm the report or set it aside and appoint new appraisers or arbitrators."

It is difficult to conceive of any plausible argument that can be made in favor of this bill. Almost every provision violates some constitutional right of the parties to the contract. The Constitution of the United States and of the State of Ohio, and of the laws of the State of Ohio, guarantee to persons issuing policies of insurance and persons taking policies of insurance in that State, the right to make contracts of insurance and to embody in the contract such provisions, limitations and conditions as they may choose to agree upon (except, of course, such as are expressly prohibited), and that no law shall be passed which impairs the obligation of a contract. All contracts of insurance must be made, and are made, in conformity with the statutes. This bill in effect provides that even though the parties have, in the exercise of their constitutional and legal rights, made a definite contract for a valid and valuable consideration, terms of the contract shall be changed and provisions shall be deemed waived without any act or fault on the part of the party affected, but merely because that party chooses to stand upon its lawful rights.

Thus a policy of insurance usually requires that notice of a loss be given of it at its head office. This bill would permit notice to be given to any one upon whom the summons could be served. A summons can be served on any agent of the State. This is a very serious modification of the contract. Many agents are located in out-of-the-way villages and places, and transact but very little business. Any failure on the part of such person to forward the notice to the company or any accidental loss of the paper would bring upon the company all the penalties named in the statute.

The bill also provides that if the assured fails to adjust and settle the loss or attempt to do so, no matter what its reasons may be, all conditions precedent and limitations in the policy shall be deemed waived. If the company believes that there has been no loss or that the insurance has been forfeited, or for any reason believes that there is no liability, and therefore refuses to settle or attempt to settle, all conditions and limitations are waived. This is a plain impairment of the contract. Again, if the company denies liability on the ground that the loss is not covered by the policy, or that the policy is void, no matter what the reasons are, it shall be deemed to have waived all conditions precedent to the bringing of an action. This again is a plain impairment of the contract. These provisions plainly and unquestionably would impair the obligation of the contract; therefore, they violate the constitutional rights of the parties.

The bill also violates the constitu-

tional rights of the parties to trial by jury. It provides that either party may demand an appraisal or arbitration, and in case of failure to agree on appraisers or arbitrators, on three days' notice the court shall thereupon appoint appraisers or arbitrators, who shall make an appraisement and ascertain the amount of the loss. The report of the appraisers or arbitrators shall be affirmed and judgment rendered for the amount they have found due. This decision of the arbitrators is not limited merely to the amount of the loss, but includes a determination of the amount which is owing under the policy to the policyholder. There is no provision whatever for reviewing the decision of the arbitrators, and the court would have no right to set it aside, excepting upon the ground of fraud, undue influence or mistake.

The Constitution of the United States and of the State of Ohio guarantees to the parties to such a contract the right to resort to the courts and the right of trial by jury. This bill would completely destroy that right. Aside from the constitutional question, such a law as this would be subversive of the fundamental principles of common justice. It is doubtless designed to give to the policyholder some rights or opportunities as against the insurance company, which he does not now possess, but in fact, it is just as much a violation of the policyholder's rights as of the company's. The right of the policyholder to have his case tried in a regularly constituted court of justice and to have the facts passed upon by a jury

Hanover Fire

INSURANCE
COMPANY
of New York



Agencies
in all the Principal Places
in the United States.

A first class life underwriter with a successful field record, and an untarnished reputation can secure good open territory by addressing

SECURITY MUTUAL LIFE
INSURANCE COMPANY

Binghamton, N. Y.

of his peers is, of course, one of great value to him. To take that right from him is to take from him one of the most precious privileges of a citizen of the Commonwealth. We submit that the bill is unjustifiable and uncalled for from any point of view. Its passage would be an outrage upon the rights of all parties to insurance contracts. It would be wholly ineffectual, because each of its provisions would be unconstitutional and void.

Mr. Seward has long been prominent in his pronounced attitude toward putting on the statute books laws that are unenforceable and predestined to become eunuchal, and thereby to weaken the whole legal structure—by reason of creating disrespect for it.

His recent report to the Board of Casualty and Surety Underwriters, as chairman of its legislative committee, in which he details by States the hundreds of bills directed against casualty and surety companies, is replete with interest. It shows plainly how widely the graft microbe has spread throughout this land of the free and the home of the brave. It also indicates approximately how many other than New York State Senators Mr. Seward has pointedly and emphatically invited to "go to hell," as he did the Honorable Big Tim Sullivan of the Bowery.

AN EPITAPH.

(Found by Macaulay's New Zealander in a Chenango County churchyard.)

Oh, stranger, drop the tear that scalds
The cheek at thought of Jotham
Allds!

Benn Conger's shaft was aimed too
true;

He now has passed from public view.
He'd resignation in his mind,
But to his fate was not resigned.

He turned the legislative mills
And made some laws, but made more
bills.

His statesmanship had known no
check

And yet a draft blew him to wreck.
No more upon his charger black
We'll see him "strike" in fierce attack.
To raise the wind he merely meant,
But e'er the storm he bred was spent
He knew no more of pain or joy,
Slain by the bribe of Hiram Moe.—
"New York Tribune."

ADMISSION OF EVIDENCE.

Where, in an action on a fire policy, there was no proof of a custom by the company's adjuster to notify insured before examining the property after the fire, and the policy did not require such notice, it was error to admit evidence that the adjuster did not notify plaintiff's attorney before investigating the loss.—Hartford Fire v. Becton, 124 S. W. (Tex.) 474.

INJURY INTENTIONALLY INFLICTED.

In an action on an accident policy, stipulating for a minimum liability on insured losing his life from fighting or from injury intentionally inflicted on him by another, evidence held to show that insured was intentionally killed by another while engaged in fighting, precluding a recovery for any greater sum than the minimum liability.—Continental Casualty Co. vs. Fleming, 124 S. W. (Ky.) 331.

It is rumored that E. C. Cooper, for three years private secretary of Governor Gillette, of California, is selected to succeed E. Myron Wolf, the present insurance commissioner, who retires on April 1.

SAFETY FUND INSURANCE

NIAGARA*

Fire Insurance Company

—OF—

NEW YORK

OFFICE:

46 CEDAR STREET, CITY.

The Connecticut Mutual

That means the best life insurance to have and the best to sell. If you can sell life insurance, you can sell more of it for the CONNECTICUT MUTUAL.

Men of Character and Ability are invited to apply.

Conn. Mutual Life Ins. Co., Hartford, Conn.

Please mention this paper.

"PERFECTION" POLICIES
are issued only by the

Continental Casualty Co. CHICAGO, ILLINOIS.

When better accident and health policies can be written, we will write them.

Good Contracts in Good Territory
to Good Men. Producers address

H. G. B. ALEXANDER,
President and General Manager,
1208 Michigan Ave., Chicago, Illinois.

CHICAGO'S GREATEST COMPANY

ILLINOIS LIFE INSURANCE CO.

OLDEST IN CHICAGO **CHICAGO** LARGEST IN ILLINOIS
JAMES W. STEVENS, PRESIDENT

We Guarantee where others Promise

The year 1909 was the most successful in this company's already splendid record of successful years.

INSURANCE IN FORCE
FIFTY MILLION DOLLARS

BONDS OF SURETYSHIP.

The Guarantee Company of North America

HEAD OFFICE, MONTREAL

Edward Rawlings, President.

H. E. Rawlings, Asst. Mgr.

Richard B. Scott, Secretary & Treasurer.

It is the Pioneer Company, was established in 1872, and is conducted under a conservative management of over 55 years experience.

It has recouped to employers over \$2,190,000 for losses sustained by the infidelity of employees and has a surplus of \$1,041,423.23 to credit of shareholders and total resources of \$1,919,892.38 for the security of insured.

Branch Offices:

NEW YORK: 111 Broadway,
D. J. Tompkins, Secretary.
BOSTON: 114 Milk Street,
W. A. Hamilton, Agent and Attorney.
CHICAGO: Room 400, The Temple,
J. R. Pruyn, Resident Sec. and Atty.
PHILADELPHIA: 500 Arcade Bldg.
W. H. Jackson, Res. Secretary.
PITTSBURG: 1120 Farmers Bank Bldg.
E. R. Munro, Resident Secretary.
LOUISVILLE: 316 Columbia Bldg.
P. N. Clarke & Co., Agents.

AS THE LAW WILL WORK.

Last week "The Chronicle" announced that the New York State Commission appointed to inquire into the matter of employers liability, proper compensation for injuries, prevention of industrial accidents, etc., would submit its report in two or three weeks. This was confirmed on Monday by the filing of the report, together with two bills which it recommends for passage. The report recommends a fundamental change in the liability laws. It also recommends that expert actuarial aid be engaged in formulating statistical bases, according to the method pursued by foreign nations.

Negligence Nullified.

The first bill applies only to certain specified employments. This bill recommends the principle of compensation for all accidents regardless of negligence by providing for compensation for all workmen injured in such employments by either the negligence of the employers, his agents, or by the "necessary risk or danger of the employment or one inherent in the danger thereof." The employments specified are as follows:

The erection or demolition of bridges or buildings; the operation of elevators, derricks, or hoisting apparatus; work on scaffolds; the construction of tunnels or subways; all work carried on under compressed air; construction, or repair of wires, or apparatus charged with electric currents; all work necessitating dangerous proximity to blasting powder or other explosives; the operation of locomotives, motors or cars, or the construction or repair of steam railroad tracks and road beds.

Schedule of Compensation.

The schedule of compensation provided is, in case of death, four years' wages, not to exceed three thousand dollars; and in case of total or partial disability 50 per cent. of the last earnings of the injured person payable weekly, but not more than \$10 per week, during the continuance of the disability, not to exceed a period of eight years.

The compensation provided in case of death is payable only in case the decedent leaves a widow, parents or children. This bill does not take away rights of action, now existing, but provides that the person suing must elect at the time of bringing his action whether he will pursue his rights under the compensation act or under the existing liability laws, and such election is final.

A Serious Defect.

The obvious objection to this compulsory provision of the measure is

that the usual stress and often dire need of the injured is not considered and leaves him just where he now is, i. e., a prey for the ambulance chaser on one side and for the unscrupulous and tight-fisted employer on the other. In either event the poor fellow must yield to the necessities of his family and the emergency.

The Employers' Risk Increased.

The second bill recommended covers all accidents to employees not coming within the purview of the first bill. It introduces the principle of compensation for all accidents, but makes this principle voluntary and subject to agreement between the employer and the employee. This bill, in addition to its elective scheme of compensation, amends the employers' liability act so as to considerably increase the liability of the employer by abrogating or at least greatly modifying the assumption of risk rule. It affects the defense of contributory negligence by placing upon the employer the burden of proving contributory negligence on the part of the employee, whereas, the law requires the employee to prove his freedom from contributory negligence; it modifies the fellow servant rule through which the employers now escape liability for the negligence of co-employees, by declaring employers' liability for negligence of any employee "entrusted with any superintendence" or by reason of the negligence of any employee "entrusted with authority to direct, control or command any employee in the performance of the duty of such employee."

The Compensation Plan.

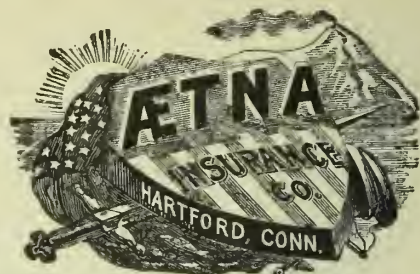
This bill, after having thus increased the liability of the employer, introduces its compensation plan, which is similar to the one described in the first bill, by declaring that "when and if any employer in this State and any of his employees shall consent to the compensation plan" therein described by filing such consent with the county clerk, then in case injury thereafter results to such employee, compensation shall be paid regardless of the employer's negligence according to a schedule of compensation similar to that in the first bill.

Now for Prevention.

The commission now intends to take up the causes of accidents incident to employment and their prevention.

It is thought that in general these bills will be favored by the casualty and liability insurance companies for two reasons, first, that a more determinate computation of liability can be arrived at, and, second, because it is probable that the new law will serve largely to make uniform or to standardize the coming legislation in the various States of the Union.

"The Leading Fire Insurance Company of America."



WM. B. CLARK, President.
W. H. KING, Vice-President.
HENRY E. REES, Secretary.
Assistant Secretaries,
A. N. WILLIAMS, E. S. ALLEN,
E. J. SLOAN, GUY E. BEARDSLEY.

THE Philadelphia Casualty Co.

WALTER LE MAR TALBOT, Pres't.

Our New Accident Policy Is Perfection.

It's the Policy Your Client Wants.
It's the Policy That's Easy to Sell.

Personal Accident, Health, Liability
Automobile, Plate Glass and
Credit Insurance.

Agency Correspondence Solicited.

New England Mutual Life Insurance Company BOSTON, : : : MASS. chartered 1835

Assets, January 1, 1910. \$51,316,543.00
Liabilities 47,050,672.15
Surplus \$4,265,870.85

Sixty-six years of honorable dealing with its policyholders has placed the NEW ENGLAND MUTUAL LIFE INSURANCE COMPANY in the front rank of Life Insurance Companies of the Country.

ALFRED D. FOSTER, President.
D. F. APPEL, Vice-President.
J. A. BARBEY, Secretary.
WM. F. DAVIS, Assistant Sec'y.
J. G. WILDMAN, Assist. Sec'y.

EDWARD W. ALLEN, Manager.
220 Broadway, New York.
LATHROP E. BALDWIN, Manager.
141 Broadway, New York.
CHARLES H. STRAUSS, Gen. Ag't.
200 Fifth Ave., New York.

JOHN C. PAIGE & CO.

INSURANCE

65 KILBY STREET

BOSTON

COMPARATIVE RESERVE TABLES

BY

MILES M. DAWSON

Consulting Actuary.

Containing Mean and Terminal Reserves for the
usual forms of policies and by the
following standards:

American Experience, Select and Ultimate $3\frac{1}{2}$ per cent.
American Experience, Select and Ultimate 3 per cent.
American Experience, Modified Preliminary Term $3\frac{1}{2}$ per cent.
American Experience, Modified Preliminary Term 3 per cent.
American Experience, Select and Ultimate 4 per cent.
Actuaries', Modified Preliminary Term 4 per cent.
American Experience, Committee of Fifteen, $3\frac{1}{2}$ per cent.
American Experience, Illinois and Tennessee, $3\frac{1}{2}$ per cent.
American Experience, Michigan, $3\frac{1}{2}$ per cent.
American Experience, Wisconsin, $3\frac{1}{2}$ per cent.
American Experience, New Jersey, $3\frac{1}{2}$ per cent.
H^M, Canadian Life Officers' Association, $3\frac{1}{2}$ per cent.
O^[M], Select and Ultimate, $3\frac{1}{2}$ per cent.

THIS covers all the standards, other than the net level
premiums, in use in this country. Tables showing
the first year margins set free by each method of valu-
ation are given.

Send all orders to the Publishers,

The Chronicle Co., Ltd.

No. 90 William St.

NEW YORK

PARTNERSHIP AND CORPORATION INSURANCE

pays the life agent better in proportion to the time and work involved than any other form of life underwriting. Agents who make a specialty of corporation insurance find it necessary to represent a company impregnable in strength and capable of accepting application for large amounts.

THE EQUITABLE LIFE ASSURANCE SOCIETY OF THE UNITED STATES

by reason of its strength, size and prominence, affords exceptional inducements to life agents of standing and ability who desire to take up corporation insurance as a specialty.

ADDRESS:

GEORGE T. WILSON, 2d Vice-President,
120 Broadway ; ; ; ; ; ; ; ; ; **NEW YORK,**

FEDERAL LIFE INSURANCE COMPANY CHICAGO

ISAAC MILLER HAMILTON, ; ; President

Admitted assets.....\$2,447,499.17
Capital stock..... 177,300.00
Surplus apportioned and
unapportioned 77,510.61
Excess security to policy
holders 254,810.61
1909 insurance in force in-
creased over.....\$6,300,000.00
Surplus increased over.... 100,000.00

HIGH-GRADE MANAGERS AND
AGENTS WANTED.
ATTRACTIVE POLICIES.
DESIRABLE CONTRACTS.
WILL ENTER NEW TERRITORY.

Address,
CHARLES M. TURNER,
General Manager,
Marquette Building, CHICAGO, ILL.

THE FRANKFORT MARINE, ACCIDENT AND PLATE GLASS INSURANCE CO. OF FRANKFORT-ON-THE-MAIN - - - - - GERMANY ESTABLISHED 1865.

United States Department, - - 109 William Street, New York, N. Y.

TRUSTEES:

RICHARD DELAFIELD, Pres. of National Park Bank
ERNST THALMANN, of Ladenburg, Thalmann & Co.
STUYVESANT FISH, 214 Broadway, New York City.
C. H. FRANKLIN, U. S. Mgr. and Attorney JNO. M. SMITH, Sec. U. S. Branch

LIABILITY—INSURANCES TRANSACTED
Employers, General, * Vessel Owners, Burglary
Public, Landlords, Contingent, Workmen's Collective
Teams, Elevator, Druggists & Physicians. Individual Accident & Health
Industrial Accident & Health

AGENTS WANTED FOR UNOCCUPIED TERRITORY

UNITED SURETY COMPANY BALTIMORE, MD.

HENRY G. PENNIMAN PRES.

JOHN B. MURPHY,

Resident Vice-President.

84 WILLIAM STREET - - NEW YORK

Telephone, John 1770 - 1771.



The Chronicle.

1866

Published by THE CHRONICLE COMPANY, Ltd., 90 William St., New York City.

1910

VOLUME LXXXV.

New York, April 7, 1910.

NUMBER 14

THE BANKERS LIFE ASSOCIATION

DES MOINES, IOWA.

ERNEST E. CLARK, President.

Exceptional Record During
twenty-nine years for

LOW RATE OF MORTALITY
ECONOMY OF MANAGEMENT
PROMPT PAYMENT OF CLAIMS
SECURITY OF ITS FUNDS

and satisfactory results
for its policyholders.

NOTEWORTHY ADVANCE.

The BERKSHIRE LIFE Insurance Company,

OF PITTSFIELD, MASSACHUSETTS,

takes an advanced step in the interest
of the policyholder by the adoption of
the following liberal features in its new
policy contract:

Low premium rates.

Large surrender values.

Dividends at the end of each policy
year.

Thirty-one days of grace in payment
of all premiums after the first year.

Paid-up insurance or cash surrender
value or extended insurance after two
years' premiums have been paid.

Loans for the full cash surrender
value.

Policy payable in one sum or in instal-
ments for terms of years.

Policy has no restrictions upon resi-
dence or travel and is incontestable after
the first policy year, except for non-pay-
ment of premiums.

Right of the Insured to change the
beneficiary.

Liberal re-instatement privileges.

Every effort has been made to make
this new policy the very perfection in a
life insurance contract.

For further information apply to
JOHN H. ROBINSON, General Agent
FRANK ALLEN, Associate General Agent
For New York and New Jersey,
Postal Building,
253 Broadway, - - - NEW YORK.

BONDS OF SURETYSHIP.

The Guarantee Company of North America

HEAD OFFICE, MONTREAL

Edward Rawlings, President.

H. E. Rawlings, Asst. Mgr.

Richard B. Scott, Secretary & Treasurer.

It is the Pioneer Company, was estab-
lished in 1872, and is conducted under a
conservative management of over 55 years
experience.

It has recouped to employers over \$2,-
190,000 for losses sustained by the infidel-
ity of employees and has a surplus of \$1,-
041,423.23 to credit of shareholders and
total resources of \$1,919,892.38 for the se-
curity of insured.

Branch Offices:

NEW YORK: 111 Broadway,
D. J. Tompkins, Secretary.
BOSTON: 114 Milk Street,
W. A. Hamilton, Agent and Attorney.
CHICAGO: Room 400, The Temple,
J. R. Pruyn, Resident Sec. and Atty.
PHILADELPHIA: 500 Arcade Bldg.
W. H. Jackson, Res. Secretary.
PITTSBURG: 1120 Farmers Bank Bldg.
E. R. Munro, Resident Secretary.
LOUISVILLE: 316 Columbia Bldg.
P. N. Clarke & Co., Agents.

COME AND PROSPER

Among the 15 largest American companies (excluding in-
dustrials) this is our 1909 ranking:

First place in percentage of gain in insurance in force; *third*
place in gain over 1908 in amount of paid-for new business.

New business first quarter of 1910 far in excess of first
quarter of 1909. Our agents are busy and prosperous—and are
not driven by the Home Office.

New York Agency: 1401 Empire Building, 71 Broadway.

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY,
Springfield, Mass.

Incorporated 1851

Royal Exchange Assurance

OF LONDON.

Incorporated by Royal Charter A.D. 1720.

UNITED STATES OFFICE:

92 William Street * * * New York City

UBERTO C. CROSBY, General Manager.

RICHARD D. HARVEY, Assistant General Manager.

1860 50th YEAR 1910

HOME LIFE

Insurance Company of New York.

GEORGE E. IDE, President.

Assets	\$23,626,018.63
Liabilities	21,858,691.52
(Including Deferred Dividend Fund)	
Dividend Endowment Fund	2,119,044.00
(Deferred Dividends)	1,767,327.00
Net Surplus	92,532,583.00
Insurance in Force	

The record for 1909 shows the following GAINS:

Insurance in Force	\$4,164,239.00
Assets	1,917,117.00
Deferred Dividend Reserve	148,581.00
Contingency Reserve (Surplus)	655,149.17

WESTERN
ASSURANCE Co.

HEAD OFFICE,

TORONTO, - - CANADA.

Incorporated 1851.

Hon. GEORGE A. COX.....President
 W. R. BROCK and JOHN
 HOSKIN, K. C. LL. D. Vice-Presidents
 W. B. MEIKLE.....General Manager

United States Statement, Jan. 1, 1910.

Assets	\$2,377,303.37
Surplus in United States	839,268.07

FEDERAL
LIFE INSURANCE
COMPANY
CHICAGO

ISAAC MILLER HAMILTON, : ; President

Admitted assets	\$2,447,499.17
Capital stock	177,300.00
Surplus apportioned and unapportioned	77,510.61
Excess security to policy holders	254,810.61
1909 insurance in force increased over	\$6,300,000.00
Surplus increased over	100,000.00

HIGH-GRADE MANAGERS AND AGENTS WANTED.

ATTRACTIVE POLICIES.

DESIRABLE CONTRACTS.

WILL ENTER NEW TERRITORY.

Address,

CHARLES M. TURNER,
General Manager,

Marquette Building, CHICAGO, ILL.

BONDS--CASUALTY

AGENTS { Can Command Bond or Casualty business
IF { Are seeking an Agency connection
YOU { Are not representing another like Company

ADDRESS, AGENCY DEPARTMENT,

The Empire State Surety Co.
NEW YORK**THE**
American Credit-Indemnity Co.
OF NEW YORK.**CREDIT INSURANCE ONLY.**

Insures Wholesalers and Manufacturers against Excessive Annual Loss through the Insolvency of their Customers.

We can always use a few high-grade solicitors.

ST. LOUIS, MO.

NEW YORK, N. Y.

Offices in All Principal Cities.

A. B. TREAT, General Agent,

302 Broadway, : : : : : New York.

OLDEST
IN
AMERICA**STRONGEST**
IN THE
WORLD**THE MUTUAL LIFE**
Insurance Company of New YorkMutual Life Agents Make Most Money
Because Mutual Life Policies Sell Most Freely

For terms to producing agents, address

GEORGE T. DEXTER

2nd Vice-President

34 Nassau Street

New York, N. Y.

The Chronicle

VOLUME LXXXV.

NEW YORK, THURSDAY, APRIL 7, 1910.

NUMBER 14

ALFRED B. DAWSON, President.
R. B. Dawson, Treasurer. Chas. D. O'Brien, Secretary
Emil Schwab, Manager New England Department,
178 Devonshire Street, Boston, Mass.

All communications should be addressed to and remittances should be made to The Chronicle Company, Limited.
Entered at the Post Office, New York, N. Y., as Second Class Mail Matter.

PUBLISHED EVERY THURSDAY BY
THE CHRONICLE COMPANY, Limited.
No. 90 WILLIAM ST., NEW YORK.
Phone "567 John." Cable Address, "Chronogram," New York

Subscription Price:
Three Dollars a Year. Single Copies, Twenty-five Cents.
Postage Prepaid in the United States and Canada.

Assembly Spikes Hotchkiss' Guns.

Superintendent Hotchkiss has repeatedly announced that while he was investigating insurance companies, his main purpose was to expose grafting legislators, their methods of operation, the go-betweens who sold their wares, and such of the legal fraternity who have rendered such services to insurance interests (in Buckley's own words), as "would not be taken up by any reputable lawyer."

The names of a few men more or less prominent in State politics and the names of two well known lobbyists so far have been mentioned. But even if the list of those receiving "presents" is increased it is a question whether or not the superintendent will be able to cause the two law-making bodies of this State to clean house, and if this is not done all his efforts to stop blackmailing and bribing will be lost.

Up to the present time, the odds are against Mr. Hotchkiss accomplishing his purpose. The yellow press has done its best to divert public attention from the real issue at stake by printing scareheads and column after column attacking the insurance companies, one even carrying its buncombe far enough to have a resolution introduced in the Assembly last week calling for the immediate prosecution of the "Firebug Trust" by the Attorney General.

Taking its cue from the above, in an endeavor to head off an investigation of the Assembly itself, on Thursday last, the Ways and Means Committee decided to report favorably the resolution introduced on January 17 by Assemblyman McInerney (Rep.), of Rochester, calling for an investigation of all insurance companies, except life companies.

Switching Public Attention.

The resolution provides for a joint committee of three Senators and five

Assemblymen to conduct the investigation and the committee is to report to the next Legislature. It has power to sit during the summer and fall months, and receives an appropriation of \$25,000 for expenses.

The political significance of the resolution and the reporting of it at this time can be readily seen by the following interview by its author:

"The purpose of my resolution is to reach the difficulty existing between the policyholders and the insurance companies. Grave abuses have arisen in almost every community. There is a board of fire underwriters of fire insurance exchanges, making absolutely arbitrary rules in favor of the companies and against the insured.

"District Attorneys in various counties of the State have had inquiries before the Grand Jury, but the members of the boards have claimed their constitutional privilege, and it has been impossible to obtain information upon which to base indictments or to cure the evils in the fire insurance business. This committee will have the same powers as were had by the Armstrong life insurance committee. While Mr. Hotchkiss can merely scratch the surface and then merely make his recommendations to the legislature, this resolution provides a fund and the manner of bringing witnesses before the committee."

New Dress for Anti-Compact Bill.

On Monday Assemblyman A. J. Levy, of New York, introduced a bill to create a commission to investigate the State Board of Fire Underwriters. The commission is to be composed of three senators, three assemblymen, and one person appointed by the governor, and is charged with ascertaining if the fire underwriters divide territory among themselves and apportion insurance rates for each

company; what the qualifications of membership are, and if rebating is practiced.

The commission is also required to get the names of all officers and agents of companies organized under laws of the State and to report to the legislature next March. No salary is to be paid the commissioners, but \$50,000 is appropriated for expenses.

"If the State desires to censor fire insurance rates," said an official of the New York Exchange, "or to dictate what the citizens should pay, I presume that the companies can survive. If it proposes to dictate what the citizens should pay the companies, it should also take upon itself the responsibility for compelling property owners to prevent fires which originate through carelessness, ignorance, negligence and crime. If it does this, the government will be a little less popular in the irresponsible mind than the fire insurance rating association is at the present time. Possibly this will make the fire underwriter's path easier.

"At present on the solvency and ability to pay of the fire insurance companies rest the stability and prosperity of every phase of business life. It is not at any time an easy business or a profitable business from an underwriting standpoint. In the time of a crisis like the San Francisco fire, the stockholders dug into their pockets readily for funds to make good impairments. How readily will they do this if the government treats the business as an Ishmaelite?"

Thursday.

As mentioned in the last issue of "The Chronicle," the morning session of Superintendent Hotchkiss' inquiry as to who got the money which was paid out by insurance companies in the past nine years in connection

with legislation in this State, Vice-President Lunger, of the Travelers Insurance Company, of Hartford, at Thursday morning's session, rather grudgingly admitted that his company had paid \$21,450 in 1903 to Buckley for four months' legal services.

Mr. Lunger justified his approving of such a large bill to an inexperienced solicitor by the statement that Buckley had come highly recommended by a most prominent insurance official. In fact, he later admitted that Buckley was so well known around the offices of the New York Life Insurance Company shortly after his retirement from the Insurance Department that it was common to refer to him as "Willie."

The only other witness at the morning session was Edwin E. Clapp, who identified Edward A. Brown, of Middletown, N. Y., as the go-between who offered to enlist the services of "Big Tim" Sullivan for \$10,000 in smothering a bill in 1892, as testified to previously by President George F. Seward, of the Fidelity and Casualty Company.

An Extra Constitutional Government.

At the afternoon session E. R. Kennedy, of the firm of Weed & Kennedy, was able to account for the most of the \$8,311 he received from the Board of Fire Underwriters on account of legislative expenses in 1901. Besides the present of \$1,000 to George W. Aldrich, of Rochester, he recalled giving \$2,500 to Commodore P. Vedder and \$800 to Emmet Rhodes. This leaves, together with his previous testimony, a balance of only \$700 unaccounted for.

Mr. Kennedy was asked if he had ever had any experience where it was suggested that money would help legislation, and told of being approached on a car when going to Albany, but did not know the man who made the suggestion. Mr. Kennedy described the system of political graft in both parties which he called an extra constitutional government, and said that during the last two Democratic legislatures it was only necessary to go to an office in 111 Broadway to get a bill through the legislature or have one defeated.

Brown Defends McCall.

Stewart Brown, a broker of 170 Broadway, and formerly an employe of the New York Life, was next called, and offered a letter in evidence contradicting statements that had been made concerning the connection of Justice E. E. McCall with Buckley's loans from the Phenix Insurance Company, checks for which the

Justice had deposited in his own account. Mr. Brown stated:

When Mr. Buckley's loan in the Phenix was called in January, 1901, he applied to Mr. McCall to assist him, which the latter did by giving him his personal check on January 14, 1901, to take up said loan; if Mr. Buckley took up his loan in December, 1900, as has been publicly suggested, to deceive the Insurance Department, it was not Mr. McCall's check that paid it; if taken up in December, no matter by whom, there was no intent to deceive the Insurance Department, as there was no necessity for so doing, the loan was legally made, on securities authorized by law to be lent upon, the margin was satisfactory, and the borrower was not prohibited by law from making or obtaining such loan. If the Phenix, for purposes of their own, did not want collateral loans to appear in their annual statements they followed the practice of other companies, but the purpose was not to deceive the Insurance Department.

Brown's letter also fully explained the connection of Justice McCall's name with the Munich Reinsurance Company, as follows:

Mr. Justice McCall, in 1900, and prior thereto, then a practicing lawyer, was real estate counsel of the New York Life, and at my earnest solicitation agreed to act as general counsel of the Munich Reinsurance Company, and I introduced Mr. Schriener, foreign manager of the Munich Company, to him, and even suggested the amount of annual retainer; subsequently, at my solicitation, he agreed to act as general counsel of the International Banking and Trust Company, and in none of his relations with the above three companies did he have anything to do with legislative matters directly or indirectly during the sixteen years that I have known him.

Had to "See" Hamilton.

Henry C. Willcox, vice-president and general solicitor of the American Surety Company, proved one of the frankest and most interesting witnesses yet heard.

In reference to his company's dealings with the late Andrew Hamilton and Buckley in 1901, Mr. Willcox said there were four or five measures before the legislature that year in which his company was interested, but chief among these was the unearned premium fund tax measure, and he in company with Mr. Nadal, counsel for the Fidelity and Casualty Company, went to Albany to endeavor to secure an amendment to the legislation proposed by the fire insurance interests, so that the exemption from taxation provided for in the bill then before the legislature be amended so as to include the funds of casualty and surety companies. He stated that he could make no progress in that direction and then sought Andrew Hamilton, whom he

got into communication with through William H. Buckley, then in the Insurance Department. Buckley got Hamilton on the phone and Mr. Willcox talked with him, telling him of the situation and what he wished to have accomplished. Hamilton then said he would speak to Buckley, and after the two had conversed for a few minutes, Buckley came out of the telephone booth and said that Hamilton would take care of the matter. He did, as the amendment was added to the bill and passed.

Mr. Willcox said that when he was in Albany and wanted to find Hamilton in the evening he went to the Insurance Department office and found him and Buckley. Mr. Willcox said that there was no arrangement as to compensation, but that later Hamilton sent in a bill for \$10,000, to which he objected as being too large. He had a conference with Hamilton and some correspondence, which resulted in a compromise, whereby the American Surety Company was to pay part of the bill and try to collect the remainder from the other surety companies who were interested in the measure. Witness said that Hamilton conveyed to him the suggestion that he had to assume obligations or make promises which he could not meet unless the bill was paid. As a result of the compromise Hamilton was paid \$374 by the Lawyers' Surety Company, \$419 by the United States Guarantee Company, and \$5,676 by the American Surety Company, and the promise was made that the balance, \$1,000, would be paid if Mr. Willcox could induce the National Surety Company to assume its share of the bill.

Caught the National, Too.

The witness said that they had been unsuccessful in making the National come across. The amusing feature of it was that, as testified to later by William J. Griffin, vice-president and general solicitor of the National Surety Company, Hamilton had collected direct from the National the sum of \$2,530.17. However, Mr. Griffin stated that he was quite sure Mr. Willcox was not aware that this payment had been made, and as a matter of fact he did not know it himself until two years later, in 1903.

Friday.

At Friday morning's session Superintendent Hotchkiss placed on record a statement of Justice McCall, together with exhibits, which fully confirmed the facts set forth in the statement of Stewart Brown on the day previous, to prove conclusively that the Justice did not receive one

penny for his own use of the loans made by Brown from the Phenix Insurance Company. In accepting the same, Superintendent Hotchkiss stated that it was to be regretted that the facts had not been made clear when Mr. Buckley was being examined, but that he was pleased now to give the same publicity to Justice McCall's explanation as had been given to the testimony of Mr. Buckley.

The balance of the day was taken up with the examination of Stewart Brown, who styled himself at one time as "personal" representative of the late John A. McCall, in which the superintendent attempted to connect men prominent with State politics as profiting through the remarkable charter given the American Bonding and Mortgage Guarantee Company in 1901, which shortly became the International Banking and Trust Company, previously referred to. Brown testified that Andrew Hamilton introduced him to State Senator Louis F. Goodsell, who later introduced the bill. He brought out that Superintendent of Banks Kilburn forced certain amendments to the bill which brought the company under his jurisdiction. After this was overcome, Brown testified, it was plain sailing.

Brown, who proved to be one of the most unsatisfactory witnesses from the department's standpoint, many times caused ripples of laughter to pass over the listeners by his quick repartee and humorous answers. He admitted that the measure was so drawn as to deceive the legislature, in that it permitted the company selling groceries or running a pawn shop, besides the banking purposes for which it was organized.

His only reply when asked if he believed that Gov. Roosevelt would have signed the bill if he knew its real purpose was, "He signed it."

Monday.

On Monday Vice-President Correa, of the Home Insurance Company, was called to the stand and Superintendent Hotchkiss attempted to bring out circumstantial evidence to show that the late George P. Sheldon presented to the New York Board of Fire Underwriters a bill for \$5,000 for fighting the Anti-Compact bill, introduced by Senator T. F. Grady at Albany last year and the same day drew \$1,500 from the Liberty National Bank against the check paid him by the underwriters.

Frederick T. Case a lawyer, son of C. L. Case, one-time head of the underwriters' legislative committee, who went to Albany to look after bills for the Board of Fire Underwriters, followed Mr. Correa. He said his attention was given largely

to the Hamm bill, known as the "proofs of loss" bill. He saw Mr. Buckley in Albany at the suggestion of Mr. Sheldon, who told that Buckley was conversant with matters. Mr. Buckley told him he would see Senators Grattan and Grady.

George Richards, of Richards & Heald, was called, and testified that he had never gone to Albany in Mr. Sheldon's time for the New York Board of Fire Underwriters, and that he had never seen Mr. Buckley in his life. He consented to have the books of Richards & Heald examined.

William E. Hutchings, president of the North River Fire Insurance Company, was then called. Mr. Hutchings' memory was very bad, and although the superintendent had several letters to refresh the same, there was no improvement.

In the afternoon the first witness was Charles H. Young, of the law firm of C. H. & J. A. Young, retained in 1909 by the New York Board of Fire Underwriters to represent it at a conference at the Insurance Department in Albany relative to the liquidation act bill. Mr. Young testified that he had been approached in this connection by Mr. Sheldon and others. To this conference came also Mr. McIntosh of the Life Insurance Presidents' Association, Mr. Tully, Mr. Hotchkiss and several gentlemen from the Insurance Department. Senator Grady, as representative of certain small stockholders in different fire insurance companies, was also present. The bill as modified was passed. Mr. Young appeared before the committee and stated that the bill was satisfactory to the New York Board of Fire Underwriters. He had never had dealings with Senator Grady nor with any other State Senator in regard to the bill. Mr. Young received over \$2,500 retainer, all of which he kept.

Morrell O. Brown, vice-president of the Westchester Insurance Company, was the next witness to take the stand. Mr. Brown, a member of the laws and legislation committee in 1908-9, attended the meeting of January 20, but had forgotten the proceedings of the meeting, nor could he recall having anything to do with the anti-compact bill; had heard of it, however, and so far as he knew his committee was in no way concerned with it. Like Mr. Burchell, he didn't know of Mr. Young, and knew only in a general way of Richards and Heald.

Thomas A. Ralston, sub-manager of the Northern Assurance Company, testified that he had been chairman of the finance committee of the New York Board of Fire Underwriters and

that the Sheldon bill was shown him for approval. He understood that it was for legal expenses, but declined to approve it until it had been brought before the committee. He had called a meeting immediately. The bill was presented and approved on Mr. Sheldon's statement that it was for "legal expenses."

Next to give his testimony was Henry S. Bartow, assistant cashier of the Liberty National Bank. Mr. Bartow said that Mr. Sheldon had a personal account at his bank, which was also the depository for the Phenix Insurance Company. On September 1, 1909, Mr. Sheldon came into the bank after hours with his own check on the Liberty National Bank for \$1,500, dated September 1, 1909, and payable "to bearer." He had deposited to his own account earlier in the day one for \$5,000 on the American Exchange National Bank, signed by the treasurer of the New York Board of Fire Underwriters, and payable to George R. Sheldon, chairman. On the back of the \$1,500 was a pencil memorandum, "3-500," which Mr. Bartow explained was made by himself to show the teller that three \$500 bills were wanted. This form of payment was suggested by Mr. Bartow, as Mr. Sheldon had said he wanted large bills. The bills were brought by a clerk. Mr. Sheldon came alone and wrote the check in the bank. Mr. Bartow had never noticed irregularities in the accounts of Mr. Sheldon or the Phenix.

Trail of Thirteen Legislators.

"I want to show that members of the legislature gambled in stocks, and through their stock dealings trace money paid to them by agents of the fire insurance companies," said Superintendent Hotchkiss, opening up Wednesday's session, which did not begin until three in the afternoon.

James W. Cunningham, formerly of the stock brokerage firm of Ellingwood & Cunningham, which failed in 1904, appeared as the only witness. His memory was very bad, and the superintendent gave him until Monday to refresh it.

However, the books of that firm show that from 1900 to 1904 thirteen Republican Senators and Assemblymen, members of the most important committees in the legislature, gambled in stocks on a very heavy scale through that firm.

The books also show that seven of these men received large sums of money from G. Tracy Rogers, a special partner of that firm and the legislative representative in Albany of the street railway interests of New York State.

UNION CENTRAL VICTORIOUS.

Suit to Restrain Distribution of Stock Dividend Dismissed.

The Circuit Court of Hamilton County has handed down a decision in Cincinnati, dismissing the action of the Attorney General of Ohio, upon the relation of the Superintendent of Insurance, to restrain the Union Central Life Insurance Company from distributing the \$400,000 stock dividend which it had declared out of the profits which the company claimed had been realized from stock or non-participating policies. The charges in the Attorney General's action were that these profits had not been realized and also that the company was estopped from declaring them, in any event, by previous declarations that the surplus belonged to the policyholders.

The first of these charges rested upon a challenge of the correctness of the computations made by the actuary of the company which were by him acknowledged to be approximate, such challenge taking the form of a special investigation by Consulting Actuary S. H. Wolfe on behalf of several insurance departments, which investigation, embracing the issues of a few years only, cast some doubt upon the accuracy of the assumptions by the actuary of the company in making his computations. The method used by the actuary of the company and his general conclusions had both been approved by Consulting Actuary David Parks Fackler prior to the declaration of the dividend.

The fight has been long and bitter, several State insurance supervising officials joining the Superintendent of Insurance of Ohio in disapproval of the action of the company, which action was defended by the company on the grounds that the by-law itself was reasonable, that much more than the amount divided had been earned; that an increase of capital was called for by the requirements of the laws and departments of several States, and that a separation of the earnings of the two departments was also called for by the requirements of the laws and of the departments of other States.

Relevant Portion of Court's Opinion.

The following is the portion of the opinion of the court which bears on the most important issues of the case:

It is admitted the separation only is approximate, but after careful consideration the court has reached the conclusion there were, at any rate, profits on non-participating policies in excess of \$400,000. Beyond any question the surplus from non-participating policies belongs to the company.

This company was not a mutual company. The company had a surplus

of \$2,400,000. It undoubtedly belonged to the company. The company are the stockholders. Not a penny of the surplus belongs to the policyholders. This surplus is not there for the benefit of the policyholders. It was not so intended and could not be so understood. There was no law that compelled the company to create the surplus. The State, not the policyholders, objected. It can never be returned to the policyholders who created it, for most of these contracts have been terminated. The company was not compelled to keep separate funds until the law was passed. No rights of the public have been invaded. Therefore the relief asked for must be denied and the petition dismissed.

The complaint is that the company has misused its franchise or has acted beyond its powers, to speak more accurately, and the only way that the suit can be invoked is in the theory that a wrong has been done to the public. A court cannot, in this action, concern itself with the rights of the policyholders or stockholders, but can only consider wherein some public mischief is done or threatened. If the rights of any policyholder have been invaded it is for him to take such action, but not for the State to do it for him.

We are unable to see how the act of the directors in declaring this stock dividend has invaded any rights of any policyholder and much less inflicted any injury on the public. When the directors declared the stock dividend it took nothing away from the company and added nothing to what it already had. If it had any effect at all it was to increase the stability of the company and add to the security of the policyholders. The only chance affecting the stockholder was that if the company earned the dividend he would receive dividends on his stock.

Looking at it in any light, if we are correct in our conclusion that the evidence shows that there is at the present time \$1,000,000 in the surplus, placed there from the non-participating business, the excess over \$400,000 would pay the dividends for twenty years to come, and there could be no possible injury to the public.

Extraordinary That Issue Should Have Been Raised.

That any such issue should ever have been raised in the case of the Union Central Life Insurance Company has by many close and disinterested observers been deemed most extraordinary. As was shown upon the trial, the net amount received by the company from participating premiums, after deducting annual dividends allowed, has been materially less than the non-participating premiums charged and the net amount received in premiums on so-called "life endowment" policies, that is, policies with deferred dividends, after crediting the actual accumulations of the surplus upon such dividends, which in the Union Central are charged as a liability, was materially less than the net cost of annual dividend policies. Even under these circumstances the company had accumulated a net surplus of

\$2,400,000. Its stock or non-participating business amounted to about one-third of the entire business; and, as stated, upon this business a larger proportionate net premium income, from which this large accumulation of surplus could have been derived, had been received on account of these stock or non-participating policies than on account of either of the other classes.

Investigations, likewise, of the annual earnings on the stock or non-participating business since the declaration of the dividend, had been made from year to year, and it was shown that very large additional profits, exceeding, even in this short period, the sum of \$400,000, had been realized.

Union Central's Big Dividends to Policyholders.

Had an attack of this sort been made upon a company in which the participating policyholders were getting a worse deal than the non-participating, as for instance, in certain companies which have virtually shown no earnings for participating policyholders, although collecting on the average nearly 25 per cent. larger premiums than on non-participating policies, there would apparently have been very good reason indeed for questioning the result of an investigation which showed the stock policies to have earned a large profit, available for the enrichment of stockholders. But in the Union Central Life Insurance Company, which for many years has virtually led all the American companies in results to annual dividend policyholders and deferred dividend policyholders, no such condition could or did exist; and certainly the returns to the stockholders who made the success of the company possible, both by their original investment and by the prudence and care of the management which they have supplied, have not been large and, in view of the fact that it was clearly provided in the by-laws that all the earnings upon non-participating business should be theirs and could be divided at any time among them in dividends, there

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS is unsurpassed for net low cost and care of interests of all members.

THE PENN MUTUAL LIFE INSURANCE COMPANY OF PHILADELPHIA

On January 1, 1909, rates were reduced and values increased to full 3% reserve.

certainly appears to be no impropriety in such a dividend being declared, if earned.

Only Justification of Suit, the "Approximation?"

The only question, therefore, was as to whether it had actually been earned; and the only excuse or possible justification for the attack made upon the company, was that to some minds there appeared to remain a doubt as to whether the non-participating policies had earned so large an amount of surplus in view of the confessedly approximate character of the computations made by the actuary, and also in view of a suspicion that the mortality in the non-participating class might have been considerably heavier than in the participating class. The general mortality experience of the company was known to have been exceptionally low. In this connection, Consulting Actuary Fackler called attention to the large profits in the Travelers, where the business was virtually exclusively non-participating; and the observation of Actuary Henry Moir in his book, "The Primer of Life Assurance," that it does not appear to be the fact generally in the United States that mortality among non-participating policyholders markedly exceeds mortality among participating, is also in point. The years of the Union Central's experience which were actually investigated, also showed this.

President Clark of the Union Central and his associates are specially to be congratulated upon the favorable outcome of the long and bitter litigation which has resulted from the action of the board of directors in declaring this stock dividend; and it is to be hoped that the decision of the court will be accepted as final by all parties, and that the entire dispute is at an end.

POLICY LOANS ARE ADVANCES, NOT INVESTMENTS.

The decision of the Board of Assessors of the Parish of New Orleans vs. the New York Life Insurance Company, rendered by the Supreme Court of the United States on January 27 last, holds that policy loans and premium liens are not investments or credits in such a sense as to render the same liable to tax under the laws of Louisiana, which subject credits which are within the State to tax. The policy loans and lien notes of the New York Life Insurance Company are not made personal obligations of the policyholders, but are merely against the respective policies and their values and are of the nature of advancements against the ultimate interests of the policyholders, which,

likewise, the company is required to make by the terms of the policies themselves. The Supreme Court so holds in the following opinion:

Opinion of United States Supreme Court.

The so-called credits arise out of transactions denominated policy loans and premium lien note loans, which are explained at length by the Judge below, but which may be summed up more shortly here. When the plaintiff's policies have run a certain length of time and the premiums have been paid as due, the plaintiff becomes bound ultimately to pay what is called their reserve value, whether the payment of premiums is kept up or not; and this reserve value increases as the payments of premiums go on. A policyholder desiring to keep his policy on foot, and yet to profit by the reserve value that it has acquired, may be allowed, at the plaintiff's discretion, to receive a sum not exceeding that present value, on the terms that, on the settlement of any claim under the policy, the sum so received shall be deducted with interest (the interest representing what it is estimated that the sum would have earned if retained by the plaintiff); and that, on failure to pay any premium or the above-mentioned interest, the sum received shall be deducted from the reserve value at once.

This is called a loan. It is represented by what is called a note, which contains a promise to pay the money. But as the plaintiff never advances more than it already is absolutely bound for under the policy, it has no interest in creating a personal liability, and therefore the contract on the face of the note goes on to provide that if the note is not paid when due, it shall be extinguished automatically by the counter credit for what we have called the reserve value of the policy. In short, the claim of the policyholder on the one side and of the company on the other are brought into an account current by the very act that creates the latter. The so-called liability of the policyholder never exists as a personal liability, it never is a debt, but is merely a deduction in account from the sum that the plaintiffs ultimately must pay. In settling that account, interest will be computed on the item for the reason that we have mentioned; but the item never could be sued for, any more than any other single item of a mutual account that always shows a balance against the would-be plaintiff. In form it subsists as an item until the settlement, because interest must be charged on it. In substance it is extinct from the beginning, because, as was said by the Judge below, it is a payment, not a loan. A collateral illustration of the principle will be found in *Starratt v. Mullen*, 148 Mass. 570, 2 L. R. A. 697, 20 N. E. 178, and cases there cited.

Instead of receiving an advance, the policyholder may draw upon the reserve value for a premium due, again giving a note; but the transaction is similar in legal characteristics to that which we have described. It is unnecessary to set out the documents at length, because, although the same language is not used in all, there is no nice question of construction, no doubt possible as to the effect and import of the contracts. In none of the

cases is there a loan, and therefore there are no credits to be taxed. In *Metropolitan Life Insurance Company v. New Orleans*, 205 U. S. 395, 51 L. ed. 853, 27 Sup. Ct. Rep. 499, so far as appeared, the insurance company made loans, properly so called, to its policyholders, and the question now before the court was not raised or discussed.

The question as to where the alleged credits were actually held, that is, whether in New Orleans or New York, did not come up for the decision of the court, as it did in the case of the Metropolitan Life Insurance Company vs. New Orleans, cited in the opinion; for the reason that the court has held that these advances were not loans or credits in such a sense as to subject them to taxation.

VIGOROUS MANAGEMENT FOR THE STANDARD LIFE.

Frank A. Wesley, who from the organization of the Columbian National Life Insurance Company, of Boston, has been connected with that company and in recent years as its director of agencies, has resigned to become the vice-president and manager of the Standard Life Insurance Company, of Pittsburg, into which the Standard Mutual Life Insurance Company of that city is being converted.

Vice-President Wesley assumes the duties of his office on May 1 next; and it is expected that, under his vigorous management, the Standard will quickly take its place side by side with the two solid, reliable and enterprising Pittsburg life insurance companies, which have already made a conspicuous success of the business. The great progress, already made by the Standard under its mutual charter, furnishes a solid foundation upon which to build.

New England Mutual Life

Insurance Company
BOSTON, : : : MASS.
chartered 1835

Assets, January 1, 1910..\$51,316,543.00
Liabilities 47,050,672.15

Surplus \$4,265,870.85

Sixty-six years of honorable dealing with its policyholders has placed the NEW ENGLAND MUTUAL LIFE INSURANCE COMPANY in the front rank of Life Insurance Companies of the Country.

ALFRED D. FOSTER, President.
D. F. APPEL, Vice-President.
J. A. BARBEY, Secretary.
WM. F. DAVIS, Assistant Sec'y.
J. G. WILDMAN, Assist. Sec'y.

EDWARD W. ALLEN, Manager,
220 Broadway, New York.
LATHROP E. BALDWIN, Manager,
141 Broadway, New York.
CHARLES H. STRAUSS, Gen. Ag't,
200 Fifth Ave., New York.

HOW PRESIDENT TAFT THINKS.

President Taft addressed two thousand members of railway brotherhoods at Worcester, Mass., last Sunday and in the course of a highly edifying talk said a few things of lively interest to the casualty companies.

This is part of what he said:

One of the great things your organizations have done is to bring to the public the necessity for legislation with respect to safer appliances and with respect to the employers' liability act. And you are now getting through Congress—I don't dare say I am getting it through, but it is going through—legislation which the railroads have agreed to, as I understand it, which is going, I hope, to be of the utmost benefit to you in your perilous and dangerous profession. I don't know whether railroad men in this country realize what a debt of gratitude they owe to Benjamin Harrison. He was the first one to bring to the attention of Congress the necessity for safety appliances in interstate commerce, and he pressed it home with an array of startling statistics as to killed and injured railroad men that shocked every friend of humanity. And he was the man who first secured and put on the statute book the law regarding car coupling and other safety appliances which has done so much to affect certain kinds of injury to trainmen in the railway service.

Will Sign Bill.

Apropos of that, I have just received a telegram informing me that the Senate passed the amendments to the employers' liability law and the House concurred in them and they are now ready for the President's signature. The newspaper men object that I don't announce my decisions in advance as much as I ought to, so that they might have a scoop, but I will let you into my confidence on this occasion by saying that I will sign that bill. The statistics of killed and injured railroad men are still sufficiently shocking to make me hesitate to read them, but I am going to. In 1893 there were killed 2,727 men, and injured 31,720, out of a total of 872,000. In 1908 there were killed 3,470; injured, 83,367, out of a total of 1,458,000. Of the total killed there were 20 per 100 miles in 1893, and, I am sorry to say, there were 40 per 100 miles in 1908. In other words the increase in accidents and injuries has been greater than the increase in the number of men.

Good Results From New Couplers.

It is most significant to follow the statistics with reference to car-coupling. In 1893, before the car-coupling statute was passed and before it was enforced, there were 349 men employed for each man killed by car-coupling. In 1908, there were 983 men employed for each man killed by car-coupling, an increase in the factor of safety of 181 per cent. In 1893, for each man injured, thirteen were uninjured. In 1908 there were sixty-two men uninjured for each man injured by car-coupling, an improvement in

the factor of safety of 376 per cent. Could you have a more conclusive demonstration of the usefulness of the statute which forced upon the railroads the adoption of the safety device with reference to car-coupling?

How much more we can do in this matter I don't know. A bill has passed both houses and will certainly become law which provides that the Interstate Commerce Commission shall form a uniform standard for sill steps, hand brakes, ladders, running boards and grab irons, and that they shall follow the standard thus laid down by the Interstate Commerce Commission and be inspected by that body. And it is hoped that the perfection and rendering safe of those appliances may have the same good effect that the car-coupling appliances had. At any rate, it is going on the statute book, and the Interstate Commerce Commission is going to do the best it can to bring about a better state of things, so that we shall not lose so many valuable lives.

The Fellow-Servant Rule.

Then we have the employers' liability bill. The law that we have had administered in this country was inherited from our Anglo-Saxon ancestors, and it was pretty rough in many regards. It wasn't so civilized as what we call the civil law which obtains in other countries with reference to dealings between individuals. It proceeded on the theory that every man should look after himself and the devil take care of the hindmost. And in the dealings between employers and employed that was the rule.

Well, we have got beyond that now. We know that is not right. There was invented in Massachusetts eighty or ninety years ago by one of the most distinguished judges that ever sat on the bench, what is called "the fellow servant rule," by Chief Justice Shaw. He said where two men were working together for a common employer, and one was injured by the other, that was a risk he assumed and he could not recover.

Well, we have come back to the conclusion now that the man who employs with the capital at his back is better able to look out for himself and save losses from injuries of that sort than the man who actually suffers injury. And, therefore, we ought not to insist upon the stringency of another rule, which is a common law rule, that if a man was injured by his own negligence, partly or wholly, he could not recover at all from his employer.

Liability Law Amended.

This employers' liability act for interstate commerce employes has now been amended in such a way as to leave to the jury the determination as to how far the man's fault entered into the accident and leaves to it the amount which the injured man ought to receive as a verdict and the fellow-servant rule is abolished altogether.

That is hard on the railroad companies—at least, harder than the old rule. But what it means is that it has got to go into the expenses of the railroads, and ultimately, if rates are fixed, it has got to come out of the public. In other words, the public shall stand the risk of those who go into perilous employment like this,

and whose lives are exposed every day in the year for the benefit of the public.

Now, I agree with my friends, the railroad presidents—if I dare call them my friends, and I dare—that it may be a long time before they figure out of their rates the fraction of increase necessary to meet this additional liability. But it will come ultimately, and it is better that it should come.

I am hopeful, indeed, that before many years have passed we shall be able to adopt a system of arbitration by which there shall be settled promptly on rules specified with the same degree of certainty that they are specified in an insurance policy how much a man shall receive for an injury, proportioned to the wages he gets and to the disabling character of the injury, so that it shall be uniform; so that one man shall not receive \$25,000 for a "railroad spine," which passes away under the kindly influence of a large verdict, and the fellow whose legs are cut off shall go without anything because it happened that his injury was due in some degree to his own negligence.

Compensation Act Needed.

In other words, I think we ought to have uniformity of award and dispatch and quickness in award, so that lawyers may be eliminated and the money may go directly to the object to which it ought to be devoted, to wit, the injured man or his family. It will rid the courts of litigation which now are loaded down; it will make the awards reasonable and quick, and there will be no division of the money

T H E PROVIDENT LIFE AND TRUST COMPANY OF PHILADELPHIA

Insurance in Force, \$214,509,255.00
(Paid for Basis)

Assets \$70,514,350.45
(Market Value, Dec. 31, 1909)

Contingency Reserve . \$9,207,276.38
(Inclusive of Capital Stock, \$1,000,000.)

The Provident has been particularly distinguished for the development of a highly trained force of agents. The systematic instruction which its agents receive has resulted in their being recognized as representatives of exceptional knowledge of the business and of marked efficiency.

paid to the widow and the orphans or to the helpless cripple.

That system is forcing its way in Europe, and I hope we may have it here. In that way good feeling between the company and its employees will be facilitated, justice will be done, the railroads can calculate with the utmost accuracy by statistical reference just how much money they will have to devote to that sort of liability, and I think everybody will be in better condition. The middlemen will be eliminated and only the employee on the one hand and the treasury of the railroad on the other will be affected. I want to assure you that these acts—four of them now pending in Washington in which you are especially interested—are going through.

Can Reduce Loss of Life.

There is one other act—that which requires the Interstate Commerce Commission to investigate the cause of all accidents. One of the great difficulties in this world is getting at the facts. The truth is, it embraces nearly all the difficulty, because if you could get at the facts, the underlying facts in medicine, you could cure nearly every disease, and if you could get at the underlying facts with reference to accidents and trace the causes, then you could meet the causes. And that is what this act proposes to do. It requires that they shall go down and investigate by hearing witnesses.

The suggestion has been made—I am not attacking the railroad companies on account of it—that it is easy to charge up a great many injuries to the negligence of the man who is injured. Well, of course, that is so. And too frequently it is the true explanation. But it is not always the explanation, and what we want to know is how often it is the explanation and how often it is not. And when it is not the explanation, we ought to find out the cause and remedy it.

And then, with respect to those things which occur through the negligence of the men themselves, you, my friends, are the moral agents that are going to reduce that danger, because your associates, being the elite of railroad men, can impose and do impose on applicants for membership such qualifications and such restraints as to prevent the recklessness which brings about accidents.

With you working toward that end, with the Interstate Commerce Commission and the railroads getting at the facts as to those accidents which cannot be avoided under the present arrangements, but which might be prevented by proper safety appliances, I am sure we can reduce this awful loss of life and the injury to a class of citizens that are among the best that live and thrive under our starry flag.

REMARKABLE SUCCESS ATTENDS CHANGE OF BASE.

The Reliance Life Insurance Company, of Pittsburg, Pa., since changing from the net level premium method of valuation which had resulted in an enormous decrease of its surplus and also indirectly in its new business costing more than could prof-

itably be so expended, and likewise in such a manner as to result in heavy lapsation, and substituting for that method the modified preliminary term system which lays down distinct lines as to what can profitably be paid for new business and thereby affords the management a guide in making expenditures, has been making a remarkably good record in the matter of new business, though at materially diminished cost to the company.

Thus, in the month of March of this year the company issued policies to the amount of \$1,421,850, or a business more than \$200,000 larger than it had ever before transacted in a single month, even under the old relatively high-pressure conditions.

This new business is now secured, likewise, under so diminished pressure that the lapse rate has, in the last twelve months, been running between 11 per cent. and 12 per cent., including business in its first and second year, which is very low, taking into account the fact that the entire business of the company is relatively new.

The management of this excellent company is specially to be congratulated upon the record which it is making, particularly since, by following this course, the results of relatively extravagant management should soon be offset by the profits realized by the more economical conduct of the business.

THE WILLIAM BROTHERS BACK IN THE WESTERN AND SOUTHERN.

The William brothers, who built up the Western and Southern Life Insurance Company, of Cincinnati, and who several months ago sold out their minority interests because they could not agree with the holders of the majority interest as to the policy pursued by the company, have now bought out the majority interests, the purchase price, it is stated, being \$1,110,000. The company is in a prosperous condition, with admitted assets of \$4,869,882; liabilities, exclusive of capital, \$4,746,513, and net surplus to policyholders of \$123,369. It has the fifth largest industrial business in the United States, only the Metropolitan, Prudential, John Hancock and the Life Insurance Company of Virginia outranking it. Its income in 1909 was more than \$2,000,000 and its insurance in force nearly \$45,000,000.

TAKING OVER MEMBERS AS INDIVIDUAL POLICYHOLDERS.

President Hope Thompson, of the Northern Life Insurance Company, of Rock Island, Ill., announces that his

company is, with the approval of the Superintendent of Insurance of Illinois, taking over the members of the Fraternal Tribunes, on a monthly premium term policy, issued only upon a fresh medical examination unless at least two-thirds of the members of a lodge accept the proposition, in which case they will be insured in a body, separate policies being issued to each, without an examination, upon the condition that there shall be an impairment lien of 40 per cent. upon each certificate so issued, the same to be reduced in equal portions during the eight years next thereafter until extinguished, or to be removed immediately upon the holder passing a satisfactory examination.

The stockholders of the Connecticut Life Insurance Company, of Hartford, Conn., will meet on May 3 to vote on the proposition to increase the company's capital from \$150,000 to \$300,000.

CUR

Course of Insurance Education.

Department for Furnishing Prospects.

New "Model Policy"

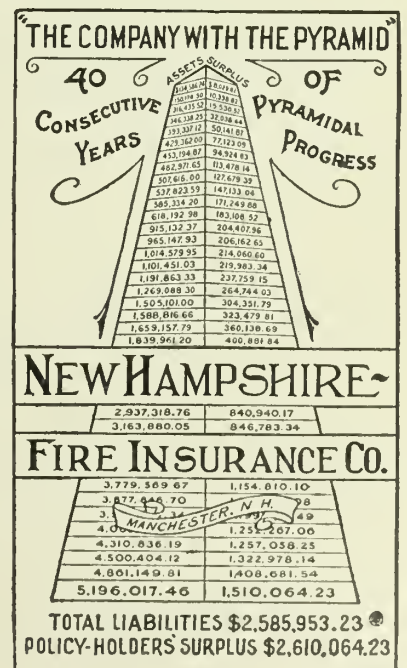
Will Plough the Field and Assure the Harvest for Good Agents.

Phoenix Mutual Life

INSURANCE COMPANY,

Hartford, Conn.

Write Home Office.



IN NEW ENGLAND

A FORMIDABLE REPORT.

The report of the Massachusetts commission on old age pensions, annuities and insurance, submitted to the legislature last week, is a formidable document, the contents of which the average man would want "a week off" to digest. The legislative insurance committee had a hearing on the document Monday, and if it should report thereon by Wednesday of this week, the final date established for certain joint committee reports, it will have accomplished quite a job.

The commission reaches the conclusion that any scheme of non-contributory pensions in Massachusetts or any other American State seems inadvisable and impracticable, because of (1) the heavy expense, (2) the enervating influence on character, (3) the disintegrating effect on the family, (4) the unfavorable effect upon wages. One of the commissioners, James T. Buckley, expresses his dissent from the opinions numbered 1, 2 and 3 foregoing. The commission also believes the adoption of any scheme of compulsory insurance in Massachusetts to be inexpedient at the present time, holds that the practical objections to it are weighty and that the idea itself is essentially distasteful to Americans.

The commission recommends the passage of a bill to authorize the cities and towns of the Commonwealth to establish retirement systems for their employes, and submits drafts of a bill for that purpose. It also recommends, with drafts of bills pertaining thereto, the establishment of retirement systems for State and county employes. The three bills are identical in their essential provisions, which also include sections calling for a measure of supervision by the Insurance Commissioner.

Constructive recommendations offered by the commission are (1) the inclusion of "thrift" among the subjects of compulsory instruction in the public schools; (2) calling the attention of employers and employes to the opportunity for the purchase of insurance and annuities offered by the Massachusetts savings bank insurance department; (3) commending to the consideration of corporations of a permanent character, especially public service corporations, the schemes of old age insurance and pensions which have been instituted by various large concerns. In order to bring this recommendation within legal possibility,

the commission recommends the enactment of a general law authorizing employers and employes to form an association for the payment of annuities or pensions out of funds created by joint contributions under supervision of the Insurance Commissioner. The commission also directs (4) attention to the new opportunities for old age insurance offered by industrial insurance companies, and says that this insurance has been greatly cheapened and improved during the last year. The commission further suggests (5) that in due time the laws governing the operations of fraternal be amended to enable them to pay old age benefits under supervision by the Insurance Commissioner. The sixth recommendation calls for enactment of measures providing for the establishment of retirement systems for public employes.

Two members of the commission, Messrs. Buckley and Huddell, dissent from the recommendation for legislation permitting employers in Massachusetts to establish retirement, annuity or pension associations for their employes. Mr. Huddell also dissents from those parts of the report in which opinion is expressed favorable to contributory pensions and to compulsory insurance.

Its Seventy-fifth Year.

On Friday last the New England Mutual Life Insurance Company completed three-quarters of a century of corporate existence, having received its charter April 1, 1835. For conservative reasons the company did not begin business until February 1, 1844. Its long career of activity has been marked by an emphasis on all that is best in mutual life insurance, and it, therefore, deservedly enjoys a large and increasing prosperity.

License Revoked.

The license of the United Surety Company of Baltimore has been revoked by the Massachusetts Insurance Department, the revocation taking effect last Friday, the first of the month. This action followed quickly upon similar action in the State of Minnesota. Impairment of the company's capital to the extent of over \$8,000 and reinsurance of Massachusetts burglary risks in unauthorized companies are items that contributed to the department's action. It is understood that a change of control is under way, which will greatly improve the position of the company.

New England Brevities.

Last Friday night fire broke out in the Lozier Motor Car Company's garage in the Brighton district of Bos-

ton, and in less than an hour the building was gutted, and a number of automobiles, valued at \$50,000, were destroyed.

The Chelsea (Mass.) Board of Control has placed a blanket insurance policy on the city's property for nearly \$1,000,000. Next Tuesday (April 12) marks the second anniversary of the Chelsea conflagration. The rebuilding of the city has progressed on substantial lines, largely made possible by the prompt indemnity provided by the fire insurance companies. No wonder the municipality believes in insuring its property.

The real estate and woolen interests have joined the Boston Board of Fire Underwriters in petitioning Mayor Fitzgerald, of Boston, for the retention of Fire Commissioner Parker. It is thought very unlikely, however, that the reappointment will be granted.

The stockholders of the Connecticut General Life of Hartford are to meet on May 3, to act on the proposition of the directors to double the capital stock of the company by increasing it from \$150,000 to \$300,000.

Salem, Mass., has appropriated \$4,500 for an auto chemical and combination wagon for its fire department.

The Massachusetts legislative committee has reported the bill to make insurance agents who do not turn over premiums guilty of larceny. It has reported leave to withdraw on the Carlton valued policy bill, and reference to next general court on the bill to allow total disability clauses in life policies.

The companies writing automobile liability insurance in New England have reached a modus vivendi as to rates in that territory.

TO WIN IN COMPETITION

Represent the Company whose agents have the strongest fighting material and the most telling arguments. Everyone knows the superiority in low cost to policyholders, (due to high interest earnings, low death and expense rate) of

THE
Union Central Life
Insurance Co. of Cincinnati.

Assets, \$74,523,966.28
Liabilities, \$72,324,302.92

JESSE R. CLARK, President.
ALLAN WATERS, Sup't of Agents.

FIRE AND TORNADO.

One of the most important questions to be taken up at the semi-annual meeting of the Western Union at Washington next week is that of writing combined fire and tornado policies. Years ago when fewer union companies wrote tornado insurance than at present, that organization passed a rule that fire and tornado insurance should not be written in one contract. In some parts of the West, particularly in Iowa, non-union companies write a large part of their farm business under such policies, and it is understood that the union companies which write farm business generally desire the same privilege. The Continental writes a combined policy, and George E. Kline, its vice-president, will make his debut as a union member as one of the committee having this subject in charge.

Wanted: A Plan.

In farm insurance the combined policy is regarded as valuable, because it forces the assured who carries tornado insurance to take an amount of it bearing some reasonable ratio to the value of his property. Tornado insurance is generally profitable to the companies under such circumstances. Farm insurance is unprofitable in so many places that any fair plan which will show a profit on the entire business done with the farmers is likely to be welcomed, especially when the farm experience in some parts of the country is growing worse rather than better.

WANTED: A FEW GOOD SPELL-BINDERS.

The next annual meeting of the Fire Underwriters Association of the Northwest will be held at Chicago October 5 and 6. This was decided at a meeting of the directors held last week. Interest will now begin to be taken in the program. President C. T. Deatrick has his eye on some good material and is understood already to have promises from one or two speakers.

It will be Mr. Deatrick's endeavor to make this not only a good program, but one of interest and profit to field men. The program last year was good, but it was of most interest to managers and students of the broader questions of fire underwriting. As the bulk of the membership is made up of State and special agents, Mr. Deatrick is of the opinion that their preferences should receive first consideration.

The preparation of a Northwest program is no longer an easy task—if it ever was. So much fine talent has

appeared at past meetings that mediocre papers would fall below standard. So many of the men known to have ideas and the ability to express them already have appeared at Northwest meetings that the field of available speakers in the business is getting narrowed.

MANAGER KLINE HERE.

George E. Kline, former Western manager of the Continental, arrived yesterday to assume his new and enlarged duties as underwriting manager for the Continental, Fidelity-Phenix and Fidelity Underwriters. On the eve of his departure the office force of the Western department presented him with a frame containing photographs of 126 of the officials and employees of all grades, the pictures having been taken on the quiet within a few days.

Mr. Kline's elevation places him in what is probably the most commanding fire insurance position in America from an underwriting standpoint.

The Baltimore Fire Insurance Company has been incorporated at Annapolis with authorized capital stock of \$100,000. Seymour Mandlebaum, Frederick W. Feldner, Douglas H. Gordon, William S. Thomas and R. Gordon Williams are the incorporators. Mr. Mandlebaum is a very versatile insurance operator and banker, being an officer or director in practically every prominent concern in Baltimore.

The regular monthly meeting of the Barebones Alumni Association was held Tuesday evening at the office of the Home Insurance Company. L. M. Stevens, of Samuels, Cornwall & Stevens, talked on "The Moral Obligation of the Broker to the Assured." This will be the last meeting of the society before ending the season with the "spring dinner" about the middle of May.

The Franklin Insurance Company, of Washington, D. C., was licensed in New York on Tuesday to transact the business of fire insurance. The company has a paid up capital of \$200,000. This is the "old-timer," of which John A. Kelly, of New York, recently secured control and was elected president, increasing his chain considerably.

Where an agent is personally interested in the property insured, no policy issued by him thereon, or act done by him in connection therewith, binds the insurer unless it knew and assented to it.—Dull v. Royal Insurance Company (Mich.) 533.

IN NEW MEXICO.

A tabulation of New Mexico fire insurance figures show a loss ratio for 1909 of 73.3 per cent. on premiums of \$604,977, the average premium income per company being \$16,400, and the average rate \$1,817. The twelve companies writing the largest business had a loss ratio of 78.7 per cent. and the American Central, Home, Imperial and Scottish Union each had a loss ratio of over 100 per cent., that of the American Central being 118 per cent.

The Connecticut Mutual

That means the best life insurance to have and the best to sell. If you can sell life insurance, you can sell more of it for the CONNECTICUT MUTUAL.

Men of Character and Ability are invited to apply.

Conn. Mutual Life Ins. Co.,
Hartford, Conn.

Please mention this paper.

"The Leading Fire Insurance Company of America."



WM. B. CLARK, President.
W. H. KING, Vice-President.
HENRY E. REES, Secretary.

Assistant Secretaries,
A. N. WILLIAMS, E. S. ALLEN,
E. J. SLOAN, GUY E. BWARDSLEY.

SPECIAL OPPORTUNITIES offered now in Southern States to Representatives of

**CITIZENS
LIFE
INSURANCE
CO.**

W. H. GREGORY,
President.

WESTERN STATE ANNUAL FIRE MEETINGS.

Western State associations of local fire insurance agents now are announcing the dates of their summer meetings. That of Arkansas will be held in May and those of Missouri and Iowa in June. In a number of the Western States the officers of these associations have been doing much hard work in the past few months for the good of the cause, and they hope to see the reward of their efforts at the annual gatherings.

The National Association.

That the local agents need to do everything in their power to protect their interests can scarcely be doubted by one who pays any attention to the situation in the West, and it may be just as bad or worse in some other sections.

The National Association met with marked success in securing the co-operation of the companies to stop overhead writing, but the victory won a decade ago should not be regarded as a settled question. From time to time there have been whisperings to the effect that some of the companies might find it inadvisable to remain on the co-operating list and a very few of them have withdrawn or been cut off by the National Association. If present tendencies continue there is danger that other companies will find themselves compelled by their own interests to take another position on this question. A partial canvass of western towns shows that in a great many of them the largest risks have left the control of the local agents for that of a large city broker. At present the brokers seem generally to place considerable of the business through the local agents, allowing them 5 per cent. and keeping 10 per cent. If the large city brokers or agents—for frequently they are regular agents in their home cities—continue to gather in the outside risks the question is likely to become a live one with some of the companies whether the favor of the large city agents is not better worth seeking than that of their country agents.

Loss of control of large risks by local agents is something the National Association cannot control. Even if the association should be completely successful in getting regular companies to stay off when part of the line is placed at a cut rate, the risks will go to large city agents if they are able to give better service, as they undoubtedly now are able to do in very many cases.

If there were enough non-co-

operative companies to carry these large risks, the brokers would not be obliged to pay the local agents even 5 per cent. for issuing the policies. It is up to the local agents individually rather than to the National Association to make the country agency plant so valuable to the companies that they cannot afford to disregard its interests in favor of the large city agents.

As to Legislation.

Another question to which the State associations of local agents and the National Association as well, need to give their best thought is that of legislation. Aside from the danger of ill advised legislation of an inimical character, which the local agents need to be organized to resist, there is need of co-operative effort on the part of the agents to get some legislation. In many of the States the authorized companies either are taxed by the State on their net premiums or by the municipalities for the benefit of fire departments. In some of these States, if there is any law to compel assured who deal with unauthorized companies to pay a tax on their premiums, it is so weak as to be ineffectual. This is furnishing the non-admitted companies a lever with which to pry the big business out of the hands of the local agents.

Western Whiskers and Insurance.

Another serious menace to agents of standing and character is the absence of any qualifications for agents. A few days ago examinations of barbers began in Chicago under a new law for setting standards for tonsorial artists and licensing them by those standards. While the State considers it important that citizens should be protected from the loss of whiskers, which would not have been cut off by a true artist, the loss of one's home or property through the ignorance of a so-called insurance agent, who pretends to insure but does not, is unworthy of the legislative attention. Nothing is likely to be done to relieve local agents of the competition of these premium grabbers until the agents themselves take the initiative.

A special meeting of stockholders of the Insurance Company of North America is on to-day in Philadelphia to vote upon an increase in stock from \$3,000,000 to \$4,000,000. Stockholders will be given the right to subscribe for one share for every three owned at \$15. Stock is now selling at 24, and pays dividends of 12 per cent. The par value is \$10.

STOCKDELL VINDICATED.

II. C. Stockdell, former general agent of the Phenix Fire Insurance Company of Brooklyn, at Atlanta, Ga., who was removed from office because of an alleged shortage, has been completely exonerated by the Phenix officials of wrongdoing. In a letter addressed to Mr. Stockdell, Major Charles F. Hard, who succeeded him as general agent, says:

It affords me pleasure to state that all of your affairs with the Phenix Insurance Company have been settled satisfactorily and in accordance with agreement.

I desire to say that certain newspaper references to your affairs with the Phenix were, I think, of such a nature as to give a very erroneous impression to the public of actual facts. So far as I am informed and believe, the officials of the Phenix were not a party in any way to the publications. Personally, I regretted very much to see the publications, for I felt that they gave an unjust impression about you.

It affords me further pleasure to say that there is nothing in connection with the affair which reflects in the least upon your personal character and integrity. My connection with you has been very agreeable, and you have been frank and above board with me in every particular. I desire to express my appreciation of the very manly way in which you have acted throughout a very trying ordeal, and of your very courteous treatment of me.

A RECEIVER FOR THE UNION NATIONAL LIFE.

On Thursday of last week, United States Circuit Judge McPherson, of Philadelphia, appointed Charles H. Matthews receiver for the Union National Life Insurance Company, on the application of two holders of profit-sharing certificates, who alleged that over \$132,000 had been squandered. This is the company which the insurance commissioner of Pennsylvania refused to license several weeks ago.

INCORPORATED 1833.

British America
Assurance Company
HEAD OFFICE, TORONTO, CANADA

UNITED STATES BRANCH.

JANUARY 1, 1910.

Assets	\$1,556,740.94
Liabilities	902,438.61
Surplus	\$ 654,302.33

Hon. GEORGE A. COX, President.
JOHN HOSKIN } Vice-Presidents.
W. R. BROCK }
W. B. MEIKLE, General Mgr.

PLATE GLASS.

Reports of plate glass breakages with no cause given for the damage are becoming altogether too numerous, says the "Budget" of the Maryland Casualty Company. It is of inestimable value to the company to know the cause of breakage of every plate that it is called upon to replace. This is obvious when it is understood that breakages from certain causes are not contemplated by the policy. But another important reason for learning the cause of every breakage is the possibility of preventing further losses on the same risk from a similar cause.

It may be impossible to ascribe a reason for a breakage when it is first inspected, but if the glazier who makes the replacement is asked to examine the frames carefully, before and after the broken plate is removed, the cause is often apparent, and if it be a case of worn out or defective frame, it is safe to conclude that the frames containing the other plates on the premises are equally worn and should be either repaired or replaced entirely. We are confident that a little attention on the part of the agent, at the time of adjusting a plate glass loss, will help materially in holding our loss ratio in check.

Chicago's Plate Glass.

Action on the organization of a plate glass conference at Chicago is not progressing with great rapidity. It may be as well that there should be more deliberation at the start. J. I. Loeb, of the New York Plate Glass, has the appointment of a committee of five to draw up a form of agreement. He is exercising care in selecting for the committee men who will be representative and who will work. Even some managers whose views are not generally known are averse to any attempt at a heavy increase in rates. Such action will merely unsettle the business and give a chance of playing even or ahead by companies which have loaded up at cut rates. Sentiment appears to be rather in favor of a sufficient advance to take care of the increased cost of glass, agreement for higher rates on some unprofitable classes, such as clamp set glass, and some control of the brokerage situation if possible.

St. Louis' Plate Glass.

A very interesting situation exists at St. Louis, which is likely to result to the disadvantage of the assured. This is due to the attitude of the Painters Union in that city making a demand upon the seven firms which represent the big plate glass manufacturers that the glaziers employed to make replacements be paid a con-

siderable increase in wages. The union refused a compromise offer of 47½ cents per hour, and as a result the seven firms, agents of the plate glass manufacturers, have abandoned the glazing branch of their business from March 14. The plate glass insurance companies operating in St. Louis had heretofore been depending upon these firms for their replacements and this action leaves them in an awkward position, being dependent upon the Painters Union for replacements unless they, as has been suggested in some quarters, take advantage of the clause in their policy which gives them the option of settling losses in cash on the basis of the market value of the plate glass at the time of the breakage, thus leaving the assured to make replacement as best he may.

CHICAGO'S TONING.

When New York and Philadelphia failed to respond to the magnetism and personal pulchritude of the financier fresh from the mental purlieus of the United States Treasury at Washington as concreted and represented by the very honorable Robert B. Armstrong, assistant secretary under the equally illustrious and honorable Mr. Leslie M. Shaw, also of recent New York memory, he decided that Chicago needed "toning" insurance-wise and was frank enough to so state in an address his advance agent had deftly procured from the bankers and business men's association of the city to deliver.

The "toning" has been accomplished to the full extent of his ability, the play is over, the curtain is down and the lights are out. How Chicago is digesting the treatment it received remains for the future to reveal, but it is pretty safe to assume that the vaccination process is entirely successful and Chicago is thoroughly immune forever after.

Impairment \$80,000.

C. C. McChord, who headed an embryonic concern of Louisville, Ky., and which was "absorbed" by that whale of Armstrong's, seems to now be the only pebble left on the beach since the tidal wave hit shore. He came under the hypnotic or animal magnetic spell of the Honorable Bob and became vice-president, "for services rendered," but not yet compensated. He is in charge and has given out a statement to the duped stockholders to the effect that the impairment is about \$80,000, and suggests that this be offset by a reduction of capital sufficient to enable the crippled to buy crutches from the surplus.

One item in the assets of \$40,166

is a note of R. H. Clark, with pearl button collateral, credited as an asset, not belonging to the company at all and being a transaction used to swell the assets.

A claim asset of \$22,500, growing out of the purchase of Evansville Electric Railway bonds, is also eliminated, and it is expected that the West Virginia department will cut down the \$50,000 valuation at which the home office building is carried to \$15,000. In the meantime the other casualty companies have been rapidly absorbing what agency connections and business the Consolidated had.

The Salt Lake City local agents have adopted a resolution providing that no agency should take a second agency of any company hereafter and that all second agencies should be closed out as rapidly as possible. The Cincinnati and the Glens Falls each have two agencies and have taken no action toward discontinuing them.

H. H. Lowell, well known in casualty circles in Chicago, has gone to the Kansas City Casualty as manager of the surety and liability departments.

OUR BOND—YOUR SECURITY.

T. J. FALVEY,
President.

JOHN T. BURNETT,
Sec'y & Treasurer.



**Massachusetts
Bonding and
Insurance Co.**

Organized under
the Laws of the
Commonwealth of
Massachusetts.

Home Office, 77-81 State Street, Boston.

Capital\$500,000.00

Surplus\$250,000.00

**SURETY BONDS and BURGLARY and
THEFT INSURANCE.**

**LEADING FIRE COMPANY
OF THE WORLD**

[of Liverpool,

England.]

THE FIRE OUTLOOK.

The address of Charles L. Case, U. S. manager of the American branch of the London Assurance, had this to say in his recent address on the outlook for fire insurance interests:

Of course we are all looking, particularly at the early part of the year, for an increase, excepting a few of us who realize that we are getting all that we are entitled to—all that we can earn—and instead of looking for more we are looking to render service that shall prove sufficient to justify a continuance of our present income, but this I know is quite exceptional.

It is my judgment that to secure an increase of salary one should deserve it by giving his employer a largely increased measure of the following five qualities: Tact, executive ability, education, enthusiasm and loyalty; and I have it in mind to speak to you about five minutes, more or less, on the importance of each of these qualities.

First of tact, which may be defined as the art of saying and doing the right thing at the right time; an insurance man needs tact as to the general public whom he meets, as to those below him in rank in business and those above him. He needs tact as to the public in being quick and eager to see their point of view—he needs to know his customers and to be desirous of satisfying all of their reasonable demands, and of quietly, gently and inoffensively refusing their unreasonable requests. It is highly desirable that he should know them by sight; he should have his mind so on his business that the minute a customer or a customer's representative enters the office that he should know him; that he should be able to call him by name, and not apologize by repeating that miserable, worn out old story that his face is very familiar, but his name has really escaped his memory.

It is very necessary to exercise a tactful courtesy towards one's inferiors in rank. They are your associates—on them must fall very much of the work, and the work will be better done, and you will get the credit of its being done, if you exercise a careful, discriminating, tactful courtesy to them by telling them what you require, and if necessary in pointing out wherein they fail to meet your just requirements. They are inferior to you in rank because either they have less ability or less experience than you.

Even greater tact is necessary in dealing with one's superiors—perhaps I can illustrate this by telling you of two special agents. Every time Mr. A. came into the manager's room to talk with him about the conditions in his field he came in with an air of dissatisfaction, criticism—that the company that he served was the most particular, exacting, hard company that was doing business. It was perfectly surprising, according to his tale, that it got any business at all—that it held the affections of its local agents, and this notwithstanding the business was growing gradually and with a satisfactory loss ratio. The manager's pulse and temperature dropped from five to ten points every time the special agent came to the office, and sometimes the manager felt

that really he ought to send in his resignation by cable. All this because of the temperament of the special agent, he did not mean anything by it, but he took a gloomy, pessimistic, critical view of life and that colored everything he said and did.

About the same time the company had a special agent of a totally different type—he was very active—he had his good points, but his idea of tact towards the manager was to flatter the manager. Everything the special agent said and did exuded the unctuous oil of flattery. Everything was for the best in this best possible of all worlds, agents and public were hungry and anxious to represent his company and to secure its policy—never was manager quite equal to his manager, but dropped of all its verbiage what he said was, in substance, that in his judgment the manager was such a fool that he could be influenced, or controlled, or managed by what the special agent probably called his diplomacy, but which the manager called silly flattery. Neither of these special agents is with the company now—the yboth had an assisted departure.

Executive Ability.

By this I mean, of course, the power to get things accomplished and to carry responsibilities. This is a very precious gift and does not come altogether by nature. It needs to be cultivated. Before one reaches a position of any considerable importance he has those under him to whom he gives instructions. Now, let me tell you a word about those instructions—never for one moment think that the giving of instructions means that they will be carried out. It is the first duty of an executive officer to see and to know of his own knowledge that the thing that he ordered done is being done, or has been done. Never take anybody's word that it has been done; on the other hand, take for your motto, have it in mind if not in type, "I'm from Missouri, show me."

As to carrying responsibilities, most of us are prone to burden ourselves with other people's responsibilities to the neglect of our own. It is as easy to carry other people's responsibilities as it is to bear their misfortunes. We are usually quite ready and willing and fully capable to carry the responsibilities of the one above us—we can all poke the fire or run the hotel, or manage an insurance company better than the one who is doing it; but as for our own responsibilities we are sometimes slothful, neglectful, indifferent. No great advance in salary will ever come to one who cannot assume and worthily carry responsibilities. To carry them thus requires industry, a cool head, careful judgment and quick decision.

Education.

I am sure that one should bring to the business in these times both a wide and accurate knowledge, first technically as to our business. We must know the technique thoroughly. At this point I think I hear some of you saying that some of us older ones have very good positions and yet know very little about the technical side of the business—the efficiency of sprinkler systems, and the new and modern methods of construction, etc. Well, I have two answers to that objection, both of them good. First, that

we should be very much better off if we did have the technical knowledge; and secondly, that we acquired our positions when technical knowledge was less in demand, less an essential condition to important positions than it is now. Therefore, you make a mistake if you think because some of us whom you think are without technical knowledge, hold good positions, that it is of no particular importance for you to get it. Don't make that mistake.

It is not sufficient to know only insurance. You must have a wide and deep and broad knowledge to be of any particular importance in the world. You must have the ability to express yourself in writing, and if possible in speech; the power to say clearly what you desire to say and the power to stop when you get through. This comes with knowledge—sometimes. You must cultivate both the substance and form of expression.

Enthusiasm.

It is hard to define enthusiasm, it is not activity, industry, application, faithfulness—it is more of an intensity of interest in what one is doing. It is not only putting one's back into one's work, it is mixing the sweat of the brow and the gray matter of the brain and the red blood of the heart with the work. Let me illustrate: There were two clerks working side by side in the accounting department; a long delayed, outstanding balance finally comes in. The manager, who, of course, has that balance in mind, as managers always have everything in mind, walks out to the accounting department and asks the clerk who has enthusiasm, "Did that Western balance come in this morning?" The clerk who has the enthusiasm replies, "Yes, Mr. Manager, I was going to tell you about that; it came in the first mail, \$765.23. I am awfully glad about that." Supposing the manager had asked the clerk without enthusiasm if the check had come in. He would have received this kind of an answer, "I don't exactly remember; it seems to me I did see a check in the morning's mail from that agent or some other agent for about that amount, or some other amount. I will look it up for you and let you know in a little while." All this in a calm tone and manner that indicated that his salary was in no degree dependent on the receipt of this particular check. That's the difference; and that difference carried on all through the work of these two men brings to one of them a probable advance in salary, and to the other one a bitter disappointment.

The Preferred
ACCIDENT INSURANCE COMPANY

of New York

SUPERIOR POLICIES

KIMBALL C. ATWOOD, President
290-292 Broadway, New York

ment, mingled with surprise as to why he does not get an increase in salary.

Loyalty.

This quality of wholehearted allegiance has the value of scarcity, and, like other scarce qualities, it is very precious—it is worth striving for. We are inclined to be disloyal in thought and deed. If we are told to do something human nature frequently tells us either not to do it at all or to do it in some other way than the way in which we were instructed to do it. Fight against this inclination—strive mightily for loyalty—to render absolutely loyal service. I shall have to go abroad for an illustration of this quality. There is an old German saying that strikes me as very apropos:

"Whose bread I eat, his song I sing."

You are eating some insurance company's bread—sing their song, not anybody's else's, and sing it with all your might. If your insurance company believes that they may desire a particular line of insurances, say on sprinklered risks at the current low rates, it is not your business to tell them that dwelling houses would be more desirable, even at the increased commissions, or that frame business in Atlantic City at the rates is more desirable, but it is your business to find out how many sprinklered risks there are to be had, and then get every last one of them on the books of your company just as soon as possible. That is allegiance—that is loyalty.

While I cannot overstate, it is not possible to overstate the value of loyalty, yet to my mind there seems to be nothing inconsistent between real, hearty loyalty to one's employer and the taking or considering of another position. Indeed if another position comes along that offers not only a much larger income, but greater responsibility, there is nothing disloyal to your present employer in considering or accepting this greater opportunity of life. The loyalty to yourself and to your family, to those to whom you wish to give opportunities and advantages that have perhaps been denied to you, may oblige you to take the new position, but always with the utmost loyalty to your present position as long as you fill it and afterwards. It should be impossible for one to do anything that would be unfair to his former employer.

I realize that some of you may say that loyalty is all right enough, but I am working under conditions where I find that I cannot give wholehearted loyalty. My friend, if you are sure of this, I have some good advice for you. Get a position where you can give it and get it by the first of next month, and to-day is the 22d.

From time to time exceptional opportunities come for a larger and better position than one holds at present. Sometimes, very infrequently, the man holding the higher job dies—you may think that he is an unconscionably long time dying, but, nevertheless, he will die eventually and some few officials are wise enough and fortunate enough to be able to retire for a few years of grace before the final summons comes.

There is a sort of a perpetual, standing committee always in session to select men to fill these vacancies. This committee are always looking over, carefully canvassing the qualities of

the possible candidates. You may not realize this, but let me tell you it is so, and they are looking for men of sound character, good habits and firm health—these are the foundation, but they are looking for those who also possess tact, executive ability, education, enthusiasm and loyalty. I hope that in due time they may have no difficulty in finding these desirable qualifications in large measure among those to whom I have had the honor to make this address.

NEW HAZARDS ABORNING.

French aviators, confident that their tribe is soon to increase, and that to "rules of the road" analogous enactments for the air will have to be established, are drawing up sometimes a code to be observed both by themselves and by the people who will still potter about on the surface of the earth, says the "New York Times."

Aerial navigators, it seems, want to be compelled to fly at no less height than 150 feet and to get permits before they pass over cities. On the other hand, they insist that the owners of high buildings shall keep lights burning on top of them all night, lest an unlucky aviator come to grief against the upstanding walls, and they are particularly insistent that all wires strung far above the ground should be disclosed in the daytime by a flag every 600 feet and by as many lamps at night.

Thus will the aeroplane complicate our already sufficiently complex existence! But of course the airships will have rights and duties, and it is well that somebody is already giving thought to both. In good season we promise to have a riding light on the flagstaff of the "Times" building, and bow lights, red and green, if they also prove to be necessary.

NON-LLOYDS.

When Consul, Jr., died the other day in Dallas, Tex., it was currently press-dispatched that his life was insured for \$50,000 by British underwriters, showing very clever press agency work, but doing British underwriting a distinct injury.

Consul, Jr., was a trick monkey of large financial value as a living and working entity. Dead, he isn't worth the dime tip to the janitor to remove him. The real truth of the matter, it is understood, is that some form of a gamble on the continued producing power of the monkey as a vaudeville attraction was entered into—for a good round premium (and gamblers are just as generous winners as they are losers)—by some of the gentlemen syndicates at London Lloyds and the adopted father of Consul, by which organized form of contract the aforesaid syndicate was to

be liable for loss occasioned by the monkey's loss as an asset.

This is but one of the queer risks which these groups at Lloyds and others are willing to take as side or "curb" lines, as the term is applied in Wall Street. The toes of dancers, the fingers of pianists, the voices of singers and the results of elections are freely made the subjects of gambling hazards by these gentlemen of speculative turns of mind.

In another column is an item of news from London to the effect that another one of the syndicates at the regular Lloyds was in trouble financially. It is remarkable that the insurance departments of the several States cannot devise ways and means to prevent their shell game operations.

Respectfully referred to the National Convention of Insurance Commissioners.

George H. Brainard has been appointed a general agent in New York city for the Casualty Company of America, with headquarters at 1170 Broadway. He has an extensive personal acquaintance with and controls a large amount of business among the leading contractors and builders of New York city.

SUN Insurance Office OF LONDON.

FOUNDED 1710.

UNITED STATES BRANCH:

54 PINE STREET, NEW YORK.

WESTERN DEPARTMENT:

171 LA SALLE ST., CHICAGO.

PACIFIC DEPARTMENT:

Sansome & Sacramento Sts.,
SAN FRANCISCO, CAL.

AGENTS WANTED
AT UNREPRESENTED POINTS.

Germania Fire INSURANCE CO.,

NEW YORK.

ORGANIZED 1859.

Cash Capital.....	\$1,000,000.00
Assets	\$6,562,329.14
Net Surplus.....	\$2,008,419.02
Surplus for Policyholders.....	\$3,008,419.02

HEAD OFFICE:

Cor. William and Cedar Streets.

TALK OF VALUE.

The New York legislature—every member of it—has received from President Edson S. Lott, of the United States Casualty Company, a memorial urging that a clause be inserted in the pending bill relating to standard provisions for accident and health policies. The same has been forwarded to the heads of the insurance department.

It urges that the courts have the right to review the decisions of the insurance department.

It follows:

I beg you to bear with me while I give you my reasons: At the 1908 meeting of the National Convention of Insurance Commissioners, held at Detroit, the question of "Standard Provisions for Accident and Health Insurance Policies" was discussed and referred to the committee on laws and legislation of that body.

Thereafter the chairman of the committee (Judge C. C. Lemert, State Superintendent of Insurance of Ohio) requested officers of casualty insurance companies to make such suggestions to the committee, concerning standard policy provisions, as they deemed advisable. Early in 1909 a meeting of Judge Lemert's committee was held in Chicago for the purpose of drafting a bill concerning standard provisions for accident and health insurance policies to be presented at the next meeting of the National Convention of Insurance Commissioners, and officers of casualty insurance companies were invited to attend. A number of such officers did attend the meeting, but the consensus of opinion among them, at that time, was that legislation concerning standard policy provisions was inexpedient. However, the committee formulated a set of questions, which were mailed to officers of casualty insurance companies, calculated to draw information which might be of value to the committee. Thereupon there was a joint meeting of the executive committees of the International Association of Accident Underwriters, the Board of Casualty and Surety Underwriters and the Detroit Conference (which associations comprise very nearly all the companies writing casualty insurance in the United States), at which meeting a bill relating to standard provisions for accident and health insurance policies was agreed upon and presented to a meeting in New York of the said committee on laws and legislation of the National Convention of Insurance Commissioners. On June 9, 1909, the latter committee (at a meeting held in New York) tentatively agreed upon a draft of a bill. At the annual meeting of the National Convention of Insurance Commissioners, held last fall in Colorado Springs, the committee on laws and legislation gave a hearing to casualty insurance underwriters, and finally presented a bill to the convention which was adopted as the convention bill, to be used as a model by State Commission (or Superintendents) of Insurance when presenting bills for standard policy provisions to their legislatures. This bill is the same as the bill (Senator Grattan's) mentioned at the top of this letter,

except that Senator Grattan's bill does not contain the word "wilful" in the penalty clause, does not contain the words, "nor shall anything in this act apply to or affect contracts of life insurance or contracts supplemental thereto which shall contain provisions intended to safeguard such life insurance against lapse or that shall provide a special surrender value therefor in the event that the insured thereunder shall, by reason of accidental bodily injury or disease be unable to continue the premium payments thereon," and does not contain the words "provided that upon the petition of the company, the opinion of the Superintendent of Insurance shall be subject to review by any court of competent jurisdiction."

Casualty insurance underwriters did not look with favor upon legislation concerning policy provisions, believing that competition would accomplish more than legislation for the policyholder, and that if legislation on the subject should start, each State might enact a different law, causing the insurance companies to write a different policy for each State, a task difficult to describe in a letter but burdensome in the extreme. That competition has driven casualty insurance companies to give more and more insurance, without increasing the premium rate, is abundantly proven by the fact that the policies of the present are far and away more liberal than those issued ten, five and even three years ago, and underwriters would like to be left free to compete with each other in liberalizing their policies still more. But the model bill adopted by the supervising State insurance officials at Colorado Springs did not interfere with freedom in granting insurance benefits requiring, however, certain standard policy provisions, hence the only thing the underwriters had to fear was the chance that each State Superintendent of Insurance, in drawing a bill for his legislature, would make changes which would necessitate the issuance of a different policy for each State, or for a considerable number of States, a very great hardship for the insurance companies. Minnesota, at the request of her Superintendent of Insurance, had already (while the question was being agitated by other State officials) passed a standard provisions law. But it appeared to be acquiesced in by all that the Colorado Springs bill should be used as a model, thereby permitting the insurance companies to use the same policy in each State.

Since the Colorado Springs meeting, there has been introduced in the legislatures of New York, Massachusetts, Ohio, Maryland and Virginia bills requiring standard provisions for accident and health insurance policies.

The Ohio, Maryland and Virginia bills are identical with the bill adopted by the entire body of Insurance Commissioners at Colorado Springs, of which body, by the way, Superintendent Hotchkiss has the honor of being chairman of the executive committee.

The Massachusetts bill is the same as the Colorado Springs bill, except that it omits any reference to life insurance contracts. Senator Grattan's bill omits those things mentioned above.

The statements made above will, I

believe, be verified by Superintendent Hotchkiss.

I trust it may please you to aid us in having placed in Senator Grattan's bill the words, "provided that upon the petition of the company, the opinion of the superintendent of insurance shall be subject to review by any court of competent jurisdiction."

New York is the leading State in casualty, as in other insurance lines, and her example is very likely to be followed by others. Mr. Hotchkiss has also acquired much weight with other commissioners; and if he persuades you to depart from the "model" Colorado Springs bill in any particular, other commissioners will be tempted to make departures in their turn. Many will be tempted to add or omit this and that particular, and then our uniform bill will become a crazy quilt of patches. Uniformity is one thing; departure from uniformity may be anything and everything.

Please understand that underwriters do not regard this as a model bill in any strict sense. On the contrary, it is far from what we like or approve; but if we can only obtain uniformity, we are prepared to sacrifice much. Given uniformity of requirements, underwriting can gradually manage to adapt itself, even to what is onerous; but dissimilarity is an intolerable burden. We have suffered under that these many years, and now there are just hopes of relief in that particular.

It has been said that the right of appeal to the courts from an opinion of the superintendent is a natural right, independent of any recognition of it in the text of the law. If this is so, there can be no valid objection to acknowledging it by the clause we desire. With that clause inserted, the law will provide for a direct appeal at once from an opinion which we deem unsound. Without such a clause, we must either apply to the courts for a mandamus (admittedly a difficult and doubtful matter always) or else we must proceed in disregard of the superintendent's adverse opinion and take our chances of the statutory penalty.

In a given case of differing views regarding a certain form of policy, the superintendent would be right and we would be wrong, or vice versa. If we should be right, no penalty should follow our action, nor would it be morally right, or for the public interest that we should refrain from acting. We ought not to be restrained from following the right course.

We earnestly submit to you that we ought not to be exposed to such an alternative and that the correctness of the superintendent's opinion ought to be determinable, by the final authority, in advance.

The Alabama Fidelity and Casualty Company is being organized at Montgomery, with an authorized capital of \$300,000, \$100,000 of which has been paid in. A general line of casualty business will be done. T. E. Lovejoy, president of the Montgomery Bank and Trust Company, will, it is said, be president, and J. W. Kelly, a prominent local insurance man, secretary.

THE UNITED SURETY.

The passing of the control of the United Surety Company on Tuesday from the Knabe piano factory interests to Thomas H. Bowles, president of the Baltimore Trust and Guaranty Company, and associates, presages a third reorganization of the company and a change of executive management that may inspire confidence. The past of the company has been pitiful and pathetic. It had three presidents within a period of about as many months. Its administration has been in the hands of hopeless incompetents. It entered into an alliance in this city with the liquor dealers and brewers' associations to furnish saloon bonds for the dives and Raines law hotel keepers, and this is undoubtedly the primary reason for the depreciation of the repute and securities of the company, which led to the inevitable reformation. This alliance, it is reported, will be canceled by the new management.

Mr. Bowles, who heads the new controlling interests, was formerly one of the big general agents of the Mutual Life, and is an ex-president of the National Association of Life Underwriters, and is associated with prominent financial and insurance interests in Maryland that assures the putting of the company on a sound footing after its three years' existence in extremis.

The nearly simultaneous action of Minnesota in refusing to relicense and that of Massachusetts in revoking its license has contributed largely to the precipitation of the crisis which resulted in the new order of things in prospect.

Under direction of Mr. Bowles and associates, now in control, the stock of the company will, no doubt, take rank promptly.

NEW ORLEANS CASUALTY.

The New Orleans Casualty Company, with an authorized stock of \$300,000, has filed articles of incorporation. The company proposes to write surety and fidelity bonds, accident, steam boiler, automobile accident and all kinds of liability insurance. R. N. Sims is to be its president. Just how the organizers propose to overcome that absurd deposit law recently pushed through by Insurance Commissioner McGivney is not in evidence. It effectually bars it from other States.

Keighler, Gcglar & Co., of Philadelphia, has resigned the agency of the Frankfort Marine, Accident and Plate Glass Insurance Company, which they held for that territory.

ILLINOIS EXCISE BONDS.

Illinois agents and brokers are doing considerable business with saloon keepers, owners or lessees of buildings in which saloons are located, in securing indemnity bonds, to protect them against litigation under the Illinois dramshop act. Agents in all parts of Illinois find this a good side line. The Reisch Indemnity Company, of Springfield, Ill., incorporated for the express purpose, writes nearly all these bonds.

Suits for \$25,000 each were filed in Chicago recently against H. Palmitski, a saloon keeper, and Peter Simiter, owner of the premises, under the dramshop act, by the wife and child of an alleged confirmed drinker. The law creates a liability for selling to a known inebriate, a woman, a minor or a fool.

It is therefore quite apparent that the application of such a law in New York would quickly depopulate the four hundred and some others.

ABOUT THE PACIFIC SURETY.

The "Coast Review," of San Francisco, the leading insurance journal of the Slope, makes reference to the attack of the "Underwriters Report," another insurance paper, on the Pacific Surety Company and its principal officers, and also upon the California Insurance Commissioner, in this language:

A disesteemed local contemporary with one hand accepts an advertisement from a high-finance stock-selling life company organization and with the other hand writes an article denouncing a company which is offering additional stock to double its paid-up capital, but withdrew its advertisement from its critic.

Charges of rebating made by members of the Surety Agents' Association of St. Louis have resulted in a demand for an exact definition of the term "broker." Certain members were found guilty of offering to divide commissions, but motions to expel them were defeated. Each claimed that the person with whom he offered to divide commissions was a broker entitled to receive commissions, and an exact definition is now being sought.

The Oregon Surety and Casualty Company of Portland, Ore., has filed its articles of incorporation. Its capital stock is to be \$100,000 of a par value of \$100, and it is said that the same is fully subscribed. It is to write a general casualty and surety business.

There were over 1,700 fires in Wisconsin last year, of which nearly 700 were dwellings.

HARTFORD LIFE

INSURANCE COMPANY, OF CONN.

1909 Policies are Participating, or Non-participating, with Lower Rates and Values based on FULL RESERVE.

For Right Contracts,
Address, Second Vice-President,
Home Office, HARTFORD, CONN.

SAFETY FUND INSURANCE

NIAGARA

Fire Insurance Company

—OF—

NEW YORK

OFFICE:

46 CEDAR STREET, CITY.

SELL LIFE INSURANCE

If you have latent ability as a salesman we will help you develop it, and you'll make money while learning.

The Prudential Wants Agents. Write Today for Particulars.

THE PRUDENTIAL

Insurance Company of America.

Incorporated as a Stock Company by the State of New Jersey.

JOHN F. DRYDEN, Home Office,
President, NEWARK, N. J.

COMMERCIAL - UNION

ASSURANCE CO., (LIMITED) OF LONDON.

OFFICE;

Cor. Pine & William Sts.

NEW YORK.

SUMMER VACATIONS CUR-TAILED.

On Monday the New York Legislature, by a practically unanimous vote, adopted the McInerney resolution calling for the appointment of a legislative committee to inquire into the affairs of all insurance companies doing business in the State, with the exception of life insurance companies.

The committee is to sit during the summer and report its findings with recommendations for remedial legislation to the legislature of 1911.

The assembly also adopted a resolution requesting the Attorney-General to proceed to enforce the law for the punishment of fire insurance officials who may be found guilty of violations of the statutes of the State.

Assemblymen Bennett and Dana opposed it on the ground that the Superintendent of Insurance was conducting a vigorous investigation of the fire insurance scandals and that he had all the authority necessary to make a full and searching inquiry.

The majority leader, Mr. Merritt, replied that a legislative committee could arm itself with authority that was not possessed under the law by the Superintendent of Insurance. The resolution was adopted by a vote of 126 to 4. The four who voted in the negative were Bennett, Bates, Dana and O'Connor.

From this it is quite evident that only the life people will have a care-free summer vacation. All the others will be on the anxious bench if the indications from the superintendent's investigation now going on afford any basis for prophecy. The elections are coming on and the politicians have to do some playing to the galleries.

ANNOUNCEMENT.

In view of the coming legislative examination of every insurance company (excepting life) doing business in New York State, whether home or foreign, referred to elsewhere in these columns, "The Chronicle" announces that it will specially feature the developments of the investigation as it progresses.

For this reason every man, woman and child, official, agent or worker, in anywise interested in, or connected with, insurance should subscribe for the issues covering the period of investigation, which will extend over several months.

As is well known, "The Chronicle" has maintained the attitude of a reviewer of events rather than that of a daily newspaper printing local news items, or, in other words, the magazine principle.

A file of "The Chronicle," covering

the period of investigation, will be especially valuable to all the fire, casualty and surety companies, their policyholders, agents and employes, not only in the United States, but also in Europe, Canada or other countries where they operate.

Now is the time to subscribe.

PRESS DAY TROUBLES.

There is trouble in the print shop
No language can express,
For Thursday's rolled around again,
The day we go to press.

The compositors are hustling fast,
Each has a dirty proof,
The make-up man is cussin'
In a way to raise the roof.

The devil pied a galley
Of solid nonpareil,
The foreman saying things to him
That makes the brimstone smell.

The stenographer is jawing about
The ink spot on her dress
Any gol-darned fool can tell
We're trying to go to press.

Everything is all "balled-up,"
The forms are in a mess,
And now the old man's asking
When we're going to press.

Through the room there rings aloud
A piercing hell-horn wail—
The office dog is yelping, cause
They've stepped upon his tail.

The pressman now is ready—but
The d—d old form won't "lift,"
So he whittles out a "dutchman"
And gives his quid a shift.

The forms are on the press at last,
The press is running great—
But we've got to take them off agin,
Forgot to change the date!

They're on again, the motor's down,
We're running swift and slick;
But the paper's on the roller now,
And you bet is there to stick.

The whole d—n bunch is mad as sin
And cussin', more or less,
For hell breaks loose on Thursday,
When the paper goes to press.

—Exchange.

PROMOTIONS.

Apropos of the promotion of insurance companies, so much in vogue for the past two or more years, comes a story that may be applicable. At least, it may be applicable to some eminent promoters who are at present energetically plying the art learned in an indifferent school of fortune.

In a certain Western region complaint was made to a cigar dealer that he must improve his brand or lose trade. He immediately made announcement that he had just received a consignment of the world-renowned "Gold-bug" cigars, and adding that "the tobacco from which the "Gold-bugs" are made is grown entirely in conservatories and the

cigars are made on mahogany tables by thoroughbred Cubans in swallow-tailed coats and white kid gloves.

When a man smokes one of these fine cigars he walks on air, and dreams that he has a diamond scarf-pin and a \$65 suit of clothes on and just married rich. It makes the breath sweet, keeps the teeth white, and will force a mustache on the smoothest lip in five weeks.

Herbert Marshall has been appointed superintendent of the personal accident department of the Casualty Company of America. Mr. Marshall has been with the Fidelity and Casualty for fifteen years, and was one of its most successful claim adjusters. He will have charge both of the underwriting and of the adjustments in his department, assisted by the well organized force at the home office and in the field now maintained by the company.

E. M. Linville, who has been located at the Philadelphia office of the London Guarantee and Accident for more than two years as special agent and adjuster for this field, and been with the company for about eight years, severs his connection with it tomorrow to become the Eastern Connecticut special agent of the Travelers for its liability department, with headquarters at Hartford.

The following have been nominated for the executive committee of the Chicago Board of Underwriters, to be voted on at the quarterly meeting next Thursday: L. E. Yager, of L. E. Yager & Co.; H. V. Burrows, of Starkweather & Shepley, and W. E. Higbie, of Fred S. James & Co.

R. G. Babbage, attorney, heads the list of some fourteen residents of New York who are advertising their intentions of organizing the Independent Surety Company, for the writing of all classes of casualty and surety business. The capital stock proposed to be \$500,000.

"The Chronicle" acknowledges receipt of the "Spectator's" invaluable 1910 "Pocket Index of Life Insurance," "Pocket Register of Accident Insurance" and "Handy Chart of Casualty, Surety and Miscellaneous Insurance Companies." These works are indispensable for reference purposes.

D. W. McCrea has been appointed New York city agent of the Federal Union Surety for all lines except excise bonds, which will be handled through the syndicate as heretofore.

The
Columbian National Life
 INSURANCE COMPANY
 OF BOSTON, MASS.

LIFE, ACCIDENT AND HEALTH
 INSURANCE.

The Only Massachusetts
 Non-Participating Company

The New Columbian Policies (Sept. '09)
 are Unexcelled in Clearness and Liberality.

Good Contracts and Territory for
 Good Producers.

ARTHUR E. CHILDS, President.

Organized 1871

Life Ins. Co. of Virginia

Home Office, Richmond, Virginia.

J. G. WALKER, President.
 T. W. PEMBERTON, 1st Vice-President.
 W. L. T. ROGERSON, 2d Vice-President.
 E. D. HARRIS, Secretary.

The OLDEST Southern Life Insurance
 Company.

The LARGEST and STRONGEST South-
 ern Life Insurance Company.

The PIONEER Southern Industrial Life
 Insurance Company.

Its policies are clear and definite in
 their provisions and their values are ab-
 solutely guaranteed.

Assets Dec. 31, 1909..... \$5,372,691.99
 Liabilities Dec. 31, 1909..... 4,312,405.32
 Insurance in Force Dec. 31,
 1909 68,337,613.00
 Total Payments to Policy-
 holders since Organization 9,820,412.49

FOUNDED 1792

118th ANNUAL STATEMENT
INSURANCE COMPANY OF
NORTH AMERICA.
 OF PHILADELPHIA, PA.

ASSETS.

January 1, 1910.
 Real Estate\$ 364,410.00
 First Mortgages on Real Es-
 tate 373,803.43
 Philadelphia, New York, Bos-
 ton and other City and
 State Loans 1,134,390.00
 Pennsylvania, Philadelphia
 and Erie, Lehigh Valley
 and other Companies' Bonds
 and Stocks 8,909,150.32
 Cash in Bank and Bankers'
 hands 1,134,635.88
 Notes Receivable and Unset-
 tled Marine Premiums.... 347,440.69
 Net Cash Fire Premiums in
 course of Transmission.... 1,069,510.62
 Accrued Interest, and all
 other property 52,160.57

Total Assets\$13,385,501.56

LIABILITIES.

Capital Stock\$ 3,000,000.00
 Reserve for Re-Insurance .. 6,813,862.47
 Reserve for Losses 877,250.00
 All other Liabilities 104,982.45
 Surplus over all Liabilities.. 2,589,406.64

\$13,385,501.56

Surplus to Policyholders.....\$5,589,406.64
 Increase in Reinsurance Re-
 serve 349,934.71
 Increase in Net Surplus..... 838,500.98
 Increase in Assets..... 1,371,438.93

Eugene L. Ellison.....President
 Benjamin Rush.....Vice-President
 T. Howard Wright.....Secretary
 Henry W. Farnum.....Assistant Secretary
 John O. Platt.....Assistant Secretary

Agencies in all Prominent Cities & Towns.

A General Agency is open
 in the State of

PENNSYLVANIA

For one of the best Old Line
 Companies in America

Write "B," care of this paper

Hanover Fire

INSURANCE
 COMPANY
 of New York



Agencies
 in all the Principal Places
 in the United States.

THE HOME LIFE INSURANCE COMPANY OF AMERICA

Incorporated 1899.



THE COMPANY FOR THE AMBITIOUS AGENT
 who desires to sell "COMMON SENSE" insurance at
 LOWEST COST, and who seeks, through most liberal
 first year and guaranteed renewal commissions, to
 receive just recognition of service. All policies regis-
 tered, signed and sealed by the Insurance Commis-
 sioner of the State of Delaware, making them truly

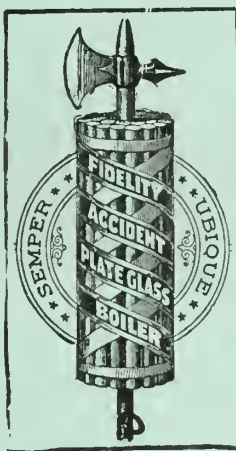
SAFE AS GOVERNMENT BONDS.

Address Executive Offices, 416-18-20 Walnut Street,
 PHILADELPHIA, PA.

JOHN LANGHAM, Jr.,
 President.

JOSEPH L. DURKIN,
 Secretary.

GEORGE M. NETTLESHIP,
 Manager of Agencies.



THE
FIDELITY & CASUALTY
COMPANY

97 TO 103 CEDAR ST., NEW YORK CITY.

ASSETS - \$8,649,885.66

Cap. & Surplus \$3,011,834.00

LOSSES PAID \$29,195,835.85
 to Jan. 1, 1909,

This Company grants Insurances as follows:

Bonds of Suretyship for Persons in
 Positions of Trust, Fidelity Bonds,
 Burglary, Plate Glass, Steam Boiler,
 Fly Wheel, Employers, Public, Teams,
 Workmen's Collective, Elevator and
 General Liability; Personal Accident,
 Health and Physicians' Liability.

OFFICERS:

GEORGE F. SEWARD, President.

Robert J. Hillas, V.-P. & Sec'y. Henry Crossley, Ass't Sec'y.
 Frank E. Law, 2d Ass't Sec'y. George W. Allen, 3d Ass't Sec'y.

UNITED SURETY COMPANY
BALTIMORE, MD.

HENRY G. PENNIMAN PRES.



JOHN B. MURPHY,

Resident Vice-President.

84 WILLIAM STREET - - NEW YORK

Telephone, John 1770 - 17 1

LIVERPOOL & LONDON & GLOBE

NEW YORK OFFICE, 45 WILLIAM STREET.

H. W. EATON, *Manager*
G. W. HOYT, *Deputy Manager*.
B. KREMER, Jr., and T. A. WEED, *Agency Supts*

NEW ENGLAND STATES, NEW YORK, NEW JERSEY,
PENNSYLVANIA, MARYLAND, DELAWARE,
DISTRICT OF COLUMBIA, VIRGINIA,
WEST VIRGINIA, NORTH CAROLINA,
SOUTH CAROLINA, OHIO,
INDIANA, KENTUCKY,
TENNESSEE.

NEW ORLEANS OFFICE, COR. CARONDELET & COMMON STS.

CLARENCE F. LOW, *Manager*
J. G. PEPPER, *Asst. Mgr.*
THOS. H. ANDERSON, *Deputy Asst. Mgr.*

MISSISSIPPI,
ALABAMA,
OKLAHOMA,
FLORIDA,
ARKANSAS,
LOUISIANA,
TEXAS,
GEORGIA.

SAN FRANCISCO OFFICE, 444 CALIFORNIA ST.

CHARLES D. HAVEN, *Manager*.
C. MASON KINNE, *Asst. Manager*.
JOHN W. GUNN, *Deputy Asst. Mgr.*

CALIFORNIA, NEVADA,
ALASKA,
WASHINGTON,
ARIZONA,
IDAHO.

ILLINOIS,
MICHIGAN, IOWA,
WISCONSIN, MINNESOTA,
MISSOURI, KANSAS, NEBRASKA,
COLORADO, N. DAKOTA, S. DAKOTA,
MONTANA, UTAH, WYOMING,
NEW MEXICO.

W. S. WARREN, *Manager*.
GEO. H. MOORE, *Assistant Manager*.
HUGH R. LOUDON, *Deputy Asst. Mgr.*

CHICAGO OFFICE, 205 LA SALLE STREET.

INSURANCE COMPANY

ESTABLISHED 1836. ENTERED U. S. 1848.

The statement of the condition of the United States Branch on the 1st day of January, 1910, in accordance with the Laws of the State of New York, is as follows:

ASSETS	\$13,885,802.38
LIABILITIES	8,766,622.58
SURPLUS	\$5,119,180.30

As an illustration of the Company's practice in maintaining its assets in the United States in years of excessive loss, the following figures may interest policyholders:

Year.	Assets at January 1.	Income.	Expenditure.	Excess of Expenditure.
1871	\$3,054,361	\$3,163,901	\$5,122,653	\$1,958,752
1872	3,640,450	3,733,101	4,484,999	751,898
1873	4,165,290			

Thus showing excess of expenditure in the two years of..... \$2,710,650
And increase of assets in the same time of..... 1,110,929

Progress of the United States Branch: Net Fire Premiums: 1848, \$4,519; 1858, \$471,998; 1868, \$1,739,620; 1878, \$2,422,126; 1888, \$3,928,010; 1898, \$4,979,422; 1908, \$7,427,517.63.

LOSSES.—The amount paid in the satisfaction of fire losses in the United States to the beginning of the present year was over \$119,461,623.72. This large sum, in conjunction with the growth of the Company's business, evinces the confidence of the public and the faithfulness with which the Company's losses are adjusted and settled.

The Chronicle.

1866

Published by THE CHRONICLE COMPANY, Ltd., 90 William St., New York City.

1910

VOLUME LXXXV.

New York, April 14, 1910.

NUMBER 15

HOME OFFICE OF THE Metropolitan Life Insurance Co.

(INCORPORATED BY THE STATE OF NEW YORK, STOCK COMPANY)
The Company OF the People, BY the People, FOR the People

PROOF OF PUBLIC CONFIDENCE

This company has more premium paying business in force in the United States than any other Company, and for each of the last 16 years has had more New Insurance accepted and issued in America than any other Company.

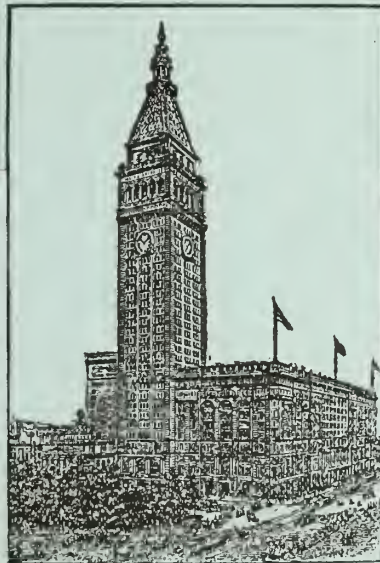
The number of Policies in force is greater than that of any other Company in America, greater than all the Regular Life Insurance Companies put together (less one), and can only be appreciated by comparison. It is a greater number than the Combined Population of Greater New York, Chicago, Philadelphia, Boston, St. Louis, Cleveland, Cincinnati, San Francisco, Pittsburg, Baltimore, New Orleans and Buffalo.

ASSETS.

Municipal and R. R. Bonds and	
Stocks	\$123,346,161.39
Bonds and Mortgages.....	105,183,172.02
Real Estate	23,311,215.73
Cash	5,420,643.42
Demand Loans on Collateral....	172,930.00
Loans to Policyholders.....	11,193,245.61
Prem. deferred and in course of collection (net)	5,190,283.45
Accrued Int., Rents, etc.....	3,290,211.85
Total	\$277,107,868.48

LIABILITIES.

Reinsurance Fund and Special Reserves	237,213,384.00
All other Liabilities	9,992,264.48
Capital and Surplus.....	29,902,219.98
Total	\$277,107,868.48



Largest Office Building in the World—Madison Avenue, Fourth Avenue, 23d Street and 24th Street, New York City.

THE DAILY AVERAGE OF THE COMPANY'S BUSINESS DURING 1909 WAS:

456 per day in number of Claims paid.
6,535 per day in number of Policies placed and paid for.
11,463,755 per day in New Insurance placed and paid for.
\$183,403.75 per day in Payments to Policyholders and addition to Reserve.
\$132,172.72 per day in Increase of Assets.

OFFICERS

JOHN R. HEGEMAN.....President
HALEY FISKE.....Vice-President
GEORGE H. GASTON.....2d Vice President
GEORGE B. WOODWARD.....3d Vice President
FRANK O. AYERS.....4th Vice President
F. F. TAYLOR.....5th Vice President
JAMES M. CRAIG.....Actuary
STEWART L. WOODFORD.....Counsel
WM. J. TULLY.....General Solicitor
FRED'K. H. ECKER.....Treasurer
WALTER STABLER.....Comptroller
JAMES S. ROBERTS.....Secretary
JOHN R. HEGEMAN, JR.....Asst. Secretary
J. J. THOMPSON.....Asst. Secretary
T. R. RICHARDSON.....Asst. Secretary
GEO. B. SCOTT.....Asst. Secretary
FRED'K. A. BETTS.....Asst. Secretary
GEORGE C. PENHALLOW.....Asst. Secretary
THOMAS H. WILLARD, M. D.....Med. Dir.
AUGUSTUS S. KNIGHT, M. D.....Med. Dir.
E. M. HOLDEN, M. D.....Asst. Med. Director
W. S. MANNERS, M. D.....Asst. Med. Director
J. BERGEN OGDEN, M. D.....Asst. Med. Dir.
D. M. GEDGE, M. D.....Asst. Med. Director
I. J. CAHEN.....Manager Ordinary Dept.
LEE H. FRANKEL, Ph. D.....Mgr. Indus. Dep.
JACOB CHADEAYNE.....Mgr. Intermediate Br.
CHAS. G. REITER.....Asst. Actuary
JAMES C. BROWN.....Asst. Actuary
JAMES D. CRAIG.....Asst. Actuary
RAYMOND V. CARPENTER.....Asst. Actuary

Paid to Policyholders since Organization, plus the Amount now invested for their Security, \$537,223,523.83.
Number of Policies in Force, December 31, 1909, \$10,821,679. Total Outstanding Insurance Placed and Paid for, December 31, 1909, \$2,041,951,700.00.

In its Ordinary Department policies are issued for from \$1,000 to \$1,000,000 on individual lives, premiums payable annually, semi-annually and quarterly. In its Industrial Department policies are issued on all the insurable members of the family for weekly premiums.

Full particulars regarding the plans of the Metropolitan may be obtained at its Home Office, 1 Madison Avenue, New York City, or its Agents in all the principal cities of the United States and Canada.

The Preferred
ACCIDENT INSURANCE COMPANY
of New York

SUPERIOR POLICIES

KIMBALL C. ATWOOD, President
290-292 Broadway, New York

BONDS--CASUALTY

AGENTS
IF
YOU

Can Command Bond or Casualty business
Are seeking an Agency connection
Are not representing another like Company

ADDRESS, AGENCY DEPARTMENT,

The Empire State Surety Co.
NEW YORK

EDITION ALMOST EXHAUSTED

SAVES TIME AND LABOR

Various Derived Tables

AMERICAN EXPERIENCE

3 and 3½%

BY

MILES M. DAWSON

TABLE OF CONTENTS.

Single Premiums, Pure Endowment.
 Accumulations, Pure Endowment.
 Forborne Immediate Annuities.
 Accumulated Temporary Insurances.
 Accumulated Increasing Insurance.
 Single Premiums Endowment Insurance.
 Single Premiums Temporary Insurance.
 Immediate Temporary Annuities.
 Valuation Columns.
SELECT AND ULTIMATE VALUES.
 Single Premiums, Whole Life.
 Life Annuities.
 Terminal Reserves, Life, Limited Payment, Endowment.
 Mean Reserves, Life, Limited Payment, Endowment.
LOGARITHMS, SEVEN PLACES.
 Forborne Immediate Annuities.
 Curtate Summations of D Column.
 Immediate Temporary Annuities.

USES.

Computing Annual Term Insurance Premiums:
 Divide temporary insurance values by immediate temporary annuities.
Computing Annual Endowment Insurance Premiums:
 Divide endowment insurance values by immediate temporary annuities.
Computing Annual Pure Endowment Premiums:
 Divide pure endowment values by immediate temporary annuities or take reciprocals of forborne immediate annuities.
 By these means, the net extra premium for a special guaranty can be quickly and accurately computed.
Computing Annual Semi or Double Endowment Premiums:
 Add temporary insurance and pure endowment values for proper amounts and divide by immediate temporary annuity.
Computing Limited Premiums:
 Divide the proper single premiums by immediate temporary annuity.
Computing Surrender Values:
 Extended Insurance. Find the temporary insurance value next lower than the sum to purchase extension. This gives even number of years. Apply remainder to pay for additional days according to daily differences in the table.
Extended Insurance with Fractional Paid-up Endowment:
 Deduct from purchase money, value of insurance for unexpired term; multiply remainder by accumulation, pure endowment, to get amount of endowment.
Computing Terminal Reserves:
 Unvarying Benefits. Multiply net premiums by forborne immediate annuity and deduct accumulated temporary insurance.
 Return Premium, Full Reserve. Multiply net premium by forborne immediate annuity and deduct accumulated temporary insurance and accumulated increasing insurance, multiplied by gross premiums to be reduced.
 Return Premium, Extra Reserve. Multiply net extra premiums by forborne immediate annuity and deduct accumulated increasing insurance, multiplied by gross premiums to be returned.
Warranted Commissions for New Business.
Surrender Values.
Dividends.
 For these purposes the "select and ultimate" will be most useful.

SEND ALL ORDERS TO

THE CHRONICLE CO. (Ltd.)

90 William Street, New York.

The Chronicle

VOLUME LXXXV.

NEW YORK, THURSDAY, APRIL 14, 1910.

NUMBER 15

ALFRED B. DAWSON, President.
R. B. Dawson, Treasurer. Chas. D. O'Brien, Secretary.
Emil Schwab, Manager New England Department,
178 Devonshire Street, Boston, Mass.

All communications should be addressed to and remittances should be made to The Chronicle Company, Limited.
Entered at the Post Office, New York, N. Y., as Second Class Mail Matter.

PUBLISHED EVERY THURSDAY BY
THE CHRONICLE COMPANY, Limited.
No. 90 WILLIAM ST., NEW YORK.
Phone "567 John." Cable Address, "Chronogram," New York.

Subscription Price:
Three Dollars a Year. Single Copies, Twenty-five Cents.
Postage Prepaid in the United States and Canada.

Hughes Stops All the Buncombe.

A Timely Message Demands General Investigation.

The rumor which has been going about for some days that Governor Hughes had made it plain in his address before the Newspaper Correspondents' Association at Albany that he was in favor of "taking the lid off" has been given most unexpected, but complete, confirmation by his special message sent to the legislature on April 11, accompanying a report by Superintendent Hotchkiss. The following is the special message:

To the Legislature: I place before you a report which has been made to me by the Superintendent of Insurance. While the superintendent is armed with power to examine witnesses and to compel the production of books and papers in proceedings within the scope of his departmental action, he has come upon certain suggestive facts apparently lying outside his official cognizance and of a character to be adequately dealt with only through means which your honorable body is competent to authorize.

A Thorough Investigation Imperative.

The revelations in the inquiry recently conducted by the Senate and the facts brought to light by the Superintendent of Insurance make it imperative that there should be a thorough investigation with respect to legislative processes and as to the corrupt practices which have been effectual in advancing or blocking legislation. It is not necessary for me to review these disclosures or to attempt to appraise their cumulative effect. It is sufficient to say that they have caused every honest citizen to tingle with shame and indignation and have made irresistible the demand that every proper means should be employed to purge and to purify.

It is the high privilege of the legislature, in the discharge of its obligations to itself and to the people of the State, to follow the salutary action already taken in its upper branch by appropriate steps for the exposure and destruction of combinations and conspiracies against the just use of the law making power and by providing suitable protection against the recurrence of such abuses. This is a prom-

ising opportunity to pursue the opening trails of corruption, to reveal illicit methods and agencies, to uncover the perfidious influences which have dishonored the State and thus to aid in securing the wholesale exercise of its beneficent authority.

"The Integrity of Legislative Procedure" in Question.

It is the unquestioned prerogative of the legislature to inquire into the course of legislation, the integrity of legislative procedure and the means by which its action has been procured or frustrated. In this there is no usurpation or confusion of function, but the proper safeguarding of the legislative power. The legislature is entitled to know how, wherein and by whom it has been deceived and its powers perverted.

New Legislation Should Be Suggested.

Important as will be the wholesome and corrective influence of publicity with respect to these matters the purpose and result of inquiry extend beyond the bounds of mere disclosure. We are far from perfection in legislative method. Nor have we exhausted available measures of protection against traffic in legislation and chicanery in dealing with bills. No subject deserves more thorough consideration to the end that the opportunities of those who are willing to buy legislative favor or to use representative powers for personal profit should be limited to the utmost degree. It may be impossible wholly to eradicate these evils, but to the extent that the nature of the illicit intercourse is understood and the methods and instrumentalities which have been successful are exposed there may be intelligent effort at remedial action through both statutes and legislative rules. The time is ripe, in my judgment, for a full and painstaking inquiry to expose the worst of public wrongs and to prepare the way for needed improvements in our laws and legislative processes.

Should Be "Immediate, Impartial, Thorough and Unsparring."

I therefore recommend an immediate, impartial, thorough and unsparring investigation into legislative practices and procedure, into the use of corrupt or improper means for the promotion or defeat of legislation,

such inquiry not to be limited to but suitably to embrace the matters adduced in the recent proceedings by the senate and those presented by the report herewith submitted of the Superintendent of Insurance, in order that, so far as evidence may be obtainable, the actual facts may be known, that there may be a full understanding of the methods and agencies employed in connection with legislative proposals and that well considered recommendations for appropriate remedies may be made.

CHARLES E. HUGHES.

A General Investigation of Corruption Inevitable.

This message, together with the report of Superintendent Hotchkiss, should have, and doubtless is expected to have, two important results, viz.: First, that provision be made at once for a thoroughgoing investigation of the entire subject of bribery and improper interference with legislation, entirely independent of insurance, although the same may, and doubtless will, involve the calling of some men connected with insurance companies who may be cognizant of blackmail or bribery; and, second, the retirement of all propositions for sidetracking the investigation into a mere attack upon fire insurance and casualty insurance companies under the guise of an investigation of evils, alleged to exist in those institutions.

Senator Cobb and Assemblyman Merritt, Republican leaders in the senate and assembly, have already indicated that just what the Governor asks for will be granted.

A perfectly general investigation of legislative misconduct is plainly indicated, and there will be no escape from making the same.

Hotchkiss Will Himself Investigate Insurance.

An investigation of those weaknesses in the laws relating to insurance other than life and in the practices of such insurance companies will

doubtless also be made under the supervision of the trained forces of the Insurance Department, in the ability, rectitude and unswerving fidelity to duty of the chief of which, the public has implicit confidence, second only to its confidence in the Governor himself. There is no doubt that such an investigation is needed; for the reason that it would surely not have been necessary for fire insurance companies to submit to be held up by blackmailers, had there not been legislation already on the statute books, with the weak points of which they were only too familiar, or legislation desired to cover weaknesses which they ought themselves to remedy.

What Are the Evils That Lay Them Open to Blackmail?

It will be remembered that outside of the monumental holdup in regard to the tax bill, presented at the instance of Governor Odell, the presence of the fire insurance companies and their money in Albany has been chiefly confined to an attempt to maintain the fire insurance reserve laws as they stood before the amendment in regard to reserves upon reinsurance, and to prevent interference with compacts. There never would have been an amendment of the reserve laws, as regards reserves on reinsurance, had the reserve laws themselves been in a proper state; and there would be nothing to fear from anti-compact legislation if the companies made their loss experience upon different classes of risks public, with the result that a proper basis for rates of premiums would be accessible, and so could even be made the standard for reserves, as is the ease in life insurance and health insurance.

It is the opinion of many competent observers that men, connected with fire insurance, will make a serious mistake which may quickly be costly to them and the interests which they are guarding, if they fail to do two things, viz.: First, to make use, as promptly as possible, of the existing opportunity to expose thoroughly the bribe-takers and blackmailers of the legislature, by telling the plain truth concerning Buckley and his holdup, giving the names which he doubtless mentioned to more than one; and, second, to make use of the present opportunity for remedying the condition in regard to a standard for reserves on fire insurance and branches of insurance other than life, which loudly cries for remedy, and, also, for combining and publishing data, upon which it will be possible to base staple rates and proper requirements for reserves, in such a manner that legis-

lative interference with compacts will cease to be a means by which money may be extorted from the fears of the managers of fire insurance companies, because the compacts will no more be necessary in order to sustain rates than in life insurance.

Superintendent Hotchkiss' Report.

The following is the text of Superintendent Hotchkiss' report, indicating the limitations which he encounters to make that thorough investigation of bribery and legislative corruption for which, undoubtedly, the situation loudly calls:

Sir: On March 18, 1910, a public investigation of the expenses of insurance companies from 1900 to 1910 inclusive, particularly in connection with legislation, was begun at the New York offices of this department. The testimony and exhibits therein, together with a formal report, will later be transmitted to you. The character of the facts developed and the nature of the difficulties encountered in conducting the investigation further seem to make it proper that I at this time lay before you the following summary:

An examination of the Phenix Insurance Company of Brooklyn, begun last October, brought to light a mass of correspondence seeming to disclose an intimate relation between the president of that company and legislation affecting fire insurance companies during the last decade. The material thus revealed suggested an examination of the books and records of several other companies, and in January of this year such an examination was ordered. This examination showed that very considerable sums of money had been paid by a large number of domestic fire insurance companies and disbursed by and through the president of the Phenix company in promoting or retarding legislation.

Investigating Expenses of Legislation.

The facts thus developed formed a basis for further inquiry, with the result that on March 18 a public investigation under the authority conferred by section 39 of the insurance law was commenced. Inasmuch as the expenses of life insurance companies in connection with legislation had been quite generally developed by the legislative investigation of 1905 it was not thought either expedient or necessary to devote much time to an inquiry into the disbursements of companies of this character. Indeed with possibly a few exceptions, only such facts as showed disbursements by life companies which were not brought out in 1905 form a part of the record of this investigation.

The Net Result So Far.

The result of the investigation thus far warrants the following statements:

1. Legislative expenditures in New York by insurance companies authorized to do business in this State were particularly conspicuous in the years 1901, 1903, 1904, 1905, 1906 and 1909, and notably significant in two or three of such years.

2. These disbursements were made

(a) by individual companies, in connection with legislation affecting such companies, (b) by syndicates of companies, apparently willing to do the work for all, and (c) by the New York Board of Fire Underwriters, a corporation supported by annual assessments on practically all of the companies doing business in New York, such assessments being based on premium income, and whose committee on laws and legislation is by its by-laws charged with the responsibility of watching over legislative affairs.

3. The moneys so paid were disbursed for (a) traveling expenses of individuals and delegations, (b) annual and special retainers of regular counsel, (c) so-called retainers of legislative lawyers, (d) contributions to political committees, (e) gifts or payments to men of political prominence and influence and (f) entertaining legislators and others at times in a somewhat lavish manner. The aggregate of disbursements of this character, as the record now stands—such disbursements being largely from the treasuries of fire insurance companies—approximates and probably exceeds \$150,000.

4. The disbursements for travelling expenses and to counsel for services in the preparation of briefs and the presentation of arguments to legislative committees are doubtless legitimate. It has not, however, yet been possible to examine into certain large disbursements of this kind made from 1901 to 1906 inclusive to regular counsel resident in New York city. The size, frequency and limited distribution of payments to so-called lawyers and legislative agents resident in Albany are suspicious and seem to call for further inquiry through an investigation of broader range than is possible under section 39 of the insurance law. Particularly is this true of a fund of \$10,000 raised by four companies in 1903, a fund of \$15,000 raised and disbursed in 1904, and funds of \$5,000 each disbursed in 1905 and 1909 respectively. A disbursement of \$8,311.98 by the New York Board of Fire Underwriters in 1901 and an auxiliary fund of \$5,000 raised by certain of the companies contributory to that board in the same year have been largely accounted for.

The facts developed as to these various funds prove that some of the moneys went to the Republican State Committee in recognition of the interest of certain members of such committee at the time various bills were passed; some to prominent politicians; some to past members of the legislature, supposedly of influence, and a

SELL LIFE INSURANCE



If you have latent ability as a salesman we will help you develop it, and you'll make money while learning.

The Prudential Wants Agents. Write Today for Particulars.

THE PRUDENTIAL

Insurance Company of America.

Incorporated as a Stock Company by the State of New Jersey.

JOHN F. DRYDEN,
President.

Home Office,
NEWARK, N. J.

large portion to a legislative agent formerly connected with the Insurance Department of the State of New York, whose disbursements of such funds are sufficiently characterized in his own correspondence, but whose memory seems lapsed, whose books are apparently non-existent and an inspection of whose bank account has been denied. Numerous items of proof, however, warrant the inference that some of the moneys thus disbursed went further than the persons to whom they were paid by the representative of the insurance interests.

5. Several witnesses offered proof of direct propositions made by so-called lobbyists looking to the payment of money to such persons, that it might be by them distributed among members of past legislatures.

6. Instances of the attempted collection of funds for the purpose of contributing to the campaigns of legislative candidates were also developed.

7. Much was also elicited as to so-called "strike" bills, and the log rolling of such bills in and out of committees, responsive to the influence of lobbyists and legislative agents, often apparently that they might either prove their usefulness or exact larger contributions from their dupes.

8. Similarly numerous instances evidencing the holding up of meritorious bills and the threatened passage of bad bills until the desired consideration reached the bank accounts of the middle men were also developed.

Bill Killing and Law Getting for Pay.

In short, while absolute proof showing the transit of money from the bank account of an insurance company into the hands or the bank account of a legislator is lacking, the record of the investigation as thus far made up warrants the statement that during the last decade, particularly in the first five years of such decade, a system of bill killing and law getting has existed which is a reproach to the people of the State. That such system existed prior to 1900 is also apparent from the facts developed in the investigation.

During the progress of the investigation the chief witness frequently refused to answer questions, thereby making himself liable for contempt under section 61 of the public officers law. He also served a notice upon his principal bank of deposit, the result of which was that such bank declined to produce a transcript of his account, which it had been subpoenaed to produce. It was not thought essential to the development of the facts that the investigation proper be halted to compel the answering of questions and the production of books. Nor is it doubted that, under existing law, such testimony and production can be compelled.

A difficulty, apparently insuperable, has, however, developed. The books of the Phenix Insurance Company showed that while the chief witness in this investigation was a member of the Insurance Department of this State such company had loaned him \$13,000 on the collateral of 100 shares of the International Banking and Trust Company. The latter company was the successor in interest of the American Bond and Mortgage Guarantee Company, to which a special charter, giving extraordinary powers—some of them of an insurance nature—had been voted by the legislature of 1900. In-

quiry into this transaction suggested the importance of a careful investigation of the books of certain financial institutions now out of business, to the end that the circumstances surrounding the acquisition of portions of such stock by this witness and others might be spread upon the record. Again, a notice was served which in effect prevented an examination of such books, and further progress along this line was thus, for the time, blocked. The testimony of a volunteer witness, however, threw a strong light upon the methods followed by those who sought special charters, with wide corporate powers, from the legislatures of several years ago.

Further Disclosures Blocked by Narrow Limits of Power.

Likewise, further inquiry into certain facts—developed as the result of a suggestion made by the counsel of former Senator Conger—seems to be not only effectively blocked but also probably improper. Ellingwood & Cunningham were from 1900 to about March, 1905, a stock brokerage house, operating in New York. A petition in bankruptcy was filed against them, and a settlement made with their creditors. Their books, papers and records, however, remained in the possession of James W. Cunningham, one of the members of the firm. For about five years prior to the failure of this firm one G. Tracy Rogers—who at that time seems to have been the legislative representative at Albany of the traction interests—was a special partner of the firm.

The Cunningham Objections Call for Wider Investigation.

A subpoena served upon Mr. Cunningham resulted in his placing in the possession of the Superintendent of Insurance three large loose leaf ledgers, covering the transactions of this firm from 1900 to March, 1905, inclusive. He also gave information as to the existence and character of the other books, papers and records of such firm, and promised to make the same available. An examination of such ledgers developed the existence therein of accounts with several former members of the legislature, some of whom had been active on the insurance and rules committees. Mr. Cunningham was therefore asked to take the stand and give evidence tend-

(Continued on Page 5.)

TO WIN IN COMPETITION

Represent the Company whose agents have the strongest fighting material and the most telling arguments. Everyone knows the superiority in low cost to policyholders, (due to high interest earnings, low death and expense rate) of

THE Union Central Life Insurance Co. of Cincinnati.

Assets, \$74,523,966.28
Liabilities, \$72,324,302.92

JESSE R. CLARK, President.
ALLAN WATERS, Sup't of Agents.

Germania Fire INSURANCE CO., NEW YORK.

ORGANIZED 1859.

Cash Capital.....\$1,000,000.00
Assets\$6,562,329.14
Net Surplus.....\$2,008,419.02
Surplus for Policyholders,\$3,008,419.02

HEAD OFFICE:

Cor. William and Cedar Streets.

THE Philadelphia Casualty Co.

WALTER LE MAR TALBOT, Pres't.

Our New Accident Policy Is Perfect.

It's the Policy Your Client Wants.
It's the Policy That's Easy to Sell.

Personal Accident, Health, Liability
Automobile, Plate Glass and
Credit Insurance.

Agency Correspondence Solicited

COME AND PROSPER

Among the 15 largest American companies (excluding industrials) this is our 1909 ranking:

First place in percentage of gain in insurance in force; third place in gain over 1908 in amount of paid-for new business.

New business first quarter of 1910 far in excess of first quarter of 1909. Our agents are busy and prosperous—and are not driven by the Home Office.

New York Agency: 1401 Empire Building, 71 Broadway.

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY,
Springfield, Mass.

Incorporated 1851

HOTCHKISS RECOVERS THE \$150,000 BOODLE.

The parties who had obtained possession of \$150,000 of the surplus funds of the People's Mutual Life Association of Syracuse, when its "control" was being transferred to John Tevis and his Canadian associates, have refunded the sum, under pressure from the Superintendent of Insurance, who took possession of the association promptly under section 63 of the insurance laws. In consequence of this, the civil suits against them and also against the directors of the association have been abandoned, as also have the efforts which they were putting forth to cause the decision of the Supreme Court, confirming the taking possession by the Insurance Department, to be reversed.

It is reported that Lieutenant-Governor White and other directors of the First National Bank of Syracuse put up a large part of this sum and that the bank is to sue the Canadian bank on its \$150,000 certificate of deposit.

It is supposed that the special action brought in the name of certain policyholders and members, by William Hepburn Russell, is included. These policyholders claim that, as the institution was solvent and it was, therefore, not unsafe for it to continue in business, the taking possession was a violation of the constitutional rights of the members. The Appellate Division of the Supreme Court of that department—one Judge being absent—was evenly divided upon this question, and it was consequently referred to the Fifth Department, which now has it under consideration.

WHEN GREEK MEETS GREEK.

Julius Bohm arrived in Chicago recently. The announcement of his coming created considerable interest in life insurance circles. In days gone by Mr. Bohm was a large figure in the business in New York. About the same time Dr. Pearman was operating in Chicago. The two are said to have been somewhat similar in their methods and one is said to have made about as much noise as the other, and that was enough, and then some. At any rate, Dr. Pearman was swift enough for Chicago, and, as the two have been mentioned as being in the same class, there has been a tendency among life insurance men in the Windy City to hold their breath and see what was going to drop.

Last year, out in California and adjacent States, Mr. Bohm produced more than half the entire new business of the Columbian National. This fact gives reasonable assurance that as manager of the State Life in Chi-

cago he will not let the grass grow under his feet. The State Life is a progressive company, untrammelled by the laws of New York, and with an energetic manager it is likely to do business in Chicago.

It is understood that most of the "highbinders" in the business have made it convenient to call upon Mr. Bohm since his arrival. However, this is not a mark of distinction, as they show every new manager that courtesy.

PRUDENTIAL PROTESTS.

The suit to have the Court of Chancery of New Jersey interfere with the plan of the Prudential Insurance Company of America to divide among certain classes of its policyholders \$16,000,000 of the company's surplus reached final hearing before Vice-Chancellor Howell at Newark, N. J., Monday.

When the case was called former Attorney General Robert H. McCarter and John R. Harding, representing Leon F. Blanchard, the complainant, announced that other stockholders holding 8,700 of the 40,000 shares outstanding wished to join with the original complainant. They were permitted to do so.

The fund that the objectors seek to prevent being diverted for distribution is that which the company has set aside, by action of its directors, for the benefit of participating policyholders. The complainants claim that this \$16,000,000 belongs, not to the policyholders, but to the stockholders, and they aver that it is the duty of the company, if the surplus is to be distributed at all, to apportion it among the stockholders.

The bill of the complainants further declares that more than \$7,000,000 has been already paid by the company to policyholders without warrant of law.

Among the charges of the objecting stockholders are allegations that the company pays its officers extravagant salaries, and has fitted up its offices at greater expense than necessary.

THE N. A. L. U.

The mid-year meeting of the National Association of Life Underwriters was held at the Hotel Astor, in this city, last Friday. Twenty-five members were in attendance and the session was one of the most interesting the committee has ever held.

The following topics were selected for discussion at the annual convention meeting of the association:

"How to Improve Our Service to Policyholders."

"How to Obtain and Hold Agents Under Present Conditions."

"How Best to Overcome the Difficulty in Securing Agencies."

"Has the Work Special Dignity?"

"Is Not the Percentage of Successes Greater in Life Insurance Than Any Other Lines?"

The topic for the prize essay is:

"The Appeal That Persuades in Soliciting."

Charles Jerome Edwards, chairman of the publication committee, gave evidence of excellent financial condition of the "Life Association News," and showed, also, for the first time in the history of the association, that a substantial profit would accrue from the publication of official proceedings of the convention.

William C. Johnson, chairman of the committee on law and legislation, talked briefly on the subjects that had been considered by the committee, particularly insurance legislation in the State of New York.

Third Vice-President E. R. Machum, president of the Life Underwriters Association of Canada, gave a synopsis of general conditions in Canada and directed attention to the insurance bill in Canada. He said it was the finest insurance bill ever placed on the statute books of any country in the world.

It seems practically settled that the next convention of the association will be held September 7-10 at Detroit. The Canadian association will meet at Toronto on September 5, and this enables the two to practically unite in a joint convention.

I notice that a number of agents are making changes from the Companies they were formerly with to other Companies. Also, that none of these agents have been in correspondence with the Philadelphia Life. Perhaps it is due to the fact that they do not read our advertisements, and I think that it would pay the agents, whether they are working for this company or not, to read these advertisements, as many a time there appear in the advertisements little arguments that would help them to secure business. For instances:—How many agents to-day are using the argument that they are insuring income, which is really what you do on every policy that you have caused to be issued by a Life Insurance Company? Now why don't you get in touch with the new up-to-date income policy of the Philadelphia Life that is different in all details from that issued by any other Life Insurance Company? Write Perry to-day.

HUGHES STOPS ALL THE BUNCOMBE.

(Continued from Page 3.)

ing to develop whether any of the transactions with such members had to do with moneys disbursed by insurance companies. His examination at once made it very doubtful whether further inquiry could properly be made under section 39 of the insurance law.

The accounts referred to, however, together with the testimony of the witness Cunningham—both read in connection with the accounts on such books of G. Tracy Rogers and others associated with him—warrant a strong suspicion that such books, to an extent at least, had been a clearing house for financial transactions connected with legislation during the period mentioned.

Thus far thirteen accounts have been examined, nine of which appear to have been with those who were members of the legislature at the time and four with persons prominently associated with legislative affairs or in the same coterie of political influence. Several other accounts, particularly those of G. Tracy Rogers and of syndicates or partnerships of which he was a member, have also been found in such books.

The Disclosures of the Accounts.

Among the significant facts disclosed in the thirteen accounts just mentioned are the following:

1. Several of the accounts either have their origin or become active near the close of the legislative sessions of 1900 or 1901.

2. Some of such accounts show credits of cash in considerable amount at about the time the legislatures of those years adjourned.

3. In some instances these credits show that they resulted from a cash or a check payment by G. Tracy Rogers or through a transfer from his account.

4. In two or three of the accounts credits of cash, sometimes from or through the account of G. Tracy Rogers, were offset almost immediately by cash withdrawals.

5. Some of the accounts show purchases and short sales, evidencing the possession by the person interested of inside information as to prospective operations through manipulations in Wall Street.

6. In one account numerous unexplained entries were made, showing withdrawals by one of the persons mentioned at a time when he was a heavy debtor of the firm.

7. In a considerable number of accounts appear transactions in stock indicated by the word "Trans," which seems to mean the stock of either the New York Transportation Company or the New York Electric Vehicle Transportation Company, two corporations at that time closely allied and ultimately merged under the name of the former. By chapter 657 of the laws of 1900 it became possible for the first mentioned company greatly to extend its franchise in the City of New York. Coincident with the passage of this bill several of the persons whose names appear in these books seem to have acquired blocks of this stock. The books do not furnish com-

plete information as to such acquisition, but the significance of some of the dates—they being almost coincident with the final action taken by the legislature on the bill which ultimately became chapter 657—is notable. Equally notable is the fact that when several of these blocks were sold by this brokerage house in 1901 the price realized seems to have been more than double the market price of such stocks at that time.

There are also minor peculiarities about these accounts which suggest investigation, as for instance: (a) In several accounts the absence of cash or margin credits at times of purchases; (b) in one of the accounts the rebating of a considerable sum of interest, and (c) the apparent fact that some of the accounts show large debit balances at the time of the failure of the brokerage house but seem not to have since been pressed for payment.

Certain of the accounts in these ledgers show a close connection between G. Tracy Rogers and the Metropolitan traction interests in New York city. The character of the securities dealt in frequently recalls legislation urged or retarded at about the same time.

In short, these books, together with the memoranda, check stub books, checks and correspondence of this firm seem to call for further investigation and inquiry. When an effort was made so to do objection thereto was raised by an attorney who had not previously been the counsel of the witness and who declined to be sworn when an attempt was made to ascertain his connection, if any, with interests represented by G. Tracy Rogers.

It is not apparent that the Superintendent of Insurance as such has power under section 39 to proceed further with this phase of the pending investigation. For that reason the facts thus far developed and the books and the papers now in my possession are thus laid before you. Respectfully submitted,

WILLIAM H. HOTCHKISS,
Superintendent of Insurance.

M. Seligman, formerly superintendent of the industrial department of the Pittsburg office of the Atlantic Casualty Company, has become connected with the Imperial Assurance Company in the same capacity.

FIELDS OF CLOVER.

Albert T. Clover, large producer of life insurance and prolific author of "business" articles in magazines, is now manager of the Indianapolis Life at Chicago. Mr. Clover's last life insurance connection was with the Western Life Indemnity of Chicago. He wrote a couple of millions or so for that company and incidentally got proxies which came very close to overthrowing the administration of the company. While his services as a writer were highly appreciated, his other activity was not, and as his party was not victorious he naturally was looking for another place.

HARTFORD LIFE

INSURANCE COMPANY,
OF CONN.

1909 Policies are Participating, or Non-participating, with Lower Rates and Values based on FULL RESERVE.

For Right Contracts,
Address, Second Vice-President,
Home Office, HARTFORD, CONN.

COMMERCIAL - UNION

ASSURANCE CO.,
(LIMITED)

OF LONDON.

OFFICE;

Cor. Pine & William Sts.
NEW YORK.

CHICAGO'S GREATEST COMPANY**ILLINOIS LIFE INSURANCE CO.**

OLDEST IN CHICAGO **CHICAGO** LARGEST IN ILLINOIS
JAMES W. STEVENS, PRESIDENT

We Guarantee where others Promise

The year 1909 was the most successful in this company's already splendid record of successful years.

INSURANCE IN FORCE
FIFTY MILLION DOLLARS

HEARING ON WORKMEN'S COMPENSATION.

On Wednesday of this week a hearing was held at Albany upon the bills providing for workmen's compensation and the amendments of the employers' liability laws of New York which were introduced by the Wainwright Commission.

There were in attendance, in addition to many representatives of employers, employers' associations and workingmen's associations, officers, attorneys or other representatives of most of the companies engaged in the employers' liability insurance business in the State of New York. The sentiment among these insurance companies is distinctly favorable on the whole. It offers to them an opportunity for covering the hazard by insurance, and although the laws are a very considerable departure in principle from the present employers' liability statutes, the changes are not so extreme as to render the making of rates in the setting up of ample reserves, a matter puzzling in the highest degree.

On the contrary, it is believed that the employers' liability insurance companies, by reason of a special investigation of their experience under workmen's collective policies can and will present tables of rates and policy forms for the purpose of covering the liability under the proposed statute, without delay, and will be quite prepared to assume the burdens under this legislation.

HARTFORD LIFE RUMORS.

For some days it has been quietly talked on the curb that a controlling stock interest in the Hartford Life had been acquired by a new element, and that a reorganization would promptly follow.

The company was formed in 1866 and has \$500,000 capital. From 1880 to 1898 it confined its operations to its "safety fund" branch; in 1899 it resumed the old-line plan.

Its latest statement showed total net assets of \$4,739,541.14. Net surplus was \$515,164.73.

The company's income in 1909 was \$2,515,008.70. Its total disbursements were \$2,253,067.82. The excess of receipts over disbursements was \$261,940.88.

Increase in issued business in 1909 was 45 per cent. Increase in new premium income was 72.1 per cent.

The amount paid to beneficiaries in 1909 was \$1,650,000, distributed among fifty States, Territories and foreign countries.

Its present officers are: George E. Keeney, president; Raymond G. Keeney, vice-president; Louis E. Gordon, second vice-president; Thomas F. Lawrence, secretary; Robert L. Rowley, medical director; Alva C. Washburne, actuary; Edmund R. Ward, superintendent of agencies.

WESSELS OUT OF COURT.

The suit of E. J. Wessels against John I. D. Bristol, general agent of the Northwestern Mutual Life Insurance Company for Greater New York, has been dismissed by Supreme Court Justice Guy, in an opinion embracing findings of fact and conclusions of law filed on April 6.

Wessels sued for commissions on the basis that his resignation, which had been duly filed with General Agent Bristol was not intended to be a genuine resignation at all, but only a colorable one for the purpose of enabling Wessels to undergo an examination in supplementary proceedings or something of the sort, he intending to resume the employment without any real break.

The court held that the contrary was voluntarily terminated by Wessels and that under its terms he thereby forfeited all rights and claims against the company, excepting as to first year's commissions upon deferred semi-annual and quarterly payments.

HURRAH FOR EDWARDS.

The presence of Charles Jerome Edwards, ex-president of the National Association of Life Underwriters, among the directors of a reorganized Brooklyn bank, who bravely confronted the situation last week when two reorganized banks of Brooklyn closed their doors, by pledging their entire resources to reassure the depositors, has attracted much favorable attention.

It is suspected also that it may not have been a case merely of "me too," since it would be just like a good life insurance man to think of doing such a thing.

PRESIDENTS' ASSOCIATION BILLS.

At the request of Hon. Robert Lynn Cox, counsel for the Association of Life Insurance Presidents, Senator Grattan, of Albany, has introduced three bills, one extending the time within which New York life insurance companies may dispose of stocks, for five years, that is, until 1917 instead of 1912; one making the unit for computing the surrender charge \$2.50 per \$1,000 of insurance, instead of \$25 per \$1,000 of insurance; and one permit-

ting life insurance companies to specify which form of surrender values shall be given automatically instead of requiring the same to be extended insurance, as per the present law. The last mentioned amendment also provides that the insurance, taking effect after lapse, shall be non-participating and shall not carry with it the right to a cash loan.

A PROMOTING COMPANY SOAKED.

Supreme Court Justice Gerard, of New York, holds, in a decision rendered April 13, that the Real Estate Owners Fire Insurance Company is entitled to recover \$10,900 with interest from the Real Estate Owners Underwriting Company, a concern which was organized for the purpose of disposing of stock for the fire insurance company, paying its preliminary expenses, etc.

Relying upon this contract the fire insurance company paid its president \$7,300 for services and paid other expenses of \$2,556. The promoting company failed both to sell the stock and also to pay the expenses as per its agreement.

N. R. Ansado, an insurance broker, 65 years of age, doing business at 24 Stone street, was found dead in his office at 2 o'clock yesterday afternoon. He was married and resided at Roselle Park, N. J. According to tenants in the building who had seen him in the morning, he was in good health and spirits, and his death was attributed to heart disease.

Isaac Remsen Lane, who was for ten years president of the Hanover Fire Insurance Company of New York, died on Tuesday at his home in Orange, N. J. Mr. Lane was 69 years old and a veteran of the Civil War. He had spent all of his business life in fire insurance. For the last ten years he had been an insurance broker.

SPECIAL OPPORTUNITIES offered now in Southern States to Representatives of

**CITIZENS
LIFE
INSURANCE
CO.**

W. H. GREGORY,
President.

JUST A CLIPPING.

Last Thursday night at Albany Governor Hughes was the guest of honor at the annual dinner of the Press Correspondents Club, and from the press accounts is extracted the following as indicative of what, from the Hotchkiss insurance inquiry of legislative graft thus far, it is fair to assume is the complexion of the New York Legislature, now striving so diligently to divert public attention from itself.

The occasion was a social one, and gridironing a la Washington was presumably in order. But it was not a public function and the club—as all reputable clubs do—expected that gentlemen only were present. But the after reports leave the point in doubt.

This is what comes from behind the curtains. Mr. Barnes is the Republican leader at Albany. He is an eminent statesman when it comes to considering insurance and all other legislation. Follow his line of thought, as reported by "The Times":

Mr. Barnes, of New York.

Mr. Barnes preceded Gov. Hughes. The climax of his remarks came at the end of his speech, when he told an anecdote from the 1908 campaign.

"One of my leaders," said Mr. Barnes, "the head of an election district where, ordinarily, there have been about fifty Republican votes, gave me a better insight of the Governor's vaunted popularity with the voters that we hear so much about. He is a very competent man for the place he holds.

"This leader came to me after the polls had closed on election day, twirling a big black cigar, which was tipped at a dazzling angle, between his lips. He threw down a piece of paper on the desk in front of me with some show of vexation. It was the report of results in his election district. I glanced at it and then looked at the man. Hughes had got twenty votes where the ordinary Republican candidate would get fifteen.

"How the — did you do it?" I asked, looking at the man in surprise. What do you think he answered?

"I told them that they were voting for me; it was for me they did it, not for that blankety blankety blank Hughes."

The Barnes anecdote was told with mimicry to match. It was received in silence by the diners. The Governor listened to it without any show of vexation. In fact, the Governor was smilingly, sometimes boyishly, happy while the dinner was in progress. It was not until he began to speak that the smile gave way to an expression of earnestness and determination.

Mr. Barnes made his speech with his back turned to the Governor most of the time, and facing the huge black flag, grimly adorned with the skull and crossbones of pirate lore, which was festooned on the wall of the banquet hall. Above it appeared as a wall motto one of the choicest of the recent utterances of Mr. Barnes, which he made as he returned from

the funeral of the late United States Senator Thomas C. Platt:

"It is better to nail the black flag to the masthead than to hoist the white flag of surrender."

Governor Hughes, of New York, Responds.

"I am not forgetful of the great honor that was bestowed on me by the people of this State, in confiding to me this trust," said Governor Hughes, in his address, "but nothing in the world could impel me to go through what I have gone through during the last four years."

By this time every one was ears. Mr. Barnes sat with a sneer on his face as the Governor referred to the tribulations of the four years' warfare carried on against him by the bosses of his own party. This sneer went and came throughout the Governor's speech. Nearly all the time Mr. Barnes turned his back on the speaker.

Then came a part of the Governor's speech which for vehemence and force has never been equaled by him in any of his public utterances. It was admitted freely by all who heard that if the speech could have been printed verbatim for general reading throughout the State it would have tended to array such a public sentiment in favor of that broad general housecleaning which the Governor advocates and the bosses in and out of the legislature are trying to defeat at the present time the legislature would be compelled to heed his desires.

"Rip the Cover Off."

"You know," he said at one time, "that for years we have not had decent government in this State, but government that has been disreputable and indecent. I am convinced that the time has come when this must stop. The people are aroused. They will stand for nothing less than honesty and fair dealing in the public service. Rip the cover off. Let in the light. Get the crooks out of the State departments. For years votes have been shamelessly bought and sold at the Capitol. Send one of the bribe takers properly branded through the State, so that he may be scorned by all honest men, and it will have an inestimable effect for the good and wholesome things in the service of the State and of the people."

The Governor has never spoken with more determination than he did on this occasion.

The tremendous sensation aroused by the Governor's remarks was not altogether due to their tenor, but in a large degree to the manner in which they were delivered, with emphasis, the almost overpowering force of his delivery, and the environment. On all sides were men who occupied places of influence in the legislature and the Republican organization. The Governor virtually hurled his anathema in their faces.

After the dinner the Governor's speech was vehemently denounced by leaders affiliated with the opposition, and there were heard threats that retaliation would follow his attack on the system which has been in vogue at the Capitol so long.

The Connecticut Mutual

That means the best life insurance to have and the best to sell. If you can sell life insurance, you can sell more of it for the CONNECTICUT MUTUAL.

Men of Character and Ability are invited to apply.

Conn. Mutual Life Ins. Co.,
Hartford, Conn.

Please mention this paper.

201ST YEAR.

SUN
Insurance Office
OF LONDON.

FOUNDED 1710.

UNITED STATES BRANCH:
54 PINE STREET, NEW YORK.
WESTERN DEPARTMENT:
171 LA SALLE ST., CHICAGO.
PACIFIC DEPARTMENT:

Sansome & Sacramento Sts.,
SAN FRANCISCO, CAL.

AGENTS WANTED
AT UNREPRESENTED POINTS.

THE NATIONAL LIFE U. S. A.

Wants Good Producers for District and General Agents

A SPLENDID CHANCE

to grow with a Western Company more than forty years old, operating in thirty States and Territories.

WORK FOR YOURSELF!

We have a Special Proposition for 1910. Why not write us?
CHICAGO'S OLDEST AND STRONGEST COMPANY

Robert D. Lay, Secretary, 159 La Salle Street, Chicago.

IN NEW ENGLAND

SMOKE TALK TO-MORROW.

Clarence C. Miller, the energetic secretary of the Boston Life Underwriters' Association, announces an innovation in the shape of a smoke talk, to take place at Young's Hotel, tomorrow, Friday afternoon, from 3 to 5 o'clock. An opportunity will be afforded the members of the association on this occasion to meet John W. Whittington, president of the National Association of Life Underwriters. The subject of business and partnership insurance is to be discussed in open meeting, and all who attend are bound to receive a good time and the benefit of a new inspiration for carrying on their work in the field. This, the first smoke talk of the association, ought to be made, and doubtless will be made a howling success.

Ide & Sewall's Accident Branch.

Ide & Sewall, who conduct a flourishing fire insurance general agency at Boston, has now added an accident department to the same, in consequence of their appointment by the North American Accident Insurance Company of Chicago as its general agents for Maine, New Hampshire, Vermont and Massachusetts. The firm has appointed Walter S. Ingraham, an experienced casualty underwriter, to supervise the accident branch of its business. In order to secure proper accommodations for the growth of their office Ide & Sewall will move to spacious quarters in rooms 510-516 Oliver Building as soon before May 1 as possible.

New Hampshire Fire Celebrates Fortieth Year.

The first policy issued by the New Hampshire Fire Insurance Company was made out on April 6, 1870, and Wednesday of last week marked the fortieth anniversary of that event, which was duly celebrated by President Sargeant and his office staff with a dinner at the Derryfield Club in the evening. The current issue of "Whittlings," the bright publication of the company, devotes two pages to a succinct history of its career, illustrated with portraits of all its presidents, namely, ex-Governor Ezekiel A. Straw, president from 1870 to 1880; ex-Governor James A. Weston, president from 1880 to 1895; John C. French, president from 1895 to 1900; Uberto C. Crosby, president from 1900 to 1905, and Frank W. Sargeant, the present chief executive

of the "Sound, Solid and Successful." The formation of the company was due to the efforts of Mr. French, and, as "Whittling" justly remarks "it remains a monument to the zeal and genius of its founder." It is truly a wonderful development on substantial lines that the history of the New Hampshire Fire covers, beginning with premium receipts of \$40,000 in 1870, and swelling to \$2,150,000 in 1909, facing usual and unusual losses and conflagrations with equal readiness and ability to meet all its just obligations, and, therefore, deservedly receiving the confidence and patronage of the community at large.

Review Asked For.

Proceedings have been brought in the Supreme Court of Massachusetts by the Metropolitan Life Insurance Company for a review of the decision of Insurance Commissioner Hardison that the company may not under the law issue a policy providing for payment of double its face if death occurs by accident. The company contends that the combination, being merely an extension of the terms of an ordinary life policy, comes within the scope of the law. The order of notice is returnable on May 2.

An Open Question.

On Monday a number of leading members of the Boston Board of Fire Underwriters called upon Mayor Fitzgerald, in their individual capacity (not as a committee of the board) to urge the reappointment of General Parker, whose term expires May 1. The Mayor received the callers politely, but intimated his displeasure at what he considered to be the coercive nature of movements undertaking to influence him in the matter of the fire commissionership. The Mayor said that he would not appoint former Commissioner Wells, at the same time remarking that some of the good deeds credited to the Parker administration had been put into motion during Wells' incumbency. So the question of who will be fire commissioner for the coming term is still an open one, but bound to be closed before many days pass by.

New England Brevities.

The entry into Massachusetts of the Standard Fire of Hartford, capital \$500,000, surplus the the same, was about the slickest thing on record. Applied Monday morning; admitted Monday afternoon; Elmer E. Lord & Co., agents for Boston and vicinity.

"Horace," prince of waiters, and for the past fifty years employed at Young's Hotel, Boston, died last

Thursday at a very advanced age. Horace was in a sense the *genius loci* of the Boston Life Underwriters' Association, having been in charge of its dinners from the first, and on terms of respectful familiarity with the superb leaders of its early days, men like Major Ben S. Calef, Colonel George N. Carpenter, Dr. E. N. Whittier, James T. Phelps and many others, all, alas! also passed to the silent majority.

The Merchants' Fire Insurance Corporation of New York was admitted to Massachusetts Tuesday morning. Crain, Jones and Bixby are appointed agents for Boston.

H. A. Murphy, of Portland, Me., has been appointed special agent for the New England & London Insurance in association with Clayton K. Brooks.

E. C. Brush, manager for the New England & Pennsylvania Fire, returned from a European tour last Thursday on the *Ivernia*.

FEDERAL LIFE APPOINTMENT.

The Federal Life Insurance Company has promoted O. M. Helfrich, formerly superintendent of agents, southwestern department, with headquarters in the Bryant building, Kansas City, Mo., to be agency superintendent, with headquarters at the home office of the company, Marquette building, Chicago, Ill.

New England Mutual Life

Insurance Company

BOSTON, : : : MASS.

Chartered 1835

Assets, January 1, 1910..\$51,316,543.00
Liabilities 47,050,672.15

Surplus \$4,265,870.85

Sixty-six years of honorable dealing with its policyholders has placed the **NEW ENGLAND MUTUAL LIFE INSURANCE COMPANY** in the front rank of Life Insurance Companies of the Country.

ALFRED D. FOSTER, President.
D. F. APPEL, Vice-President.
J. A. BARBEY, Secretary.
WM. F. DAVIS, Assistant Sec'y.
J. G. WILDMAN, Assist. Sec'y

EDWARD W. ALLEN, Manager,
220 Broadway, New York.
LATHROP E. BALDWIN, Manager,
141 Broadway, New York.
CHARLES H. STRAUSS, Gen. Ag't,
200 Fifth Ave., New York.

AGENCY VS. SALARIED MAN- AGER.

The National Association of Local Fire Insurance Agents and the agents in the smaller towns are not the only ones who are giving serious thought to the inroads of the large city brokers. In the West the situation in this regard is different from that in New York in one important respect. In the East the men who are capturing big lines all over the country are brokers, recognized as such by the companies. In the West they are for the most part agents in large cities, but outside their operations are those of brokers. A manager called attention to the fact recently that in their outside business they are representing the assured and his interests entirely. The companies are satisfied to have them secure improvements in risks which bring about lower rates, but when they get up forms entirely favorable to the assured and often against the interests of the companies the case is different.

One thoughtful manager expresses doubt as to where the whole matter is to end. His company, for example, has an agency plant which presumably would be set down as worth fully a million dollars. It has been the work of many years to build it up and season it to its present perfection. Its small town agents, like those of other companies, are losing many of their largest risks, perhaps getting back a portion of them at a reduced rate, a 5 or 7½ per cent. commission, and with forms which the company hesitates to accept. Yet the agent and the company must take the business under these conditions or lose it entirely. The hardship falls heaviest on the agents, but it is no trilling matter for the companies to have the business coming to them through shrewd men who are looking out strictly for the interests of the assured instead of through agents who regard the company's rights also and are under some semblance of control by the companies.

To Be or Not To Be?

There is grave doubt in the minds of some students of the situation if this is not the beginning of the break up of the American agency system and the substitution for it of a system of salaried managers at important points, perhaps dealing directly with the assured, and representing a group of companies issuing a combined policy.

The similarity of this plan in some respects to the present syndicates, like the Western Factory Insurance Association, naturally calls attention

to the effectiveness of such a system. Through it companies have been able to compete with the factory mutuals, while they could not have done so with any such success if they had attempted to handle this sprinklered business through the ordinary channels.

An Impending Peril.

The need of some features of the syndicate plan is felt more now than formerly. It has been pointed out that patents are expiring on some important equipments, such as sprinkler heads, and there is danger of the market being supplied with cheap, low grade goods that will need constant watching even more than the present approved devices do. This work of supervision must be done at the minimum of expense if the stock companies are to meet the competition of mutuals and inter-insurers and this can be done only through joint inspections for several companies.

NO CAUSE FOR FEAR.

The conviction is becoming strongly fixed in the West that the days of the riotous excess commission in fire insurance are drawing to their close. Whether the committee of insurance commissioners, after investigating this question, shall make a report which will result in action or not, conservative managers express the opinion that something will start the legislative mill grinding on this subject.

Everybody knows what the effect of the Armstrong investigation was on life insurance commissions. Fire insurance may not have an Armstrong to deal with, but it has a Hotchkiss and the effect on commissions is likely to be similar, especially as most of the best companies admit that the present commissions paid by some companies, and at some points, are an imposition on the public.

It is with hopefulness rather than dread that Western managers talk

about the expected legislation on this question. Individually they cannot control the situation. The one important organization in the West cannot handle it. Co-operation between affiliated and non-affiliated companies failed to produce results in Chicago at a time following the San Francisco fire, which appeared most opportune. The commission question is evidently too much for the companies, so they look for the strong arm of the State to help them out. The thoughtful element are sitting steady in the boat and not rocking it.

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS is unsurpassed for net low cost and care of Interests of all members.

THE PENN MUTUAL LIFE INSURANCE COMPANY OF PHILADELPHIA

On January 1, 1909, rates were reduced and values increased to full 3% reserve.

WESTERN Assurance Co.

**HEAD OFFICE,
TORONTO, - - CANADA.**

Incorporated 1851.

Hon. GEORGE A. COX.....President
W. R. BROCK and JOHN
HOSKIN, K. C. LL. D., Vice-Presidents
W. B. MEIKLE.....General Manager

United States Statement, Jan. 1, 1910.
Assets\$2,377,303.37
Surplus in United States..... 839,268.07

THE HOME LIFE INSURANCE COMPANY OF AMERICA

Incorporated 1899.



THE COMPANY FOR THE AMBITIOUS AGENT who desires to sell "COMMON SENSE" insurance at LOWEST COST, and who seeks, through most liberal first year and guaranteed renewal commissions, to receive just recognition of service. All policies registered, signed and sealed by the Insurance Commissioner of the State of Delaware, making them truly

SAFE AS GOVERNMENT BONDS.

Address Executive Offices, 416-18-20 Walnut Street, PHILADELPHIA, PA.

JOHN LANGHAM, Jr.,
President.

JOSEPH L. DURKIN,
Secretary.

GEORGE M. NETTLESHIP,
Manager of Agencies.

NO PANIC.

The exodus of fire and casualty insurance company presidents to Europe for their "health" and summer vacation has no significance with reference to the insurance department's investigation now going on and the legislative investigation proposed, as referred to on another page. These gentlemen have other reasons for getting away, if their statements are accepted.

It is not unusual for passengers on a stage coach who have been held up at the point of a pistol and "your money or your life" command, to have an attack of nervous prostration afterward that requires a good long quiescence for the restoration of normality.

With the single probable exception, so emphasized by Superintendent Hotchkiss this week, it is safe to assert in equally emphatic terms that no insurance company of any class has given up a penny to the grafters at Albany that was not either of the stage coach order of hold-up or to checkmate a "strike" bill by a counter measure.

The recent revelations are a pitiful commentary on the sanctity of public office as a public trust that has been brought to light, not only at Albany, but all over the country.

The revelations now coming up daily from the New York State insurance investigation and from investigations going on in Pittsburg and other points throughout the Union show how widely the graft microbe has spread over this fair land. Even the humblest hamlet has not escaped it. So prevalent has it become that even the word "graft," is now divided into various shades of meaning, and with various applications. The common thief of former days acquires some measure of uplift by being classified as a grafter. On the other hand, the term is applied indiscriminately to the tipping of waiters, barbers and servants, and thereby loses force.

But the situation at Albany and at Tammany Hall in this city is the Simon pure graft article, and the victims in insurance circles have been unwilling and rebellious ones. They have been the favorite target for every vicious element in human nature and now is their time for a well-earned rest.

There is one feature of the pathetic picture presented in this Albany graft business that is laughable. "Willie" Buckley, that eminent collector, now in the records as about the limit to date in grafting, appears as having scared large sums of money from both sides of a pending strike bill

at Albany and simply "salting" it away. He did a very fine business and is reputed to own real estate holdings that render him independent and practically immune from attack. Wise "Willie." He did not waste away. He did a very fine business at \$500 per when a little hot air promises would suffice. Great Senators! When "Willie" offered six of them to President Kingsley, of the New York Life, at \$500 each, he evidently overvalued them, inasmuch as the \$500 per would have gone into "Willie's" pocket and the Senators probably received only a 10 cent drink or sandwich and a lot of hot air promises.

Vermin! It is up to Governor Hughes and Insurance Commissioner Hotchkiss to rid the State of these legislative vermin that have polluted and defiled decent interests and avoid the otherwise inevitable invocation of lynch law.

FIRE WASTE AND CREDITS.

Franklin H. Wentworth, secretary of the National Fire Protection Association, was the guest of the Toledo, O., credit men at their annual dinner last Thursday and spoke upon the relation of credit to the fire waste.

"Credit resources," said Mr. Wentworth, "are things that have made your elaborate systems of credit a necessity. The production and exchange of commodities as carried on to-day would be hopelessly wrecked, and widespread deprivation would follow any attempt to handle our gigantic interstate commerce upon a cash basis. We have far outgrown our monetary system and all attempts of Congress to adjust it to the shifting needs of our immense areas of activity serve only to exhibit the sterility of the effort. We cannot pay for suspension bridges with the cash in our breeches pockets. Cash transactions have become largely matters of cigar stands and the corner grocery. In wholesaling commodities you grant credit or go out of business. It is not that Wall street has so much money, as that it controls it. There is nothing which terrifies the business world so much as rumors of liquidation. We know that if cash were demanded to-morrow for all our obligations, the nation would be bankrupt.

"If we admit that our commerce has outgrown our cash, we must recognize the fact that in the integrity of our system of credit lies the stability of our whole commercial fabric. You must know that for every bit of paper in your vaults there is somewhere, either in transit, in storage, or in the hands of the consumer, an ac-

tual value in the commodities to represent it. If these commodities are in any manner destroyed, the immediate owner may be indemnified by insurance, but the great fabric of credit is directly impaired by that loss.

"When, year after year, these created resources and the buildings which house them are wasted by fire to the amount of more than \$200,000,000, it is easy to see that the very foundation of the Nation's commerce is being subtly sapped by this plague of fire."

ANOTHER \$500,000 COMPANY.

The Wichita Fire and Marine Insurance Company is being organized at Wichita with a proposed capital of \$500,000. W. C. King, G. B. Richardson and R. J. Pryor will be general agents for the company. Mr. King has been a special agent for the Central National Fire and Mr. Richardson has been associated with Eastern companies.

MEN OF ENERGY ARE OFFERED WORK OF MOMENT

In desirable localities representing a sixty-year old institution, with modern, liberal, law-conforming policies, and helpful Home office co-operation. Much good territory available. Many opportunities for advantageous positions. Inquire NOW.

UNION MUTUAL LIFE INSURANCE COMPANY

PORTLAND, MAINE

FRED E. RICHARDS, President.

ALBERT E. AWDE,
Supt., 306 Congress St.,
Portland, Maine.
THORNTON CHASE,
Supt., 405 Exch. Bldg.,
Los Angeles, Cal.

"THE COMPANY WITH THE PYRAMID"

40 CONSECUTIVE YEARS OF PYRAMIDAL PROGRESS

ASSETS, CURRENT	
1909	1,134,810.10
1908	1,134,810.10
1907	1,134,810.10
1906	1,134,810.10
1905	1,134,810.10
1904	1,134,810.10
1903	1,134,810.10
1902	1,134,810.10
1901	1,134,810.10
1900	1,134,810.10
1899	1,134,810.10
1898	1,134,810.10
1897	1,134,810.10
1896	1,134,810.10
1895	1,134,810.10
1894	1,134,810.10
1893	1,134,810.10
1892	1,134,810.10
1891	1,134,810.10
1890	1,134,810.10
1889	1,134,810.10
1888	1,134,810.10
1887	1,134,810.10
1886	1,134,810.10
1885	1,134,810.10
1884	1,134,810.10
1883	1,134,810.10
1882	1,134,810.10
1881	1,134,810.10
1880	1,134,810.10
1879	1,134,810.10
1878	1,134,810.10
1877	1,134,810.10
1876	1,134,810.10
1875	1,134,810.10
1874	1,134,810.10
1873	1,134,810.10
1872	1,134,810.10
1871	1,134,810.10
1870	1,134,810.10
1869	1,134,810.10
1868	1,134,810.10
1867	1,134,810.10
1866	1,134,810.10
1865	1,134,810.10
1864	1,134,810.10
1863	1,134,810.10
1862	1,134,810.10
1861	1,134,810.10
1860	1,134,810.10
1859	1,134,810.10
1858	1,134,810.10
1857	1,134,810.10
1856	1,134,810.10
1855	1,134,810.10
1854	1,134,810.10
1853	1,134,810.10
1852	1,134,810.10
1851	1,134,810.10
1850	1,134,810.10
1849	1,134,810.10
1848	1,134,810.10
1847	1,134,810.10
1846	1,134,810.10
1845	1,134,810.10
1844	1,134,810.10
1843	1,134,810.10
1842	1,134,810.10
1841	1,134,810.10
1840	1,134,810.10
1839	1,134,810.10
1838	1,134,810.10
1837	1,134,810.10
1836	1,134,810.10
1835	1,134,810.10
1834	1,134,810.10
1833	1,134,810.10
1832	1,134,810.10
1831	1,134,810.10
1830	1,134,810.10
1829	1,134,810.10
1828	1,134,810.10
1827	1,134,810.10
1826	1,134,810.10
1825	1,134,810.10
1824	1,134,810.10
1823	1,134,810.10
1822	1,134,810.10
1821	1,134,810.10
1820	1,134,810.10
1819	1,134,810.10
1818	1,134,810.10
1817	1,134,810.10
1816	1,134,810.10
1815	1,134,810.10
1814	1,134,810.10
1813	1,134,810.10
1812	1,134,810.10
1811	1,134,810.10
1810	1,134,810.10
1809	1,134,810.10
1808	1,134,810.10
1807	1,134,810.10
1806	1,134,810.10
1805	1,134,810.10
1804	1,134,810.10
1803	1,134,810.10
1802	1,134,810.10
1801	1,134,810.10
1800	1,134,810.10
1799	1,134,810.10
1798	1,134,810.10
1797	1,134,810.10
1796	1,134,810.10
1795	1,134,810.10
1794	1,134,810.10
1793	1,134,810.10
1792	1,134,810.10
1791	1,134,810.10
1790	1,134,810.10
1789	1,134,810.10
1788	1,134,810.10
1787	1,134,810.10
1786	1,134,810.10
1785	1,134,810.10
1784	1,134,810.10
1783	1,134,810.10
1782	1,134,810.10
1781	1,134,810.10
1780	1,134,810.10
1779	1,134,810.10
1778	1,134,810.10
1777	1,134,810.10
1776	1,134,810.10
1775	1,134,810.10
1774	1,134,810.10
1773	1,134,810.10
1772	1,134,810.10
1771	1,134,810.10
1770	1,134,810.10
1769	1,134,810.10
1768	1,134,810.10
1767	1,134,810.10
1766	1,134,810.10
1765	1,134,810.10
1764	1,134,810.10
1763	1,134,810.10
1762	1,134,810.10
1761	1,134,810.10
1760	1,134,810.10
1759	1,134,810.10
1758	1,134,810.10
1757	1,134,810.10
1756	1,134,810.10
1755	1,134,810.10
1754	1,134,810.10
1753	1,134,810.10
1752	1,134,810.10
1751	1,134,810.10
1750	1,134,810.10
1749	1,134,810.10
1748	1,134,810.10
1747	1,134,810.10
1746	1,134,810.10
1745	1,134,810.10
1744	1,134,810.10
1743	1,134,810.10
1742	1,134,810.10
1741	1,134,810.10
1740	1,134,810.10
1739	1,134,810.10
1738	1,134,810.10
1737	1,134,810.10
1736	1,134,810.10
1735	1,134,810.10
1734	1,134,810.10
1733	1,134,810.10
1732	1,134,810.10
1731	1,134,810.10
1730	1,134,810.10
1729	1,134,810.10
1728	1,134,810.10
1727	1,134,810.10
1726	1,134,810.10
1725	1,134,810.10
1724	1,134,810.10
1723	1,134,810.10
1722	1,134,810.10
1721	1,134,810.10
1720	1,134,810.10
1719	1,134,810.10
1718	1,134,810.10
1717	1,134,810.10
1716	1,134,810.10
1715	1,134,810.10
1714	1,134,810.10
1713	1,134,810.10
1712	1,134,810.10
1711	1,134,810.10
1710	1,134,810.10
1709	1,134,810.10
1708	1,134,810.10
1707	1,134,810.10
1706	1,134,810.10
1705	1,134,810.10
1704	1,134,810.10
1703	1,134,810.10
1702	1,134,810.10
1701	1,134,810.10
1700	1,134,810.10
1699	1,134,810.10
1698	1,134,810.10
1697	1,134,810.10
1696	1,134,810.10
1695	1,134,810.10
1694	1,134,810.10
1693	1,134,810.10
1692	1,134,810.10
1691	1,134,810.10
1690	1,134,810.10
1689	1,134,810.10
1688	1,134,810.10
1687	1,134,810.10
1686	1,134,810.10
1685	1,134,810.10
1684	1,134,810.10
1683	1,134,810.10
1682	1,134,810.10
1681	1,134,810.10
1680	1,134,810.10
1679	1,134,810.10
1678	1,134,810.10
1677	1,134,810.10
1676	1,134,810.10
1675	1,134,810.10
1674	1,134,810.10
1673	1,134,810.10
1672	1,134,810.10
1671	1,134,810.10
1670	1,134,810.10
1669	1,134,810.10
1668	1,134,810.10
1667	1,134,810.10
1666	1,134,810.10
1665	1,134,810.10
1664	1,134,810.10
1663	1,134,810.10
1662	1,134,810.10
1661	1,134,810.10
1660	1,134,810.10
1659	1,134,810.10
1658	1,134,810.10
1657	1,134,810.10
1656	1,134,810.10
1655	1,134,810.10
1654	1,134,810.10
1653	1,134,810.10
1652	1,134,810.10
1651	1,134,810.10
1650	1,134,810.10
1649	1,134,810.10
1648	1,134,810.10
1647	1,134,810.10
1646	1,134,810.10
1645	1,134,810.10
1644	1,134,810.10
1643	1,134,810.10
1642	1,134,810.10
1641	1,134,810.10
1640	1,134,810.10
1639	1,134,810.10
1638	1,134,810.10
1637	1,134,810.10
1636	1,134,810.10
1635	1,134,810.10
1634	1,134,810.10
1633	1,134,810.10
1632	1,134,810.10
1631	1,134,810.10
1630	1,134,810.10
1629	1,134,810.10
1628	1,134,810.10
1627	1,134,810.10
1626	1,134,810.10
1625	1,134,810.10
1624	1,134,810.10</

IN A FALSE LIGHT.

The National Surety Company has been placed in a false position in St. Louis in the case of the City of St. Louis vs. the Kern Incandescent Gas Company, as principal, and the National Surety Company, as surety, through the raising of a defense which claims in effect that at the time the bond on which the case is based was executed it could not bind itself to a liability in excess of \$100,000. **The attorneys who are conducting the defense are employed and paid by the indemnitors,** through the National Surety Company, and the latter **had no voice or discretion in the character of the defense to be made.** As a matter of fact the surety company is defending nominally only, and it represents the suggestion that it would adopt such a means of defeating a claim.

The company has handed "The Chronicle" a memorandum of the case which shows this transaction to be another of the rotten deals of the rotten Dean administration of the National Surety, the wiping out of which has occupied the principal time of the present administration for the last few years.

The expose of political grafting and crooks in St. Louis is an old story now, and this is an echo of one of their jobs aided by a "benign" Christian Science executive surety head.

This is the memorandum:

Ten years ago, under the old administration of the company, it signed a bond in the city of St. Louis for the Kern Incandescent Gas Light Company, which company was declared in default and became insolvent. Suit was brought against the surety company for \$200,000, and this suit has been in the courts for several years, the indemnitors paying the entire legal expenses thereof.

The National Surety Company had as security on such bond a bond of indemnity signed by several wealthy and reputable men, such indemnitors having a bond of the American Surety Company for \$100,000. Among the defenses raised by the indemnitors was that the contract which the bond guaranteed was illegally executed by the city and the National Surety Company believes such to be the case.

The courts passed upon demurrers filed by the city affecting various defenses of the company, and a few days since the attorneys for the indemnitors (not the American Surety Company) **forced the National Surety Company to raise the defense that the bond was illegal because it had exceeded its limit.** Failing to raise such defense the indemnitors would refuse to pay the company any loss it might sustain.

The National Surety Company wants the public to understand that it had no alternative, and was forced to make this defense to protect its interests, urgently protesting against

it, and exceedingly regrets that it was raised. It is not the policy of the National Surety Company to plead the "baby act" on any of its obligations.

An insurance company may fix the terms upon which it will insure persons, and, a person having accepted insurance on such terms, they constitute a contract between the company and insured, which courts may not vary. No indemnity should be allowed for an insured under an accident policy on account of an extension of the injury occasioned by his negligence to observe directions of his physician.—Maryland Casualty Company v. Chew (Ark.) 642.

OLDEST STORY EVER TOLD.

Underwriting society in Chicago is enjoying a little speculation about an affair of the heart in which two families of prominence in fire insurance are chiefly interested. A certain Eastern company official has found it agreeable to make more visits to Chicago of late than really seemed necessary when it is considered that the company's Western department is in eminently competent hands. Now rumor has it that it is neither the Western department nor the manager thereof that acts as the magnet, but the manager's daughter, a lady of fine intellectual qualities and of many charms.

"WE NEED THE MONEY."

The New York property and accounts of the Bankers Surety Company, of Cleveland, O., were attached on Tuesday on complaint of Sanders & Flanders, until quite recently metropolitan managers, in an action to recover a large balance claimed on commission account under contract.

The Bankers has created the impression, whether or not justified, that its financial obligations are either being handled carelessly or that it is in a strain for ready money. This,

with its confession of plunging in on excise bonds in this State for dives and suicide halls, because "we needed the money, although we knew it was dirty," according to one of its officials, has not tended to an appreciation in its stock values.

PEACE RESUMED.

For appearances sake, at least, O. L. Van Laningham has decided, it is reported, to vamoose 'Frisco for awhile, so far as his personal pulchritude, phronological powers, psychical control, etc., is concerned. He will "touch" the 'Frisco interests he is allied with by the Christian science method of "absent treatment."

FEDERAL
LIFE INSURANCE
COMPANY
CHICAGO

ISAAC MILLER HAMILTON, ; ; President

Admitted assets.....	\$2,447,499.17
Capital stock.....	177,300.00
Surplus apportioned and unapportioned	77,510.61
Excess security to policy holders	254,810.61
1909 insurance in force increased over.....	\$6,300,000.00
Surplus increased over....	100,000.00

HIGH-GRADE MANAGERS AND AGENTS WANTED.
ATTRACTIVE POLICIES.
DESIRABLE CONTRACTS.
WILL ENTER NEW TERRITORY.

Address,
CHARLES M. TURNER,
General Manager,
Marquette Building, CHICAGO, ILL.

BONDS OF SURETYSHIP.

The Guarantee Company of North America
HEAD OFFICE, MONTREAL

Edward Rawlings, President.

H. E. Rawlings, Asst. Mgr.

Richard B. Scott, Secretary & Treasurer.

It is the Pioneer Company, was established in 1872, and is conducted under a conservative management of over 55 years experience.

It has recouped to employers over \$2,190,000 for losses sustained by the infidelity of employees and has a surplus of \$1,041,423.23 to credit of shareholders and total resources of \$1,919,892.38 for the security of insured.

Branch Offices:

NEW YORK: 111 Broadway,
D. J. Tompkins, Secretary.
BOSTON: 114 Milk Street.
W. A. Hamilton, Agent and Attorney.
CHICAGO: Room 400, The Temple,
J. R. Pruyn, Resident Sec. and Atty.
PHILADELPHIA: 500 Arcade Bldg.
W. H. Jackson, Res. Secretary.
PITTSBURG: 1120 Farmers Bank Bldg.
E. R. Munro, Resident Secretary.
LOUISVILLE: 316 Columbia Bldg.
P. N. Clarke & Co., Agents.

AN IMPORTANT SURETY DECISION.

The Supreme Court of Michigan, considered one of the very best American supreme tribunals, rendered a decision last week of surpassing interest to surety underwriters. It enunciates some new matter for text books, and because of its importance the salient points are given. It is regretted that lack of space prevents its full reprint, because it is destined to be a light-house on a rocky and dangerous shore of suretyship. Every company writing bank depository bonds should promptly put it in the hands of every agent and attorney.

The case in point is the old familiar one of the Chelsea Savings Bank of Detroit, of which the State Treasurer, Glazier, was president, and which went by the board in the panic a little more than two years ago. On January 26, 1905, Glazier appointed the Chelsea Bank a State depository "as authorized by law." The bank applied to the American Surety for a \$50,000 depository bond running to the State Treasurer. In the application it stated, "Estimated average monthly guaranteed deposits for year \$200,000. Rate interest $1\frac{3}{4}$ per cent. thereon." In March, 1905, it made application for a bond to run to January, 1907. It contained the usual stipulation of the principal to hold the surety harmless, and the usual subrogation and other clauses. The premium charge was \$125.

It also contained the co-insurance clause, limiting the liability of the bond to a proportion of any loss as the penalty of the bond might sustain to the total amount of bonds held by the State.

December 18, 1907, when the bank suspended, the State's deposit amounted to \$685,587. In this hearing the receiver testified that the least value placed upon the assets of the bank was more than \$685,000; that he had distributed in dividends or had on hand to distribute about \$536,382, and hoped to collect for distribution \$100,000 additional. He had paid upon savings deposits 50 per cent. and on commercial deposits 40 per cent.

The bank furnished to the State as security for State deposits and there were outstanding when the bank was closed bonds aggregating \$200,000, as follows:

Title Guaranty and Trust	\$25,000
Federal Union Surety	57,500
Bankers Surety	17,500
Metropolitan Surety	25,000
U. S. Fidelity and Guaranty...	25,000
American Surety	50,000

On demand of the State the American Surety paid the face of its bond, with interest, and then set up the following contentions in its suit in re-

covery, which sounds like good reasoning:

Stating Its Case.

First. We contend that where a creditor having a means of satisfying the debt relinquishes or loses it by his willful acts or negligence, the surety will be discharged, being released by any act of the creditor which deprives the surety of the right of subrogation. We apply this principle on the theory that the State is entitled to priority in the payment of its debts, and that the State could have received full payment had she taken advantage of her prerogative. That this would have operated to the benefit of the surety either by absolving it from payment, or if it had paid by placing in its control a right of subrogation which would have resulted in full repayment.

Second. We contend that the obligation of the American Surety did not extend beyond the loss sustained by the State on this particular bond, and that the deposit covered by this bond was a separate and distinct debt, which the surety has paid in full, entitling it, therefore, to be repaid out of the assets of the bank on well recognized principles of subrogation.

Third. We contend that where there is a bond in a fixed amount to secure a floating balance which may exceed that amount, the surety is entitled to have the dividends from the insolvent estate prorated to the whole debt, and that surety is entitled either to the dividends on the secured part he has paid in full or to have the prorated part of the dividend applied in diminution of the amount he has to pay.

Fourth. That the agreement of indemnity given by the bank of the surety company took effect as of its date immediately upon payment on the bond, and that such agreement entitled the surety to stand as a creditor of the bank and receive its share of any dividends paid.

The General Plea.

First. As a provision limiting the surety's liability and as one of the terms of the bond, when read in connection with the statute, it was distinctly agreed that the State Treasurer should never deposit in the bank a dollar of State surplus funds in excess of the aggregate penalties of the bonds furnished.

Second. It having been so agreed that for every dollar of deposit there must be an equivalent penalty in some bond, this further provision was inserted—"It is mutually agreed and understood that the said surety shall be liable hereunder for only such proportion of the total loss sustained by the said Frank P. Glazier, as Treasurer of the State of Michigan, or his successor or successors in office, as the penalty of this bond shall bear to the total penalties of all bonds furnished by said Chelsea Savings Bank as principal, in favor of said State Treasurer."

Third. The rights and the liability of the surety must be determined as if the Treasurer had complied with these provisions of the bond, and had not deposited more than \$200,000, the aggregate penalties of all the bonds given. So far as this surety is concerned it is as if no more than \$200,000 had been deposited. Or, which is

the same thing, as if the Treasurer had taken bonds with penalties in the aggregate equaling the deposits. Because such was the liability which it assumed, and not some other different liability. In other words, the liability assumed by the surety on this bond, cannot be increased, nor can its rights be diminished, by the Treasurer's violation of the terms of the bond.

Fourth. When the bond agrees that the loss shall be proportioned, it necessarily also agrees that the dividends shall be apportioned. Because the loss cannot be proportional, without apportioning all payments whether by dividend or otherwise.

Fifth. Wherefore, by the express terms of the bond itself, this surety is entitled to its proportional share of the dividends. That is, to dividends upon \$50,000, the amount of the indebtedness which it has paid. It may be urged that the entire scheme for depositing State money in this bank was illegal and against public policy. If this were so, which I do not here wish to take the responsibility of either admitting or denying, even then, the State can no more be permitted to refuse apportionment of the dividends than it could be permitted to refuse change on accepting a hundred dollar bill in payment of a fifty dollar liability. It ratified the bond, after the event, with full knowledge of the facts, at least so far as to demand and receive payment upon it, and it cannot ratify it in part, without ratifying it as a whole. The doctrine of public policy cannot be made use of to increase the surety's liability. That would be a still greater breach of pub-

"The Leading Fire Insurance Company of America."



WM. B. CLARK, President.

W. H. KING, Vice-President.

HENRY E. REES, Secretary.

Assistant Secretaries,

A. N. WILLIAMS,

E. S. ALLEN,

E. J. SLOAN, GUY E. BOWDLE.

1860 50th YEAR 1910

HOME LIFE
Insurance Company of New York.

GEORGE E. IDE, President.

Assets	\$23,626,018.63
Liabilities	21,858,691.52
(Including Deferred Dividend Fund)	
Dividend Endowment Fund	
(Deferred Dividends)	2,119,044.00
Net Surplus	1,767,327.00
Insurance in Force.....	92,532,583.00

The record for 1909 shows the following GAINS:

Insurance in Force	\$4,164,239.00
Assets	1,917,117.00
Deferred Dividend Reserve...	148,581.00
Contingency Reserve (Surplus)	655,149.17

lic policy. The liability of the surety was \$50,000, less its proportion of the dividends. Nothing more.

The Court's Decision.

In affirming the lower decree the court said in part:

The language employed is not ambiguous, the ordinary meaning thereof is not doubtful. In terms the liability of the surety is that of the principal limited only by the penalty of the bond and by provision for paying no more than such proportion of the total loss sustained by the Treasurer of the State as the penalty of this bond bears to the total of the penalties of the bonds furnished by said bank as principal in favor of said State Treasurer. It is said that the express obligation of the surety denoted by the terms of the contract and bond is modified and restricted by the statute; that there was, in effect, an agreement that for all moneys of the State deposited in the bank security would be taken; that this is recognized and is indeed contracted for in the term "as authorized by law," employed in the agreement of the State Treasurer and the bank. It is not to be supposed that the State, in accepting security, however ample, released the right to rely, also, upon the property of the bank. Assuming the legislature to have intended that the good and ample security required should be distinct and separate from and in addition to the credit and security afforded by the assets of the bank and the liability of its stockholders, it is a provision exclusively for the protection of the interests of the State.

Violation of Law No Release.

If otherwise construed, if it is held that the statute qualifies the contract of every surety and amounts to an agreement between the State and those furnishing security pursuant to the statute that there will be no breach of the official duty to require good and ample security, the whole purpose of the law is liable to be defeated by a careless or willful failure to obey the law. The term above referred to, employed in the agreement to deposit, must be given a meaning in harmony with this construction of the statute and must be held to mean that the designation of the bank as a depository of State funds is an official, authorized designation. The provision in the bond which limits liability of the surety to such a proportion of the total loss sustained as the penalty of the bond bears to the aggregate penalties of all bonds is effectual, according to its terms and its reasonable intent, without reference to the statute. The accounts of the State with banks of deposit are, of necessity, fluctuating. In a particular case, the amount on deposit might be much less than the aggregate of the security furnished. It follows that a violation of the statute cannot be complained of by the surety and the statute in no respect modifies the express obligation of the surety to respond, as the principal should respond, to the amount of the penalty. *Detroit vs. Weber*, 26 Mich., 284.

Company's Theory Rejected.

The debt due to the State from the bank is the sum of all deposits. The bank, the principal in the bond, has not paid the debt and upon its failure so to do the surety became at once

liable to pay the amount which it had agreed to pay. The surety has paid. It paid the entire penalty of the bond because the debt due to the State from the bank exceeded in amount the aggregate of the penalties of all bonds. The debt of the State has not been paid. The State is proceeding, as a creditor of the bank, to secure and it has accepted, as they have been divided by the receiver, such proportion of the assets of the bank as its debt bears to the total of debts of the bank allowed by the court. It appears that this proportion of the assets will not pay the State or any other creditor in full. The contention of the surety that there has been no loss to the State as to that part of the deposit which it secured, that so much of the deposit as it secured was a separate and distinct deposit and debt, that therefore it has paid the debt in full and is entitled, to that extent at least, to be subrogated to the claim of the State against the bank and to recover dividends, requires little consideration further than it has already, inferentially, received. We reject the theory that a particular bond furnished by a depository of State funds, conditioned like the bond in question here, should be treated as securing a particular deposit of funds. And this as well when the State has the "good and ample security" which the intervenor says it should have taken as when it has not.

Surety Not Entitled to Dividends.

The deposits in the Chelsea Savings Bank were made generally, from time to time, and were from time to time withdrawn. That this would be the course of affairs was to be expected, and that it was so understood is evident. All security was given and accepted for all of the deposit, whatever the amount of the deposit might be. If the intervenor secured and intended to secure any particular deposit of \$50,000 it had no occasion to provide that it should pay no greater part of any loss than the proportion of the penalty of its bond to the total penalties of all bonds. Its undertaking is that its principal shall repay all moneys deposited and it must be construed as a security for the whole debt. It is conceded, and the authorities cited by counsel for the intervenor sustain the concession, and the general rule, that in such a case the guarantor is not entitled to a share of the dividends which are declared and paid in reduction of the whole debt.

1 Brandt, Suretyship and Guaranty, 3d Ed., Sec. 277.

Ellis vs. Emmanuel, Law Rep., 1 Excheq. Div., 157.

Dumont vs. Fry, 14 Fed., 293.

Question of State's Preference.

If the State is of right entitled to a preference and to have debts due to it paid to the exclusion of other creditors, the assets of the bank would have paid the demand substantially in full. Neither in the constitution nor in the statutes of the State is the right of the State to a preference and priority over other creditors distinctly asserted. If the right exists it is as a prerogative of sovereignty. Successive constitutions of the State have declared, generally, that the common law shall remain in force and it is not doubted that by the common law of England it was a prerogative right of

Organized 1871

Life Ins. Co. of Virginia

Home Office, Richmond, Virginia.

J. G. WALKER, President.
T. W. PEMBERTON, 1st Vice-President.
W. L. T. ROGERSON, 2d Vice-President.
E. D. HARRIS, Secretary.

The OLDEST Southern Life Insurance Company.
The LARGEST and STRONGEST Southern Life Insurance Company.
The PIONEER Southern Industrial Life Insurance Company.

Its policies are clear and definite in their provisions and their values are absolutely guaranteed.

Assets Dec. 31, 1909..... \$5,372,691.99
Liabilities Dec. 31, 1909..... 4,312,405.32
Insurance in Force Dec. 31, 1909 68,337,613.00
Total Payments to Policyholders since Organization 9,820,412.49

The Employers' Liability

Assurance Corporation, Ltd.

LIABILITY, STEAM BOILER,
ACCIDENT, HEALTH, FIDELITY
and BURGLARY INSURANCE.

UNITED STATES BRANCH.

SAMUEL APPLETON, United States Manager,

Employers' Liability Building,
33 BROAD STREET, BOSTON, MASS.

EDMUND DWIGHT,
Resident Manager for New York State,
56 MAIDEN LANE, NEW YORK.

AGENTS WANTED.

NATIONAL LIFE

Insurance Company,

MONTPELIER, VERMONT.

Established in 1850.

Operating in 37 States.

JOSEPH A. DE BOER, President.

FRED A. HOWLAND, Vice-President
JAMES B. ESTEE, 2nd Vice-President
OSMAN D. CLARK, Secretary
H. M. CUTLER, Treasurer
A. B. BISBEE, Medical Director
C. E. MOULTON, Actuary

This Company held January 1, 1910,
and gained during the past decade:

ASSETS . . .	\$47,490,998.98
GAIN, 167 PER CENT.	
LIABILITIES . . .	\$41,661,130.12
GAIN, 162 PER CENT.	
SURPLUS . . .	\$5,829,868.86
GAIN, 211 PER CENT.	
INSURANCE . . .	\$161,423,115.00
GAIN, 79 PER CENT.	

**Absolute Security and
Economy of
Management**

(Continued on Page Sixteen.)

SOME INTERESTING FIGURES.

Superintendent of Insurance Hotchkiss on Tuesday issued his preliminary pamphlet of tabulations of life, casualty, credit, fidelity and surety insurance companies, fraternal orders and assessment associations regarding their financial transactions in New York State for the year ending December 31, 1909.

The tables are compiled from the annual statements of the fifty-four companies operating in this State prior to their audit by the department and are published in advance of such audit in order that the insuring public and insurance interests generally may be placed in possession of information covering the operations of the various companies and associations at as early a date as possible.

After their audit the annual statements will be published in full in the usual form, known as Parts II, III and IV of the department report; Part I, covering the business of fire and marine insurance, will be issued at an early day, and consequently no figures pertaining thereto are included in these advance tables.

Copies of the pamphlet can be obtained on application to the insurance department.

Some Figures.

The preliminary report shows some interesting figures of casualty, credit, fidelity and surety companies, as follows:

Total capital	\$26,291,225
Premium income	84,049,408
Total income	90,987,161

Disbursements.

Losses paid	26,443,649
Commissions	18,640,848
Dividends	3,005,065
Salaries, etc.....	11,009,932
Rents	870,950
Taxes and department fees	1,811,745
All other disbursements...	9,496,211

Total disbursements ... \$71,468,642

Excess of income over disbursements	\$19,563,837
---	--------------

The only company showing an excess of disbursements over income is the newly admitted International Fidelity Insurance Company of Jersey City, which shows a premium income of \$101,450 and disbursements of \$192,977, a rather remarkable showing that seems to call for attention on the part of the department. Perhaps the full report may explain the \$45,318 excess of outgo over income on a capital recently increased from \$100,000 to \$300,000. Perhaps this increase partly represents dividends paid in stock from the actual cash surplus, but it looks a bit odd. However, this company has had a remarkable career. Organized originally by persons connected with the Singer sewing ma-

chine interests and for the sole purpose of writing the fidelity bonds of the Singer company all over the world it was a paying proposition because it had but one office to maintain, had no agencies, no other than its home State fees to worry and bedevil it; in fact one man and a girl was all the force required to run it. In addition adjustment of losses by default of agents in China, Brazil, Abyssinnia or Timbuctoo were "easy." The company was in a position to question liability without creating a howl. It was simply doing a little side business for the Singer people, and it is not supposable that they would let it suffer.

A Prosperous Year.

Summed up 1909 was quite generally prosperous for these companies. There was a premium income increase over 1908 of about ten millions, and this prosperity has afforded the incentive for the horde of new casualty companies proposed, projected and pulled off during the past year or so. In 1909 there were 37 such projects and it was a source of astonishment, but if 1910 continues its rate to date on that same line for the balance of the year 1909 will be left far behind.

The new employers liability laws—Federal and State—have given casualty insurance a tremendous momentum and the biggest development of the near future of any line of energy is certain to be in that field.

COMMERCE TRUST COMPANY.

There was a mild surprise in the surety and banking worlds when the Commerce Trust Company, of Kansas City, launched its trial motor craft on the uncertain seas of suretyship after every other trust company in America that ventured the journey had either been wrecked by it or had discreetly returned to shore.

The trust company that also does a surety business is in for a hard fall unless all past history is reversed, the law of average is suspended and human nature perfected. Three of them have been pulled into the rapids in the past few years by their surety cargo's uncertain shifting, and listing and the others who were awake took the cue and quit it. For this reason it was surprising that at this late hour the Commerce Trust would essay the perilous dash. However it, too, has seen the light and its surety business is to be separated from its banking interests, whether by reinsurance or the creation of another corporation to which it will be transferred, is not stated, but the latter course is most probable.

The company has written somewhat

conservatively and in a limited area. Last year it had \$65,886 premium income with less than \$5,000 losses. "The Spectator's" handy chart of surety companies shows management expenses of \$226,457, but this undoubtedly covers the entire expenses of the trust company. The expenses of the surety department could hardly have exceeded the salary of a manager and stenographer, commissions, postage, stationery and license and legal fees, all told probably not exceeding 60 per cent. of the premium income, leaving a margin sufficient to afford a fair estimate of the possibilities of success for a new company.

James Van Buren, Jr., is manager of the surety department. He is an old National Surety Company man of the vintage of 1892, and is a careful underwriter and under his direction a new concern will acquire standing and influence.

"PROMOTED" INSURANCE STOCKS, FOR INSTANCE.

Somehow in this world many people we know in whom any sentiment lingers

Are daily and constantly seeking a fire at which to be burning their fingers;

They never grow wise from the scorchings they get, however disturbing the feeling,

But seek other fire that their fingers may touch as soon as they're through with their healing.

And maybe, some day, they will find to their pain, in agony twisting and turning,

That fires down below have been kept in a glow to furnish them chances for burning,

And that what on earth was amusement with zest, productive of pleasure and laughter,

Is far from a joke when their fingers they poke in the flames of a blazing hereafter.

—Dallas News.

A first class life underwriter with a successful field record, and an untarnished reputation can secure good open territory by addressing

SECURITY MUTUAL LIFE INSURANCE COMPANY

Binghamton, N. Y.

ILLINOIS SURETY CALM.

Chicago, Tuesday (Special.)—The annual meeting of the Illinois Surety Company this morning was entirely harmonious, none of the trouble which has been predicted developing. Old directors were elected except Fred. M. Blount, John P. Hopkins, Albert G. Wheeler and Andrew J. Graham. In their places were elected William Gillette and E. S. Hobbs, of Aurora, Ill.; George E. Dutton, of Sycamore, Ill., and D. C. Mackey, of New York, Metropolitan manager of the company.

The stockholders voted to increase the capital stock from \$250,000 to \$500,000.

The directors re-elected President A. J. Hopkins and Secretary H. W. Watkins and elected William Grote to the vice-presidency, which has been vacant since Hopkins was elevated to the presidency, some time ago.

Regarding reports of dissatisfaction among stockholders about the fee paid him for organizing the company, President Hopkins says that stockholders at their first meeting in 1905 unanimously voted that organizers be paid 6 per cent. of amount paid in as capital and surplus. Check was drawn in his favor, and from it commissions at that rate were paid others who had sold stock. He says this action was taken on initiative of the largest stockholder, Albert G. Wheeler.

This check was for \$18,000, and Hopkins says that it was not alone to pay him for work and expense in selling the \$300,000 capital and surplus, but that others who sold any stock were compensated out of it at the rate of 6 per cent. on what they sold. He and his law partners got about \$15,000 of it, it is reported, and others got \$3,000.

It was in evidence at the meeting that certain minority interests were opposed to the obvious intent of Hopkins to make the company a one man concern, and he to be the man. And for this reason the minority raised the issue that was lost. Largely influencing this currenting of the stockholders final decision is a political story of no mean dimension. It must be remembered that Hopkins is a politician of a certain type. He held down an Illinois chair in the United States Senate at Washington for one term, and was rejected when the clock denoted time for sending another dignity to that exalted seat.

Illinois has not been peculiarly fortunate in its selection of Chicago United States senatorial timber during the last decade or so. There are many whose memory has not dimmed by any means. There are also many

whose anticipations of the future may well be heeded.

The new directorate of the Illinois Surety is not calculated to inspire confidence by any means. The more or less vague connection of the chairman—E. H. Gary—of the Steel Trust, as the press brings out, in the company's activities, is regarded as entirely apocryphal. The New York end is exceedingly weak so far as present results indicate, and the end is a good subject for guessing.

CREDIT MEN AROUSED.

Credit insurance men are showing considerable interest in the Midland Casualty Company of Chicago in the past couple of weeks. This interest appears to be of varied character. Some is that of men who are looking for something better than they already have, while others are more inclined to be critical. This has come about through the action of A. A. Alles, manager of the credit insurance department of the Midland Casualty, in sending circulars to all the credit insurance agents in the country. Some of them have expressed a desire to become associated with the new enterprise, while others have sent the literature to their home offices, which in turn have investigated to learn whence this disturbance arises.

Mr. Alles has some ideas which he considers an improvement on the London Guarantee's plan of handling credit insurance, and he is going to try them out on the Midland Casualty, provided, of course, that that company actually gets started. Mr. Alles has been in the business a number of years in various connections, but he is not very well known at Chicago. He went there recently from Pittsburg. He seems to have exerted considerable influence over the promoters of the Midland Casualty. While that company's original plans contemplated the writing of credit insurance in time, the promoters apparently had dropped the idea of taking up that branch until the company should be thoroughly established in several other branches. Now it is stated that credit insurance will be one of the first lines taken up. If the general public know anything about casualty insurance, this would certainly be a fine card to sell stock on.

Brave Souls.

An inquirer hands in this clipping and asks what a "salvage company" is. There's a year's free subscription to "The Chronicle" for the man who can answer.

This is the clipping:

The Merchants Security Company is being organized at San Francisco to write credit insurance. Articles

of incorporation were filed last week showing proposed capital stock of \$2,000,000. The International Mercantile and Bond Company will act as the salvage company. Among its directors are some of the foremost business men of the Pacific Coast.

The "Post Magazine Almanack" for 1910 has been issued by T. J. W. Buckley, 9 St. Andrew street, Holborn Circus, London, E. C. This is the seventieth year of publication of the insurance directory, reference and year book, containing statistics and facts of ordinary life, industrial life, fire and accident insurance.

The Columbian National Life INSURANCE COMPANY OF BOSTON, MASS.

LIFE, ACCIDENT AND HEALTH
INSURANCE.

The Only Massachusetts
Non-Participating Company

The New Columbian Policies (Sept. '09)
are Unexcelled in Clearness and Liberality.

Good Contracts and Territory for
Good Producers.

ARTHUR E. CHILDS, President.

T	H	E
PROVIDENT		
LIFE AND TRUST COMPANY OF PHILADELPHIA		
Insurance in Force, \$214,509,255.00 (Paid for Basis)		
Assets \$70,514,350.45 (Market Value, Dec. 31, 1909)		
Contingency Reserve . \$9,207,276.38 (Inclusive of Capital Stock, \$1,000,000.)		
The Provident has been particularly distinguished for the development of a highly trained force of agents. The systematic instruction which its agents receive has resulted in their being recognized as representatives of exceptional knowledge of the business and of marked efficiency.		

AN IMPORTANT SURETY DECISION.

(Continued from Page 13.)

the sovereign, with some exceptions and limitations, to have debts due to him paid ahead of debts due to his subjects. Whether the States of the Union, independent of statute declarations, have such right is a question which has revealed judicial consideration in some of the States. A collection of cases will be found in a note to Freeholders of Middlesex County vs. State Bank at New Brunswick, 30 N. J. Eq., 311.

See also United States Fidelity & Guaranty Co. vs. Rainey, 113 S. W. Rep., 397.

State vs. Foster, 29 L. R. A., 226.
Seay vs. Bank of Rome, 66 Ga., 609.
Giles vs. Grover, 9 Bing., 128 (House of Lords Cases).

The decisions of State courts are not uniform. The question is not presented for decision in this case unless, assuming the right to exist, the intervening surety may insist upon the exercise of the right by the State. The statute, Comp. Laws, section 6144, et seq., points out the procedure when a State bank has become insolvent. The general banking law of which the sections referred to are a part was enacted long after the statute authorizing the deposit of State funds in banks and it has been since its passage many times amended. The funds of a bank, the possession of which is taken under this act by an officer of the State, are required to be paid, as collected, to the State Treasurer. There is no provision for retaining out of such funds moneys due to the State, excluding other creditors of such a bank. On the contrary, rettable dividends are to be made (6146) from time to time on all such claims as many have been proved.

It is instantly apparent that this decision will have a very far-reaching effect in the matter of future depository underwritings by surety companies. However, their experiences in the numerous contemporary instances similar to the foregoing during the "reign of terror" has given them degrees of caution and prudence that will last them an ordinary lifetime.

And yet some indomitable Kansas and Western spirits are forging ahead to organize two or three companies to "specialize" bank deposit and depository bond business. One concern proposes, with a capital of \$200,000, to guarantee the forty or fifty millions of deposits in one of St. Louis' largest trust companies.

It is in evidence that the fool-killer has utterly neglected Kansas insurance and banking-wise.

We do not hesitate to say that, assuming the right of priority contended for to exist, in this State, the courts, in the absence of any assertion of the right by the State, and after the debtor has been divested of all control of its property in proceedings

authorized by and following the statutes of the State, should not, sua sponte, assert the right in favor of a guarantor of the debtor.

YET ANOTHER CONSOLIDATED CASUALTY.

The Consolidated Casualty, of Arkansas this time, has been licensed by that State to operate on the mutual assessment plan. Its home office is Pine Bluff, and its officers are C. W. Clark, president; A. S. Kimball, secretary; L. C. Saunders, treasurer. Mr. Kimball and Mr. Saunders, as Kimball & Saunders, were formerly managers of the Consolidated Casualty of West Virginia for Southern Arkansas.

Inspired, probably, by the brilliant (if brief) career of their prototype and alma mater of West Virginia and Chicago, these gentlemen have probably evolved an improved financial scheme that may work—in Arkansas.

NEW YORK WANTS EXAMINERS.

An examination by the New York State Civil Service Commission will be held on April 30 for the position of assistant actuary in the New York city office of the State Insurance Department at a salary not to exceed \$3,000 a year, and for ten examiners at a salary of \$1,800 a year to start, with subsequent advances to \$2,500. Applicants are wanted between 25 and 35 years old, with education in accounting, insurance or law. The examination will be held in New York city and other parts of the State and are open to the residents of other States than New York.

A SUGGESTION TO INSURANCE LEGISLATORS.

The most constant, perhaps the most costly, blunders of government have been in the financial department. Declining Spain ever managed to levy taxes in the way most oppressive to commerce. The one incurable trouble of Bourbon France was a wretched fiscal system and an everlasting deficit. Intractable finances probably inflicted as much pain and woe upon the struggling American Colonies as England's ships and soldiers did. For some years Germany, so formidable otherwise, has lacked courage of capacity to bring her fiscal system into sound order. Finance is the governmental Africa—one of the last regions upon which the sun rose—and it is still only half light.

As for economics it ranks somewhere between psychology and psychics—a step, perhaps, ahead of this new-fangled "engenics" which the

professors lately invented. Concerning so gross a phenomenon as the panic of two years ago there is no clear, settled opinion among the learned. We hear rappings; the table seems to tilt; a voice in the dark—possibly that of departed little bright eyes—cracks a stale joke. But as to what it really signifies we are much at a loss. A round silver dollar seems about the commonest, simplest of objects, but scientifically it is as mysterious as radium.

We ourselves are fond of finance and economics, because those subjects have the charm of the undiscovered. We think a new American lies somewhere concealed within them.—"Saturday Evening Post."

Davis & Farley, Cleveland, Ohio, agents of the Federal Union Surety and the Casualty Company of America, have been made managers for Northern Ohio for both companies.

INCORPORATED 1833.

British America Assurance Company

HEAD OFFICE, TORONTO, CANADA

UNITED STATES BRANCH.

JANUARY 1, 1910.

Assets	\$1,556,740.94
Liabilities	902,438.61
Surplus	\$ 654,302.33

Hon. GEORGE A. COX, President.
JOHN HOSKIN } Vice-Presidents.
W. R. BROCK }
W. B. MEIKLE, General Mgr.

A Larger Income for Equal Energy IS ASSURED

MEN WHO SPECIALIZE WRITING INCOME INSURANCE

THEIR RENEWAL COMMISSIONS ARE NEVER REDUCED!
The Accumulation Feature Holds the Insured

Accident and Health Insurance Has Grown FIVE Times Faster Than Life or Fire Insurance in the Last 25 Years.

It is the ONLY Necessity of Life that has NOT INCREASED IN COST.

THE CONTINENTAL CASUALTY COMPANY

H. G. B. ALEXANDER, PRESIDENT
GENERAL OFFICES: CHICAGO

IS THE GREATEST HEALTH AND ACCIDENT INSURANCE COMPANY

IN THE WORLD
MOST LIBERAL CONTRACTS TO ITS AGENTS
MOST LIBERAL POLICIES AND PROMPT PAY

COMPARATIVE RESERVE TABLES.

BY

MILES M. DAWSON

Consulting Actuary.

Containing Mean and Terminal Reserves for the
usual forms of policies and by the
following standards:

American Experience, Select and Ultimate $3\frac{1}{2}$ per cent.
American Experience, Select and Ultimate 3 per cent.
American Experience, Modified Preliminary Term $3\frac{1}{2}$ per cent.
American Experience, Modified Preliminary Term 3 per cent.
American Experience, Select and Ultimate 4 per cent.
Actuaries', Modified Preliminary Term 4 per cent.
American Experience, Committee of Fifteen, $3\frac{1}{2}$ per cent.
American Experience, Illinois and Tennessee, $3\frac{1}{2}$ per cent.
American Experience, Michigan, $3\frac{1}{2}$ per cent.
American Experience, Wisconsin, $3\frac{1}{2}$ per cent.
American Experience, New Jersey, $3\frac{1}{2}$ per cent.
H^M, Canadian Life Officers' Association, $3\frac{1}{2}$ per cent.
O^[M], Select and Ultimate, $3\frac{1}{2}$ per cent.

THIS covers all the standards, other than the net level
premiums, in use in this country. Tables showing
the first year margins set free by each method of valu-
ation are given.

Send all orders to the Publishers,

The Chronicle Co., Ltd.

No. 90 William St.

NEW YORK

FOUNDED 1792

118th ANNUAL STATEMENT

INSURANCE COMPANY OF NORTH AMERICA. OF PHILADELPHIA, PA.

ASSETS.

Real Estate	January 1, 1910.	
First Mortgages on Real Estate		\$ 364,410.00
Philadelphia, New York, Boston and other City and State Loans		373,803.43
Pennsylvania, Philadelphia and Erie, Lehigh Valley and other Companies' Bonds and Stocks		1,134,390.00
Cash in Bank and Bankers' hands		8,909,150.32
Notes Receivable and Unsettled Marine Premiums....		1,134,635.38
Net Cash Fire Premiums in course of Transmission....		347,440.69
Accrued Interest, and all other property		1,069,510.62
		52,160.57

Total Assets\$13,385,501.56

LIABILITIES.

Capital Stock	\$ 3,000,000.00
Reserve for Re-Insurance ..	6,813,862.47
Reserve for Losses	877,250.00
All other Liabilities	104,932.45
Surplus over all Liabilities..	2,589,406.64

\$13,385,501.56

Surplus to Policyholders.....	\$5,589,406.64
Increase in Reinsurance Reserve	349,934.71
Increase in Net Surplus.....	838,500.98
Increase in Assets.....	1,371,438.93

Eugene L. Ellison.....President
Benjamin Rush.....Vice-President
T. Howard Wright.....Secretary
Henry W. Farnum.....Assistant Secretary
John O. PlattAssistant Secretary

Agencies in all Prominent Cities & Towns.

JOHN C. PAIGE & CO.

INSURANCE

65 KILBY STREET

BOSTON

LEADING FIRE COMPANY
OF THE WORLD

1894

1910

The State Life Insurance Company INDIANAPOLIS

UNEQUALLED IN SOLID ACHIEVEMENT

Assets, Dec. 31, 1909...\$8,580,830.58 Surplus, 1909.....\$1,174,606.34

GROWTH UNPARALLELED

	Gain in Admitted Assets	Gain in Surplus
1907.....	\$1,001,409.00	\$ 27,775.00
1908.....	1,023,700.00	153,161.00
1909.....	1,201,977.14	314,044.74

EIGHT MILLION DOLLARS IN SECURITIES
DEPOSITED WITH THE STATE of INDIANA.
This is **\$848,861** more than is required by law

Most Attractive Agency Contract

Our Own Idea Every Contract Direct with the Company
Scores of Good Men Have Joined the State Life Field Force Since Jan. 1, 1910.

On All Agency Matters Address

CHAS. F. COFFIN, Second Vice Pres., 1231 State Life Bldg.

THE FRANKFORT MARINE, ACCIDENT AND PLATE GLASS INSURANCE CO. OF FRANKFORT-ON-THE-MAIN GERMANY ESTABLISHED 1865.

United States Department, 100 William Street, New York, N. Y.

TRUSTEES:

RICHARD DELAFIELD, Pres. of National Park Bank
ERNST THALMANN, of Ladenburg, Thalmann & Co.
STUYVESANT FISH, 214 Broadway, New York City.

C. H. FRANKLIN, U. S. Mgr. and Attorney JNO. M. SMITH, Sec. U. S. Branch

INSURANCES TRANSACTED
LIABILITY—Employers, General, Vessel Owners, Burglary, Workmen's Collective
Public, Landlords, Contingent, Individual Accident & Health
Teams, Elevator, Druggists & Physicians. Industrial Accident & Health

AGENTS WANTED FOR UNOCCUPIED TERRITORY

OLDEST
IN
AMERICASTRONGEST
IN THE
WORLD

THE MUTUAL LIFE Insurance Company of New York

Mutual Life Agents Make Most Money
Because Mutual Life Policies Sell Most Freely

For terms to producing agents, address

GEORGE T. DEXTER

2nd Vice-President

34 Nassau Street

New York, N. Y.

The Chronicle.

1866

Published by THE CHRONICLE COMPANY, Ltd., 90 William St., New York City.

1910

VOLUME LXXXV.

New York, April 21, 1910.

NUMBER 16

WESTERN ASSURANCE CO.

HEAD OFFICE,
TORONTO, - - CANADA.

Incorporated 1851.

Hon. GEORGE A. COX.....President
W. R. BROCK and JOHN
HOSKIN, K. C. LL. D., Vice-Presidents
W. B. MEIKLE.....General Manager

United States Statement, Jan. 1, 1910.

Assets\$2,377,303.37
Surplus in United States..... 839,268.07

FOUNDED 1792

118th ANNUAL STATEMENT

INSURANCE COMPANY OF
NORTH AMERICA.
OF PHILADELPHIA, PA.

ASSETS.

January 1, 1910.
Real Estate\$ 363,410.00
First Mortgages on Real Es-
tate 372,803.43
Philadelphia, New York, Bos-
ton and other City and
State Loans 1,134,390.09
Pennsylvania, Philadelphia
and Erie, Lehigh Valley
and other Companies' Bonds
and Stocks 8,909,150.32
Cash in Bank and Bankers'
hands 1,134,635.88
Notes Receivable and Unset-
tled Marine Premiums.... 347,440.69
Net Cash Fire Premiums in
course of Transmission.... 1,069,510.62
Accrued Interest, and all
other property 52,160.57

Total Assets\$13,385,501.56

LIABILITIES.

Capital Stock\$ 3,000,000.00
Reserve for Re-Insurance .. 6,813,862.47
Reserve for Losses 877,250.00
All other Liabilities 104,982.45
Surplus over all Liabilities.. 2,589,406.64

\$13,385,501.56

Surplus to Policyholders.....\$5,589,406.64
Increase in Reinsurance Re-
serve 349,934.71
Increase in Net Surplus..... 838,500.98
Increase in Assets..... 1,371,438.93

Eugene L. Ellison.....President
Benjamin Rush.....Vice-President
T. Howard Wright.....Secretary
Henry W. Farnum.....Assistant Secretary
John O. PlattAssistant Secretary

Agencies in all Prominent Cities & Towns.

Pittsburgh Life & Trust Company

THE FIRST COMPANY LICENSED

By the New York Insurance Department to Transact Business in That State
Since the Armstrong Laws Were Enacted

Ratio of Insurance Expense to Premium Income Only Sixty-five Per Cent.
of Amount Allowed by the New York Law

SEVENTH ANNUAL STATEMENT, JANUARY 1, 1910

W. C. BALDWIN, President.

ASSETS

Real Estate..... \$10,153,664.87
Mortgage Loans..... 3,437,899.00
Loans Secured by Col-
lateral 20,657.82
Loans to Policy Holders 3,565,544.82
Bonds and Stocks..... 5,316,057.00
Cash 711,114.62
Accrued Interest and
Rents 176,274.24
Due and Deferred Pre-
miums 270,977.15

TOTAL \$23,652,189.52

LIABILITIES

Liabilities to Policy
Holders \$21,697,064.82
Capital
Stock ... \$1,000,000.00
Unassigned
Funds ... 955,124.70
Leaving a sum for
security to Policy
Holders in Excess of
Legal Liabilities of... 1,955,124.70

TOTAL \$23,652,189.52

THE American Credit-Indemnity Co. OF NEW YORK.

CREDIT INSURANCE ONLY.

Insures Wholesalers and Manufacturers against Excessive Annual
Loss through the Insolvency of their Customers.

We can always use a few high-grade solicitors.

ST. LOUIS, MO.

NEW YORK, N. Y.

Offices in All Principal Cities.

A. B. TREAT, General Agent,

302 Broadway, : : : : : New York.

EDITION ALMOST EXHAUSTED

SAVES TIME AND LABOR

Various Derived Tables

AMERICAN EXPERIENCE

3 and 3½%

BY

MILES M. DAWSON

TABLE OF CONTENTS.

Single Premiums, Pure Endowment.
 Accumulations, Pure Endowment.
 Forborne Immediate Annuities.
 Accumulated Temporary Insurances.
 Accumulated Increasing Insurance.
 Single Premiums Endowment Insurance.
 Single Premiums Temporary Insurance.
 Immediate Temporary Annuities.
 Valuation Columns.
SELECT AND ULTIMATE VALUES.
 Single Premiums, Whole Life.
 Life Annuities.
 Terminal Reserves, Life, Limited Payment, Endowment.
 Mean Reserves, Life, Limited Payment, Endowment.
LOGARITHMS, SEVEN PLACES.
 Forborne Immediate Annuities.
 Curtate Summations of D Column.
 Immediate Temporary Annuities.

USES.

Computing Annual Term Insurance Premiums:
 Divide temporary insurance values by immediate temporary annuities.
Computing Annual Endowment Insurance Premiums:
 Divide endowment insurance values by immediate temporary annuities.
Computing Annual Pure Endowment Premiums:
 Divide pure endowment values by immediate temporary annuities or take reciprocals of forborne immediate annuities.
 By these means, the net extra premium for a special guaranty can be quickly and accurately computed.
Computing Annual Semi or Double Endowment Premiums:
 Add temporary insurance and pure endowment values for proper amounts and divide by immediate temporary annuity.
Computing Limited Premiums:
 Divide the proper single premiums by immediate temporary annuity.
Computing Surrender Values:
 Extended Insurance. Find the temporary insurance value next lower than the sum to purchase extension. This gives even number of years. Apply remainder to pay for additional days according to daily differences in the table.
Extended Insurance with Fractional Paid-up Endowment:
 Deduct from purchase money, value of insurance for unexpired term; multiply remainder by accumulation, pure endowment, to get amount of endowment.
Computing Terminal Reserves:
 Unvarying Benefits. Multiply net premiums by forborne immediate annuity and deduct accumulated temporary insurance.
 Return Premium, Full Reserve. Multiply net premium by forborne immediate annuity and deduct accumulated temporary insurance and accumulated increasing insurance, multiplied by gross premiums to be reduced.
 Return Premium, Extra Reserve. Multiply net extra premiums by forborne immediate annuity and deduct accumulated increasing insurance, multiplied by gross premiums to be returned.
Warranted Commissions for New Business.
Surrender Values.
Dividends.
 For these purposes the "select and ultimate" will be most useful.

SEND ALL ORDERS TO

THE CHRONICLE CO. (Ltd.)

90 William Street, New York.

The Chronicle

VOLUME LXXXV.

NEW YORK, THURSDAY, APRIL 21, 1910.

NUMBER 16

ALFRED B. DAWSON, President.
R. B. Dawson, Treasurer. Chas. D. O'Brien, Secretary.
Emil Schwab, Manager New England Department,
178 Devonshire Street, Boston, Mass.

All communications should be addressed to and remittances should be made to The Chronicle Company, Limited.
Entered at the Post Office, New York, N. Y., as Second Class Mail Matter.

PUBLISHED EVERY THURSDAY BY
THE CHRONICLE COMPANY, Limited.
No. 90 WILLIAM ST., NEW YORK.
Phone "567 John." Cable Address, "Chronogram," New York.

Subscription Price:
Three Dollars a Year. Single Copies, Twenty-five Cents.
Postage Prepaid in the United States and Canada.

Mixed Praise and Censure.

The Mutual, With Its Expenses Halved and Its Dividend Rates Doubled, Is Nevertheless Criticized.

On Monday, April 18, Hon. William H. Hotchkiss, Superintendent of Insurance, gave out for publication a statement concerning the report of his examiners of the results of an examination of the Mutual Life Insurance Company, which statement is in full as follows:

A report of an examination of the Mutual Life Insurance Company for the years 1906-7-8 has been placed on file by the Superintendent of Insurance. The examination was on the financial statement of December 31, 1908. It was quite exhaustive and was in progress several months. This is the first examination of this company since the laws recommended by the Armstrong committee were enacted.

Complete Accounting Acknowledged.

All accounts of the company were checked and all assets and liabilities verified. The report shows that the premium income from policyholders aggregates over \$50,000,000, that the interest rent income is approximately \$25,000,000 and disbursements for the benefit of policyholders amount to nearly \$50,000,000 annually. The company had ledger assets December 31, 1908, of \$515,282,177.30; total admitted assets, \$544,185,205.99. In addition the report contains a full explanation of the company's method of dividend accounting and distribution, both annual and deferred. The examiners state that proper restraints have been placed by the company upon the supply department, where expenditures for legislative and other improper purposes were concealed by the previous management, and that the system in operation at present will prevent a recurrence of such practices.

Big Earnings.

A compilation of the gains and losses of the company for the years under examination show that under the Armstrong committee amendments to the law the company has added to surplus over \$49,000,000, of which approximately \$33,500,000 has gone to the dividend account, and the balance, of about \$15,500,000 has been used to bring the surplus up to the

limit permitted by law and to allow the charging off of the value of a portion of the real estate. The company has increased its dividend factors several times since the new laws went into effect. The report also shows in detail what efforts the company has made to dispose of its stocks, bonds and real estate, required by the legislation of 1906. The report gives detailed information regarding ledger assets, premiums, dividends, profits and losses on assets, collateral loans, schedules of dividends under various forms of policies, schedules of surrender policies, officers' salaries and shows the increase in the percentage of expenses.

The company understated its liabilities on account of death claims December 31, 1908, by \$570,164.64. Proper action has been taken to avoid this in the future. The legal department also did not report all the contested claims, as required by the law, but has agreed to correct this practice.

Has Section 97 Been Violated?

The report on the whole is complimentary to the company. The examiners find that the company has complied in the main with the insurance law as amended by the Armstrong committee. The severe criticism is made, however, that the company has in one particular evaded the restrictions of section 97 of the insurance law, which limits the amount a company can expend in securing new business.

The examiners find, for instance, that during the year 1908 the company paid for "supervision of old business," the sum of \$354,144.00. There is no record at the home office of the company which satisfactorily explains what was done in return for the expenditure of this money. The company claims it was paid in good faith to various agents for looking after business already on the books to prevent the lapsing of policies.

The examiners state, however, that an investigation of a few of the branch agencies which received a considerable part of this amount leads to the inevitable conclusion that the money was paid not for supervising old business but substantially in the form of bonuses to those agents who were most successful in securing new business. The suggestion is made by the examiners that if companies can

pay agents amounts of money beyond the limits as provided by law under the pretense of protecting the old business, but really to stimulate the agents to secure new business, the salutary purposes of section 97 can be utterly defeated.

An Old Item of "Agents' Advances."

The examiners also note that in 1906, during a campaign for the election of directors under the amended laws, the company increased its agents' advances by more than double the amount paid during any other quarter of the year, and that during the same period the managers expended \$169,351.93 more than they had been authorized to expend by the committee of the board of directors.

The settlement of the McCurdy suits by the company is also criticised by the examiners in the report. It seems that a committee of the board of directors, acting under the advice of Joseph H. Choate and James McKeen, counsel for the company, recommended a settlement of the matters in dispute in the McCurdy suits by which the company received \$750,000 and paid \$987,340.50. The examiners show that the settlement took place upon this basis after this committee had made a detailed report to the company and say that such report was inaccurate in its statement of facts in many particulars and thus the suits were settled by the company upon misleading information.

No Hearing Asked for.

Superintendent Hotchkiss, upon being questioned in reference to the report, stated that he had had no comment to make, as the report spoke for itself. He also said the company had received a copy of the report some time ago and had apparently concurred in the findings of the examiners, as no hearing upon the report has been requested. The insurance law provides that if a company objects to any matters contained in a report on examination it may ask for a hearing and be heard on the issues raised. If no hearing is asked for by the company the report is filed as originally drawn.

Extraordinary Mingling of Praise and Blame.

This extraordinary intermingling of praise and blame has, perhaps, never

been equalled in any report of a State examiner upon the condition of a New York life insurance company. After finding such extraordinary improvements in the management of the company, including an economy which has reduced the expenses more than one-half and increased the average dividends to policyholders more than 100 per cent., the superintendent selects four or five matters concerning which the management of the company is criticised, some of them being several years old.

The only one of these, which is a confirmation of rumors which have been flying about for some months, is that the company is paying under the head of "supervision of old business," a considerable sum, a part of which at least is believed to be reaching agents who are giving their sole attention, or nearly their sole attention, to the production of new business, without any duties resting upon them in regard to the old business. The others had not been heard of. Doubtless, if there are such abuses, the fact that they are present is as much of a surprise to the chief officers of the company as it may have been to the examiners of the department.

The foregoing has, of course, no reference to cases where there may have been incidental advantages in establishing the district agencies, owing to the fact that the district agent could be charged with the collections of old premiums in the district, and so would be remunerated therefor, but only to such cases, if any exist, as the following: The assignment of a collection fee upon a block of old business, or what is more to the point, of a lump sum in respect to this old business, the sole duties, or virtually the sole duties, of the agent consisting in canvassing for new business.

President Peabody Meets the Issues Without Flinching.

The Mutual Life Insurance Company did not ask for a hearing upon the report of the examination, but seems to have preferred to meet the matter openly and squarely through the public press, making a definite, clear-cut issue with the examiner of the department. The following interview was given out on the 18th by President Charles A. Peabody:

The publicity statement (so-called) issued by the department contains three criticisms of the company. Two of them relating to expenditures for "care and supervision of old business" and to agents' advances during the year 1906, are too silly to discuss, as will be apparent to any one reading the report. It is sufficient to say that in spirit they misrepresent the facts.

I maintain that the spirit and letter of the Armstrong law has been maintained by the Mutual Life, and that law has in good faith been lived up to. If it can be shown it has not been I must take the consequences whether I like it or not.

The only other subject in the report of the examiner of the department which requires any attention is that relating to the settlement of the company's claims against the former officers of the company.

The proposals of settlement in these matters were referred by the board of trustees to a committee of trustees, consisting of Benjamin F. Tracy, lawyer; Edwin S. Marston, president of the Farmers' Loan and Trust Company; H. Rieman Duval, president of the American Beet Sugar Company; Henry W. Taft, of Strong & Cadwalader, lawyers, and Frederick H. Eaton, president of the American Car and Foundry Company.

None of these was connected with the company during the period in which these claims arose.

This committee acted under the advice and approval of Messrs. Joseph H. Choate and James McKeen, the company's counsel having the matter in charge. They held a number of meetings, extending over three weeks, and examined the facts and circumstances upon which the claims of the company were based and made a report to the trustees recommending the settlement which was afterward made. The examiner of the Insurance Department has reached a different conclusion on the same facts and circumstances. As to whether these seven gentlemen acted wisely in their conclusion, or as stated in the report, did not understand the subject or "purposely misled the board of trustees," I leave the policyholders, to whom we are accountable, to judge. The comparing of their judgment and integrity with those of the examiner of the department presents a question which I do not care to discuss.

Others Have Their Say.

In addition to this statement, General Counsel James McKeen, who was associate counsel with Governor Hughes in the Armstrong investigation, furnished the following interview, which was published in the New York "Tribune" on the 19th inst.:

It was an advantageous settlement.

The company owed Robert McCurdy and the firm of Charles H. Raymond & Company certain amounts on commission for business which the company had accepted. It is true that those contracts for commissions were pronounced improvident, but we had to admit the existence of the contracts, and the money restored to the company should not be balanced up as against the payments for our just debt for commissions.

General Benjamin F. Tracy, chairman of the committee which recommended the settlement, was quoted by the same paper as follows:

As to the statement that we paid out nearly a million dollars to get back \$750,000 why the million dollars constituted a just claim against the company and had nothing to do with the \$750,000 which was restored to the company.

Samuel Untermyer to the Fore.

One of the humors of the situation is that it afforded Samuel Untermyer, the erstwhile counsel of the International Policyholders' Committee, an opportunity to express himself more or less oppositely upon some of the issues raised by the "publicity statement," which he did in the New York "Times" of the 19th inst., as follows:

I know nothing about the merits of the settlement with the McCurdys, but I know a great deal about the use that was made of the policyhold-

The Preferred
ACCIDENT INSURANCE COMPANY
of New York

SUPERIOR POLICIES

KIMBALL C. ATWOOD, President
290-292 Broadway, New York

THE FIDELITY MUTUAL LIFE INSURANCE COMPANY OF PHILADELPHIA

Has some excellent Agency Positions

FOR INFORMATION APPLY TO

ALEXANDER McKNIGHT, Vice-President
L. G. FOUSE, President.

ers' money and organization to reelect the old management in the elections of 1906.

You ask whether I am surprised at these revelations of the use which the trustees of the Mutual Life have made of the policyholders' money in connection with their campaign to reelect themselves and defeat the efforts of the policyholders to dislodge them and to secure a change of management.

I am not in the least surprised.

This sum of \$165,000 is only a fraction of the sums that were improperly spent by the New York Life and the Mutual Life. When you add to the money extracted directly out of the till the many other ways in which they squandered the funds and used the agency force in that election to prevent the disclosures that would have followed changes of management in the two companies, \$1,000,000 would be nearer the cost of that election to the policyholders.

The agency and salaried forces in both companies, besides the agency forces in other companies, were put into service in that memorable life and death struggle between the old crowd and the twenty-five distinguished public-spirited gentlemen who constituted the Policyholders' Committee, with such men as Richard Olney of Massachusetts, Judge George Gray of Delaware, Governor Johnson of Minnesota, Alton B. Parker of New York, and the then Governors of four great States among their number.

We are a callous, long-suffering people, but even with us this shocking state of things cannot last forever. The time will come when the State must take a hand in the elections of these so-called "mutual" companies, which are mutual only in name, and help the victimized policyholder to assert his will.

Under present conditions these elections are a farce. Even under the direction of a vigorous, irreproachable Superintendent of Insurance, such as we have now, the attempt to exclude the agency force from controlling the elections failed. This vast army of paid agents can overwhelm any movement by the policyholders, as they did in 1906. So long as the officers run the companies in the interest of the agents rather than in that of the policyholders their tenure is secure, no matter what they do.

I hope means will be found to uncover the transactions of the past few years, to enforce restitution, and to further amend the laws so as to permit either the intervention of the State on behalf of the policyholders or the exclusion of the agency force from controlling the elections.

The report on expenditures and the showing of increased dividends are a great tribute to the wisdom of Governor Hughes in the face of the reactionary disposition of the management. But I dread to contemplate what is going to happen when the policyholders lose those two watch dogs of their treasury, the present Governor and Superintendent.

President Peabody Promptly Replies.

To Mr. Untermeyer's assertions, President Peabody responds in the following forceful manner:

The statement which you show me,

prepared by Mr. Untermeyer, only shows that he has indulged once more in his propensity for "butting in" and attaching his name to anything which may involve a little passing notoriety.

His remarks are as truthful as most of his utterances; that is to say, there is not one word of truth in them.

His statements as to the conduct of the election of the Mutual Life Insurance Company to my knowledge (and I have no doubt this is equally true in the case of the New York Life Insurance Company) are entirely false, and no one knows it better than Mr. Untermeyer.

During the campaign preceding the election of 1906 he made two proposals to me, either one of which would have involved my betraying the interests of the policyholders and indirectly contributing to his inordinate vanity and greed.

He was unable then and is unable now to see why I did not care to accept his very flattering proposals, for the reason that his temperament and character make it impossible for him to understand or appreciate the ways and methods of decent business men.

Fortunately the intelligence of the policyholders recognize a demagogue when they saw one, and they expressed themselves in a manner which could not be misunderstood.

But I waste words in expressing my opinion of the gentleman in question. My opinion is that of the business community generally.

President Kingsley Also Accepts the Challenge.

President Darwin P. Kingsley, of the New York Life Insurance Company, which is also embraced in the denunciatory remarks of Mr. Untermeyer, rejoins as follows:

Mr. Untermeyer at the time of the life insurance election of 1906 had a suit brought against us by a man named Farrelly based on the alleged spending of policyholders' money. Justice Dowling bowled that suit out of court. After that Nelson B. Hadley, the Chief Examiner, who has examined the Mutual Life, examined the New York Life. He spent months at it, and found nothing wrong because there was nothing wrong for him to find. No policyholders' money was spent in that election except such as the law required us to spend in making up the lists of policyholders and

OUR BOND—YOUR SECURITY.

T. J. FALVEY, President. JOHN T. BURNETT, Sec'y & Treasurer.



Massachusetts Bonding and Insurance Co.

Organized under the Laws of the Commonwealth of Massachusetts.

Home Office, 77-81 State Street, Boston.

Capital\$500,000.00
Surplus\$250,000.00

SURETY BONDS and BURGLARY and THEFT INSURANCE.

FEDERAL LIFE INSURANCE COMPANY CHICAGO

ISAAC MILLER HAMILTON, ; ; President

Admitted assets.....\$2,447,499.17
Capital stock..... 177,300.00
Surplus apportioned and unapportioned 77,510.61

Excess security to policy holders 254,810.61
1909 insurance in force increased over.....\$6,300,000.00
Surplus increased over.... 100,000.00

**HIGH-GRADE MANAGERS AND AGENTS WANTED.
ATTRACTIVE POLICIES.
DESIRABLE CONTRACTS.
WILL ENTER NEW TERRITORY.**

Address,
CHARLES M. TURNER,
General Manager,
Marquette Building, CHICAGO, ILL.

BONDS--CASUALTY

AGENTS IF YOU { Can Command Bond or Casualty business
Are seeking an Agency connection
Are not representing another like Company

ADDRESS, AGENCY DEPARTMENT,

The Empire State Surety Co.
NEW YORK

doing other things necessary for holding the election.

The New York Life is not in alliance with Wall Street. There is no ground upon which Mr. Untermeyer can say it is. I assume what he says about agents' working for administration ticket in the election is true. That was because they believed in the company and did not believe in the International Policyholders' Committee. Speaking of more recent elections, there have been no opposition tickets in the field in the New York Life. The statement I made that not one cent of the policyholders' money was spent for campaign purposes in that 1906 election applies equally to subsequent elections.

Opinion of a Leading Daily Paper.

The Brooklyn "Eagle," in commenting editorially upon the publicity statement of the superintendent, under the caption "Crusading Without Proofs Should Prove a Losing Activity," expresses the following opinion:

The Mutual, the Equitable and the New York Life insurance companies were the three great organizations which were supposed to undergo thorough examination at the hands of the Armstrong Committee, years back. The legal inquisitor of that committee was Lawyer Charles E. Hughes, since twice made Governor, and since revealed as one of the most aggressive executives and one of the most incisive orators of the Republican party. The three great companies were ransacked, reformed and reorganized, at least the claim and belief that they were may be said to have been accepted in consequence of the Hughes-Armstrong investigation.

The surprise will be general should such an impression be shown to have been a mistake. The allegation to-day, that the reorganization of the Mutual was a fraud or a deception, will startle those who maintained or accepted the contrary conclusion. The allegation reflects on the thoroughness or intelligence of Governor Hughes, in whose time and under whose administration the reorganization occurred. The allegation will also, if accepted, be a reflection on the men on whose advice and under whose guidance the settlements between the Mutual and its former officers took place. Those men comprised Benjamin F. Tracy, Edwin S. Marston, H. Rieman Duval, Henry W. Taft, and Frederick H. Eaton, their counsel being Joseph H. Choate and James McKeen.

Not Prepared to Accept Superintendent's Finding.

The people will not be prepared without proofs to reflect upon these men on the unsupported declaration of William H. Hotchkiss, the present State Superintendent of Insurance. The men the Superintendent assails are so much his superiors in reputation and ability that a distinct conspicuity comes to him by assailing them. That fact should not be forgotten, especially by Governor Hughes, who appointed Mr. Hotchkiss, but who has not yet passed, so far as the people yet know, on the allegations Mr. Hotchkiss has suddenly

sprung on public attention. The allegations charge that the settlement between the Mutual and its former officers was misrepresented to the State, although advised, vouched for and virtually made for the company by the distinguished men whom we have named.

We carefully advise an economy of belief in these allegations, until and unless conclusive proofs of them be supplied. None has yet been forthcoming. The allegations merely comprise the undisputed statement of the amounts received from the former officers, the sums found to be due to them and the subtraction of the lesser sum from the larger. The operation in simple arithmetic was known before. The new matter comprises only Mr. Hotchkiss' comments on the undisputed figures in the form of such imputations as reflect on the eminent men who approved of the settlements that were reached.

Made More for Sensational Effect Than With Proof.

Any negotiation in the world could be attacked in that way. Any official is favored by a sort of immunity, in these times, in making them. The process is popular, easy, cheap and prevalent—and should be distrusted on that very account. We shall await the necessary proofs patiently and with interest, but we apprehend they will have to be awaited for a long while. The charges seem to have been made more for sensational effect than with proof or for practical results, and at a period when attacks on business institutions and eminent men are of the nature of an epidemic.

The former managers of the Mutual were extravagant, law-ignoring and reckless. They found themselves not immune. They were properly and quickly dispossessed and went into retirement. They were not prosecuted, and it was believed they could not be. They were ousted, and settled with on terms the stockholders and the new officers reached under the advice and on the terms of the distinguished men whom Mr. Hotchkiss to-day impugns. We hazard little in believing that the men he impugned will outlast and outclass him in law and in opinion. And we predict that the implied assault on the Equitable and on the New York Life, which this attack on the Mutual suggests, will fail, if made. The interests of justice and of sound business should be superior to sheer crusading for the apparent sake of crusading, no matter on whose account of political resentment or of political ambition the crusading may be waged.

Superintendent Hotchkiss Misunderstood.

It is unfortunate, in "The Chronicle's" opinion, that any portion of Superintendent Hotchkiss' "publicity statement" could have made the impression that he was in any way questioning the integrity of the members of this committee or their good faith in making the settlement. "The Chronicle" does not so interpret his language. Yet it might make and in-

deed has made that impression in many quarters.

To insurance men who have followed the course of life insurance affairs closely in recent years it will be obvious that the criticism of the superintendent is really directed against what now seems to him a purely one-sided and an unduly favorable statement as regards the McCurdy settlement. He means to say, then, that, with the other side presented, viz: that very large sums had to be allowed son Bob and son-in-law Thiebaut, the settlement, while doubtless the best that could be done, does not appear to be a matter for special rejoicing or self-congratulation. But if so, that is because the company's obligations to the younger members of the McCurdy family made a more favorable settlement, all around, impracticable.

SUPERINTENDENT LEMERT TURNED DOWN.

A bill introduced, it is understood, on behalf of Superintendent Lemert, which was intended to limit the capital of domestic life insurance companies to \$500,000 and to make all surplus earnings over a moderate dividend on the stock, the property of policyholders, has been reported unfavorably by the Ohio Senate committee.

A license has been issued to the Prudential Casualty of Indianapolis to do a general casualty business.

SAFETY FUND INSURANCE

NIAGARA*

Fire Insurance Company

—OF—

NEW YORK

OFFICE:

46 CEDAR STREET, CITY.

SELL LIFE INSURANCE



If you have latent ability as a salesman we will help you develop it, and you'll make money while learning.

The Prudential Wants Agents. Write Today for Particulars.

THE PRUDENTIAL

Insurance Company of America.

Incorporated as a Stock Company by the State of New Jersey.

JOHN F. DRYDEN,
President.

Home Office,
NEWARK, N. J.

BIG PROMOTION EXPENSES.

The Wisconsin Department Scores Organizers of Old Line Life.

The report of the examination of the Old Line Life Insurance Company of America, with headquarters at Milwaukee, made upon its application to the Insurance Department of Wisconsin for a license to do business in that State, shows that of the total sum of \$1,001,526.70 paid in by subscribers, the sum of \$288,209.59 was not accounted for, and that the company could only show admitted assets of \$726,675.05. An inquiry into what has become of the difference disclosed the fact that, although several contracts had been entered into previously, they were all abrogated and re-executed on October 1, 1908, whereby Rupert F. Fry (the present president of the company), was employed by the promoters as an agent to sell stock, on a commission of 25 per cent. of the purchase price of all stocks sold, which commission was to be deducted from the first payments, while the company was to bear all other expenses incurred in the sale of the stock, the 25 per cent. being net to Mr. Fry. Under this contract, there was paid to Mr. Fry, as general agent, \$265,512.99; and of this sum, he retained \$54,247.69 for himself. In addition, it appears that he received, as sub-agent's commission, \$4,281.81, and still claims a balance of \$7,054.68, general agent's commission, making his net personal income from May 23, 1908, to February 19, 1910, \$65,594.18. Sub-agents were employed by Mr. Fry on a basis of 20 per cent. of the subscriptions. Their commissions amounted to \$210,191.05. There are claims against the company on sub-agents' and general agents' commissions amounting to \$39,059.88 on uncollected subscriptions, which will make, if they are paid, total commissions upon the sale of stock \$304,572.80.

Fry's Resignation Called For.

Commissioner Beedle, in an open letter to the stockholders and officers of the company, calls for the resignation of Rupert F. Fry as president and director. He says that the money used by the organizers was without authority or right, and that "it is for the directors and stockholders to determine what part of this, if any, the organizers should be permitted to retain." He adds:

The board of directors may, and on the demand therefor by any stockholder should, prosecute such legal action as may be necessary for the determination of the rights of the company to the money withheld by

the organizers and to collect any sum due the company.

It is apparent, he states, that the stockholders were paying a commission of 48 per cent. on the par value of their stock "for the privilege of paying their money into a corporation yet to come into legal existence, without any benefit derived from such payment and without any obligation upon the organizers after the corporation should be organized."

Contract Not Binding on the Company.

Concerning the contract entered into between the eighty dummy incorporators of the Old Line Life Insurance Company and Fry, the report says:

It is plain that the subscribers had no knowledge of the terms of any of the contracts between Mr. Fry, as agent, and Mr. Fry and his associate, as organizers. Such secret agreement, in our opinion, was a fraud upon the subscribers to stock in so far as it attempted, without their knowledge, to give to Fry and his associates, for any purpose whatever, any part of the money paid by them on their subscriptions.

Any attempt on the part of such organizers to appropriate any part of the funds collected for the payment of commissions or for any other purpose was entirely ineffective in the absence of any agreement therefor in the subscription contracts made by the subscribers for stock. As the contracts for subscription all purport to be made with The Old Line Life

Insurance Company of America, it would appear to be evident that any agency contracts would be of no effect as far as that corporation was concerned prior to its coming into legal existence. It would appear to be equally plain that in the absence of any agreement in the contracts of subscription for the payment of any part of the subscription price to any other party, the organizers would hold all funds so paid, as trustees, pending the completion of the organization.

Capital and Surplus Ample.

In commenting upon the statement of assets and liabilities, the commissioner says that "the manner in which this company has been promoted, cannot be too strongly condemned, but in view of what has been stated and of the interests of innocent stockholders, the withholding of the company's license may not be justified, and such license has been granted."

He also says:

The capital and surplus are now ample to protect future policyholders, though it should be noted that, as this is a stock company doing a non-participating business alone, it is absolutely within the power of the company management to use for the expenses of securing new business as much of the stockholders' surplus as they please.

The assets and liabilities of the corporation found and determined by the department as of February 19, 1910, are as follows:

ASSETS.

Ledger Assets.

Mortgage loans on real estate, first liens.....	\$212,306 50	
Book value of bonds.....	377,317 15	
Cash in company's office.....	\$300 00	
Deposits in trusts companies and banks on interest.....	\$136,751 40	137,051 40
Total ledger assets.....		\$726,675 05

Non-Ledger Assets.

Interest due and accrued.....	\$9,060 60	?
Due from organizers.....	288,209 59	\$297,270 28
		\$1,023,945 38

Deduct Assets Not Admitted.

Due from organizers.....	\$288,209 59	\$288,209 59
Admitted assets.....		\$735,735 74

Liabilities, Surplus and Other Funds.

Capital stock.....	\$552,348 66	
Unassigned funds, surplus.....	183,387 08	
		\$735,735 74

I notice that a number of agents are making changes from the Companies they were formerly with to other Companies. Also, that none of these agents have been in correspondence with the Philadelphia Life. Perhaps it is due to the fact that they do not read our advertisements, and I think that it would pay the agents, whether they are working for this company or not, to read these advertisements, as many a time there appear in the advertisements little arguments that would help them to secure business. For instances:—How many agents to-day are using the argument that they are insuring income, which is really what you do on every policy that you have caused to be issued by a Life Insurance Company? Now why don't you get in touch with the new up-to-date income policy of the Philadelphia Life that is different in all details from that issued by any other Life Insurance Company? Write Perry to-day.

NEW FRATERNAL INSURANCE BILLS.

On the 19th inst. two new bills were offered in the Senate and Assembly at Albany, one being an amendment to the fraternal insurance laws taking away from existing fraternal insurance societies the power to issue contracts, promising a cash payment in event of disability, and the other amending the penal code so as to provide for the punishment of officers and trustees who resign their positions for a consideration. This is hereafter to be a criminal breach of trust indictable as a felony if the amount received exceeds \$500, and as a misdemeanor if the amount received is less than \$500.

In 1903 the legislature amended the fraternal laws, so that no new societies could be organized with the power to make cash payments to living members, and also made the same applicable to all existing societies which were not making use of the power. The bill, which it is now proposed to enact, takes away the power even from societies which have been exercising it. So far as it affects the so-called "endowment bond" or "five-year dividend" schemes, such as have been operated by three or four societies in the State, the measure is certain to be approved on all sides; but the question is asked if the matter is not being approached in the wrong way, and if, instead of prohibiting a function which may be desirable, convenient and even necessary in the development of fraternal insurance, provision should not instead be made for ample reserves to protect all such agreements, such reserves, likewise, to constitute a trust fund and be applicable only to the fulfillment of such contracts.

While there was occasionally some sharp flashes of opposition or sarcasm during the debate it was conceded by both sides that the sessions had been educational, and that notable advances had been made in understanding of the problems confronting both the fraternal managers and the regulatory authorities.

Charles E. Piper, former president of the National Fraternal Congress, who took an active part in the discussion, said after adjournment:

I think the meeting has been very helpful, and the things have been freely conceded that would have been strongly opposed a few months ago. What the fraternal need is adequate rates, conservation of funds, valuation and publicity and proper supervision. With valuation and publicity the rate problem will take care of itself. The commissioners want the same things and a ground of agree-

ment will ultimately be found. No one expects that the bill, if agreed to, will be passed soon by any large number of States, but in the meantime the education of the membership in the essential features of the needed reforms is going on.

In New York.

Two bills suggested by developments in connection with the liquidation by the State Insurance Department of the Peoples Mutual Life Insurance and League of Syracuse were introduced in the legislature of New York at Albany yesterday. One is an amendment to the insurance law and the other to the penal code. Concerning the measures the Insurance Department says:

The officers of the Peoples Mutual Life Insurance Association and League, a fraternal beneficiary society, attempted to sell it last December to strangers, with the result that the Insurance Department stepped in and has recently been ordered to liquidate. The business of this society consisted wholly in selling to its members a so-called insurance contract, the chief and attractive feature of which was an agreement to pay not more than a specified sum in the nature of an endowment benefit at the end of five years. This contract was sold by agents on the representation that at the end of the period certificate holders would receive two dollars for one, this on the theory that a large number of members would drop out and persistent members profit accordingly. The contract therefore appealed strongly to the gambling sense and was essentially of a financial rather than an insurance nature.

Endowment orders which secured members through contracts of this kind were, against the protest of the Insurance Department, formally recognized when the insurance law was codified in 1892. In 1903 the department urged an amendment to the law which, if adopted, would have prohibited the further issue of such contracts; but the legislature of that year was unwilling to go further than to prohibit such contracts save by orders already issuing them. As a result, three beneficiary societies have since then continued to write these contracts and have greatly increased

their membership thereby. One of these is the Peoples Mutual Life Insurance Association and League, now in liquidation. The other two have recognized the mathematical fallacy behind this contract and have ceased to feature it. Their agents, however, continue to represent to prospective policyholders that a modified contract involving dividend payments after a fixed period will result in large returns, and thus, in the judgment of the department, are continuing a deception on which the phenomenal growth of such orders is based.

A further continuance of this class of so-called insurance business is thought to be against public policy. Hence the first of these bills, which were introduced by Senator Grattan and Assemblyman Allen, proposes an amendment to section 235 of the insurance law so that after January 1, 1911, fraternal beneficiary societies will be prohibited from making a contract for the payment of money upon the expiration of a fixed period in case a death loss has not been incurred before the expiration of such period.

The second bill is one prepared by District Attorney Bond, of Onondaga County. When the Insurance Department took possession of the Peoples Mutual Life Insurance Association and League authority was sought for indictments against the officers who had disposed of their positions for large considerations paid by a stranger. No warrant for criminal proceedings was found in the existing law. The bill referred to, which was introduced by Senator Grattan, of Albany, and Mr. Walters, of Syracuse, and has the emphatic support of the Insurance Department, will make such conduct on the part of the trustees or directors of fraternal beneficiary societies a criminal breach of trust, indictable as a felony, if the amount received by such an officer exceeds \$500, and as a misdemeanor if the amount so received is less than that sum.

The Preferred Accident will shortly announce issuance of a new general disability policy, the life, limb and weekly indemnity benefits of which will be increased a flat 20 per cent. over the indemnities now paid. For this new contract \$65 instead of \$60 per annum will be charged.

THE HOME LIFE INSURANCE COMPANY OF AMERICA

Incorporated 1899.



THE COMPANY FOR THE AMBITIOUS AGENT who desires to sell "COMMON SENSE" insurance at LOWEST COST, and who seeks, through most liberal first year and guaranteed renewal commissions, to receive just recognition of service. All policies registered, signed and sealed by the Insurance Commissioner of the State of Delaware, making them truly

SAFE AS GOVERNMENT BONDS.

Address Executive Offices, 416-18-20 Walnut Street, PHILADELPHIA, PA.

JOHN LANGHAM, Jr.,
President.

JOSEPH L. DURKIN,
Secretary.

GEORGE M. NETTLESHIP,
Manager of Agencies.

THE BESOM COMING.

When Superintendent of Insurance Hotchkiss, of New York, began his examination of the Phenix it was probably not even remotely suspected where it would lead him. To date its progress has reached into the very heart of both houses of the legislature and the political mechanism of the State.

Strenuously as the presumably guilty grafters in the legislature fought the resolution to turn the results of the insurance inquiry, so far as it had gone, into the higher leads and put the rascals on the grill, instead of their victims, the decent element rallied a majority in favor of it and now the harried and heckled insurance companies may hope for at least a brief surcease from being held up as arch conspirators, bribers and double-dyed rascals, and the eminent and honorable gentlemen of the legislature, "clients" of the recently self-expatriated-to-Canada, "Honorable" William H. Buckley, "speaker" for the "third house," Albany, N. Y., for the benefit of his health, will now have every opportunity afforded them to emulate the example of the Pittsburg grafters and come forward for confession and an immunity bath, or risk a change of tailors for a few years.

It is the general impression that it will be made clear and distinct that these human hyenas have preyed upon every decent and legitimate business interest within reach of their omnivorous fangs and claws.

A New Aspect.

An indication of the entirely new turn the investigation has taken is afforded by the following excerpts from the "New York World," of last week, referring to the commission appointed to investigate legislative and political graft and other matters of public interest:

The sessions will be public, its work will be done in the open and there is no great danger that any member would care to risk his political life or private reputation by endeavoring to suppress the truth. The same power of public opinion that compels the appointment of the committee will insist that its work be thorough.

It can investigate "any matters which in the judgment of said committee warrant an investigation," and this is exactly what the State expects of it. Neither Democrats nor Republicans should be spared; nor State committees; nor campaign-fund collectors and contributors; nor the buyers and sellers of legislation; nor lobbyists; nor the relations of law-makers to Wall Street; nor any form of dubious or corrupt political activity which affects the general welfare of the State.

The people of New York want to know the truth about their govern-

ment and they do not care who is helped or harmed by it. They are tired of having rascals protected in the name of Republicanism or Democracy. They are tired of graft and corruption in the name of political principles.

The same insistent sentiment that twice elected Mr. Hughes Governor is back of this demand for an investigation. It is the same sentiment that so enthusiastically supports Mayor Gaynor in his efforts to establish honest, efficient administration in New York City. **There can be no excuse for any intelligent man's mistaking the meaning or purpose of this sentiment.**

When this committee gets busy the people of New York expect it to do its work fearlessly and searchingly and honestly to the end that its investigations will mark the end of an epoch in State politics and the beginning of a new era. New York wants more of the Hughes kind of government, more of the Gaynor kind of government, and that is the kind of government it is determined to have. The function of this committee is to help establish it, both by exposing corruption and by making plain what should be done further "to prevent corrupt practices to influence the course of legislation within the State of New York."

Clean house!

Serious or Cynical?

Yesterday's press dispatches from Albany state that Senator Kissell, of Brooklyn, has introduced a bill to provide for a commission of six to inquire into everything in or out of sight in the legislature for the past few years, ignoring all statutes of limitation. Tuesday's election at Rochester has shaken all the political

machines, of every construction, from center to circumference, and it seems that something will have to be done.

The bill provides that that something shall be a commission composed of Theodore Roosevelt, Governor Hughes, ex-Governor Odell, W. F. Sheehan, ex-Governor Hill and William Randolph Hearst, to investigate and report upon what changes in laws or what new laws shall be made to prevent corrupt legislative practices in New York State.

The commission must report on or before February 1, 1911. It is empowered to investigate all evidence of corruption which was shown to exist by the evidence in the recent Allds investigation; also, all charges that have developed in the Hotchkiss investigation of insurance corporations.

Each member of the commission, except Governor Hughes, is to receive \$100 a day for each day actually in attendance at sittings or in preparing a report. The sum of \$100,000 is appropriated to carry out the provisions of the act.

"My purpose in naming prominent men on my commission is to make sure that there will be an investigation at the hands of well-seasoned officials who are up in statecraft," said Senator Kissell. "The people of New York State, as soon as they read the names of these men, will know they mean business. There will be no loophole of any kind. I shall push my bill regardless of the investigation resolution just passed by the Senate."

OLDEST
IN
AMERICA

STRONGEST
IN THE
WORLD

THE MUTUAL LIFE Insurance Company of New York

Mutual Life Agents Make Most Money
Because Mutual Life Policies Sell Most Freely

For terms to producing agents, address

GEORGE T. DEXTER

2nd Vice-President

34 Nassau Street

New York, N. Y.

IN NEW ENGLAND

IN NEW ENGLAND.

The Rationale of Fire Insurance Rating—Why Rates Are Raised and Why They Are Reduced.

Following the San Francisco conflagration of 1906 a 15 per cent. advance in rates was ordered on buildings and contents in the congested district of Boston. Later in the year this advance was rescinded on all fireproof buildings and on all sprinkled buildings in that district, to date from January 1, 1907.

Recently one of the largest insurers in one of the old established agencies of Boston inquired of the gentleman who conducts it if it would not be timely and just to take off the 15 per cent. advance from second-class buildings and contents as well. The agent in question put his reply on paper, and it is so just and intelligent a presentation of the case and is of such general applicability that "The Chronicle" takes pleasure in presenting it to its readers, as follows:

The abrogation of the 15 per cent. advance from all fireproof buildings and all sprinkled buildings in the congested district was effected in order to encourage firstclass or fireproof construction, and also sprinkler and kindred equipments, that would tend to make the city more secure against conflagration hazard. It was felt that if the entire congested district, or the greater portion of it, were of fireproof construction or equipped with automatic sprinklers there would be practically no conflagration hazard.

The insurance companies know from their experience that, in all cities composed chiefly of second class buildings, there is a conflagration hazard, which should be paid for by the owners and tenants of the buildings in the conflagration district, and not by those outside of such district. Their experience in Chicago, Boston, Baltimore, Rochester and Toronto have convinced them that in all large cities there is a chance in a period of years that if a fire starts in a second class building, there is a possibility of it getting beyond the control of the fire department, and of a conflagration thereby resulting. The remedy for this advance in rates in second class constructed buildings is in the hands of the owners and tenants of the buildings. Immediately upon the installation of a sprinkler equipment in any second class building the 15 per cent. advance is at once rescinded. This would apply not only to sprinkler equipments with two sources of supply, but also to sprinkler equipments with only one source of supply where there is high pressure, the one source of supply being from the water main on the street. A reduction of from 30

to 50 per cent. is allowed for sprinklers, according to equipment.

The rates are made by what is called "schedule rating," starting with the rate on a firstclass building without being occupied, adding to the rate on the particular building, making charges for what is not up to the standard of the so-called firstclass building, and also making reductions where the particular building is better than the so-called firstclass building, so that each building and its contents are rated by the schedule on its merits, first as to the building and afterwards as to the occupancy. There is no favoritism; everything is figured justly on the merits of the building and its occupancy, and the way it is kept.

There are also other ways of having a lower rate, even on the second class buildings. In many of the older buildings in the congested district the ceilings and inside walls and partitions are made of wood and painted instead of being lathed and plastered. A reduction could be made on this by using fireproof paint instead of the ordinary paint. Some of the buildings have mansard roofs, which, if fireproofed, would permit a material reduction in rate on building and contents. Many of the second class constructed buildings are occupied on the first floor by retail dealers and above by various tenants, some of them doing light manufacturing and other hazards, which increases the rates to the retail dealer on the first floor. Some of the improvements to buildings which would affect the tenants are exceptional construction; tin or sheet iron between floors 3 cents; waterproof paper between floors 1 cent, floors waterproof and inclined, to take off the surplus water, 5 cents; grade floor, fireproof, 7 cents; each additional floor fireproof, 3 cents (not exceeding 25 cents in all).

Regarding the contents: If the merchandise is covered with tarpaulins each night a reduction from 3 cents to 7 cents is made; merchandise on skids or platforms six inches high, 1 cent to 3 cents; stock exclusively on grade floor, 3 cents to 7 cents; stock exclusively on grade and basement or second floors, 1 cent to 4 cents.

Of course there are other faults or management easily corrected. Sometimes where an extra charge is made for defects the rate would be lower if they were remedied; also there are defects in construction which might easily be corrected, which do not show on the rate cards, but are charged for in the schedule. These might be looked into by the broker placing the risk, and sometimes a substantial reduction in rate is made if these defects in construction are remedied.

If an owner of a building or a tenant propose to make a somewhat extensive change in the building to suit their business, it would be well before making these changes to consult the Boston Board of Fire Underwriters, as they have experts who give suggestions as to the making of changes, so that the risk would be improved after the alterations and the rate would be lower than if carried out without this expert advice. Of course each risk has its own individuality and has to be treated in ac-

cordance therewith as to construction and occupancy.

You will see the fairness of the Boston board in rescinding the 15 per cent. advance on the so-called fireproof and sprinkled risks when comparing the different classes of construction.

Some few years ago a fire occurred in a room in the Jeweler's building, on the corner of Washington and Bromfield streets, the building being occupied by a large number of tenants. The building is of firstclass construction, and the partitions of the different rooms are made of terra cotta. The fire in question was confined to the room in which it originated, and was quite severe, causing a loss of 65 per cent. on the contents of the room, but not causing practically any loss to the other tenants. The loss to the building was very slight. On the 5th of March, this year, a fire occurred in the New England building, on Summer street extension, opposite the South Terminal Station. The walls and outside of this building were well constructed, but instead of using terra cotta partitions, or even lath and plaster partitions, the partitions of the small rooms into which this building was divided chiefly used for wool samples (nothing hazardous), were hard pine varnished, and the result of this fire was that from the third floor upward the stocks were in most cases entirely consumed. The partitions in all the floors were burned down, and most of the insurance on the tenants was a total loss. The loss on the building was adjusted at a little rising 70 per cent. Had this building been of fireproof construction the probabilities are that the fire would not have gone beyond the room in which it started.

This is one of the many examples (although, perhaps, somewhat extreme) of the difference between ordinary and firstclass construction.

Shortly after the San Francisco fire most of the insurance companies reduced their block lines in the congested district, some of them as much as 50 per cent., making it difficult to get all the insurance that is needed in admitted companies on unprotected risks in second class buildings in the congested district. Up to the present time they still maintain the same position, not increasing their holdings in the district in question.

Until they regain confidence and increase their lines, would it be wise to attempt to have the 15 per cent. advance on second class buildings and contents rescinded?

Smoke Talk of the B. L. U. A.

The members of the Boston Life Underwriters' Association gathered in force at Young's Hotel last Friday afternoon to listen to the message of Mr. Whittington, of Los Angeles, president of the National Association, and were well repaid by the forceful address of that gentleman. He expounded, in convincing terms, the value of the association work, and did not deal in glittering generalities, but backed up everything he said with specific instances. He extolled the life insurance salesman as the real salesman, the man who sells people

what they don't want. Compared with that the work of the dry goods or grocery salesman, who supplies his customer with the stock of what he is getting low on, has an easy job. Mr. Whittington had a good word for section 97 of the New York law, which, he said, had done more to place good laws on the statute books all over the country than any other force. He instanced how in Colorado the work of the local association had resulted in the enactment of good insurance laws, and related similar experiences in Utah and Oklahoma. He was not able to give so good a report of his own State, California, but showed how energetic efforts by the Los Angeles association had headed off the imposition of a burdensome tax in that city. It was a fact that the local association were making history and upholding the high spirit in the business, and the companies ought to recognize that fact. Mr. Whittington's genuineness and sincerity impressed everyone present, and the life insurance men of Boston will long remember his visit, which ought to prove stimulating and helpful in the local work.

Massachusetts F. & M. Selects Walter Adlard as Secretary.

Walter Adlard, of Boston, for over ten years identified with and in charge of the field work of the Continental in Eastern Massachusetts and Rhode Island, has been selected to be secretary and managing underwriter of the newly organized Massachusetts Fire and Marine Insurance Company. He will assume the position on June 1, at which time the company expects to begin active operations. Mr. Adlard was born in Brooklyn, not quite 44 years ago, and began his underwriting work in the New York office of the Queen. Advancement came to him in due course, and he was appointed special agent for New Jersey and Long Island in 1893. In the following year Mr. Adlard was transferred to New England as assistant special agent. In 1899 he became special agent of the Continental, in whose service he has gained distinction by reason of his sterling qualities as a man and an underwriter. The Massachusetts Fire and Marine is to be congratulated on securing his services. This new company is to start with a capital of \$500,000 and a surplus of equal amount, and nearly \$800,000 of the combined sum has already been secured. Colonel E. C. Benton is president of the company, James J. Storrow is vice-president, and the directorate comprises an array of names prominent in the leading business interests of New England.

Cincinnati Secure Control of Hartford Life.

A controlling interest in the Hartford Life Insurance Company has been secured by a syndicate of Cincinnati capitalists, headed by John G. Hoyt, through the purchase of the stock of President George E. Keeney. The capital stock of the company is \$500,000, and the purchasers have acquired a majority thereof. President Keeney will for the present remain at the head of the company, and it is stipulated in the agreement that the general organization of the company shall not be disturbed.

Surety Companies Sued.

Suit has been brought in the Superior Court at Boston by the Museum of Fine Arts against the Illinois Surety Company, the Peoples Surety Company and the American Bonding Company to recover the proportionate share of each defendant as surety on the bond of Ambrose B. Stannard, who had the contract for building the Art Museum. The plaintiff claims that it had to finish the work. The cost price was \$1,162,163, and it had to pay out in excess of that \$70,782. The plaintiff seeks to get the amount it had to pay to complete the job in excess of the contract price. It had to complete the work because the contractor failed so to do.

Thompson Enjoined.

A press dispatch from Hartford, of last Saturday, relates that the suit of Charles E. Shepard & Co. against William L. Thompson, which has been pending in the Superior Court a long time and in which an injunction and \$40,000 alleged damages were sought, has finally been terminated. Judge Burpee has enjoined Thompson from engaging in the life insurance policy brokerage business in Connecticut, under penalty of \$5,000, before February 20, 1911.

Shepard and Thompson were partners in the business of buying life in-

surance policies. The partnership was converted into a corporation, and there was a condition that neither one could engage in the business on his own account for a period of five years. Thompson retired, and Shepard & Co. subsequently brought suit against him on the ground that he had violated his agreement.

New England Brevities.

W. L. Beers, fire marshal of the city of New York, will address the final meeting of the Insurance Library Association of Boston for this season, which is to take place at the Exchange Club to-morrow evening. Mr. Beers' topic will be "Trailing the Fire Bug."

Wednesday of this week was the final day set for the presentation of reports by the Massachusetts legislative committees. The time has been twice extended.

Herbert Damon, of the Boston firm of Field & Cowles, with his sons, sailed for a tour in Europe this week.

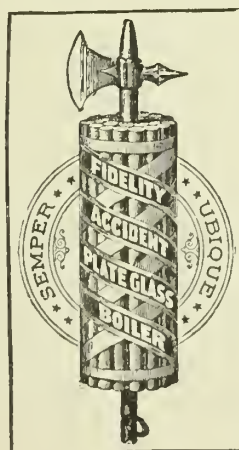
At an insurance dinner in Boston the words of a number of songs appeared on the dinner card, and this is how one of them was set up:

"Max Welton's braes are bonnie."

Max Welton's braes may be bonnie, but they haven't got anything on Max Cohen's "Views." This reminds one of the intellectual compositor who couldn't stand for the supposed abbreviation of "Mozart's Twelfth Mass" on a musical program, and fixed it up to read "Mozart's Twelfth Massachusetts."

The New England Insurance Exchange last Saturday adopted a tribute to the late Mark Buxton, for many years the efficient and popular special agent of the Granite State Fire.

The number of non-affiliating fire companies in Illinois is increasing, thirty-seven now being listed in that class.



THE FIDELITY & CASUALTY COMPANY

97 TO 103 CEDAR ST., NEW YORK CITY.

ASSETS - \$9,598,924.02
Cap. & Surplus \$3,564,229.90
LOSSES PAID \$31,636,503.21
to Jan. 1, 1909,

This Company grants Insurances as follows:

Bonds of Suretyship for Persons in Positions of Trust, Fidelity Bonds, Burglary, Plate Glass, Steam Boiler, Fly Wheel, Employers, Public, Teams, Workmen's Collective, Elevator and General Liability; Personal Accident, Health and Physicians' Liability

OFFICERS:

GEORGE F. SEWARD, President.

Robert J. Hillas, V.-P. & Sec'y. Henry Crossley, Ass't Sec'y.
Frank E. Law, 2d Ass't Sec'y. George W. Allen, 3d Ass't Sec'y.

INSURANCE COMMISSIONERS COMMITTEEING.

The fact that the committee of insurance commissioners investigating the expenses of fire insurance companies, and other committees, were in Chicago this week, did not cause much of a stir on La Salle street last week, possibly because most of the managers were at the union meeting in Washington. This expense subject has been discussed so much and so many of the facts about it are known—or at least supposed to be known—that it is rather the question of doing something than of learning that it is of chief interest now.

Other committees which met during the week are: The committee on fraternal insurance, committee on examinations, executive committee and the committee on laws and legislation. Commissioner Hartigan of Minnesota, president of the National Convention of Insurance Commissioners, sent notice of the meetings to all the commissioners, urging them to be present, if possible, as very important matters will come up for consideration.

The following changes have been made in the standing committees of the National Convention: Samuel W. McCulloch, Pa., vice Thomas B. Love, Texas, on committee on laws and legislation; George Graham, Jr., Ill., vice A. G. Hann, Col., on committee on blanks; Milas Lasater, Okla., vice T. J. McComb on committee on assets of insurance companies; Frank Blake, Mo., vice John Kennish, and Samuel W. McCulloch, Pa., vice David Martin, on committee on reserves other than life; Frank Blake, Mo., vice John Kennish, on committee on miscellaneous; Samuel W. McCulloch, Pa., vice David Martin, on committee on unauthorized insurance; Joseph Button, Va., vice Thomas B. Love, Texas, on committee on fraternal insurance; Samuel W. McCulloch, Pa., vice Thomas B. Love, Texas, and W. E. Hawkins, Texas, vice T. J. McComb, Okla., on committee on fidelity and surety companies.

Fraternal Life Insurance.

The committee on fraternal insurance began consideration of that subject on Monday with all the leading societies and orders present, representing approximately \$9,000,000,000 of insurance.

It was in evidence that fraternal insurance largely represents the protection of working men, and because it is usually the only insurance the members carry the State authorities are anxious that it shall be safeguarded in every way possible. The rates charged by many orders are inadequate

to carry out their contracts while sufficient to meet current death claims, and the principal point insisted upon by the commissioners is the collecting of an adequate rate. The fraternalists concede this, but so far have been unable to agree to the basis of circulation and the details of reserve, extended insurance and other incidentals of increased rates.

The tentative bill was taken up section by section after it had been made plain that it was not to be considered as binding, since the changes made at this meeting will be submitted for general consideration and taken up at another session of the committee. Proxy voting was prohibited and other safeguards of control by the members were inserted.

The principal discussion was over the changes proposed to make it easier for societies desiring to get on the adequate rate basis to take care of their older members, and it was urged by the commissioners that no liens should be imposed without notice to the members. The section covering this was redrafted.

This committee is composed of J. V. Barry, of Michigan; C. C. Lemert, of Ohio; T. H. MacDonald, of Connecticut; J. R. Young, of North Carolina, and E. J. McGivney, of Louisiana. Several of the other committees are in attendance. The executive committee of the National Convention of Insurance Commissioners met yesterday and the committees on examinations and on laws and legislation will meet to-day and to-morrow.

An informal session of the committee on fire expenses was held yesterday, the formal hearings to begin at 11 o'clock to-day. O. B. Ryon, special counsel for the Illinois Insurance Department, gave the committee a summary of the information secured by the Illinois Fire Insurance Commission, which has taken up the question of expenses as well as rates. To-day testimony will be heard from P. D. McGregor, of the Queen; C. R. Tuttle, of the Continental; E. G. Halle, of the Germania; J. H. Lenehan, of the Fidelity-Phenix, and Harry Fox, of the Milwaukee Mechanics.

The committee made it plain that it is merely seeking for information upon which a report may be formulated, and has no antagonistic motives. Some of the members, however, have very pronounced views on excess commissions, incompetent agents, preferred business, undue extension of the brokerage system and other evils of the business, and will seek light on these points. The committee several months ago sent a list of questions to the companies bearing upon the matter of agents' com-

Hanover Fire

INSURANCE
COMPANY
of New York



Agencies
in all the Principal Places
in the United States.

TO WIN IN COMPETITION

Represent the Company whose agents have the strongest fighting material and the most telling arguments. Everyone knows the superiority in low cost to policyholders, (due to high interest earnings, low death and expense rate) of

THE Union Central Life Insurance Co. of Cincinnati.

Assets, \$74,523,966.28
Liabilities, \$72,324,302.92

JESSE R. CLARK, President.
ALLAN WATERS, Sup't of Agents.

T H E PROVIDENT LIFE AND TRUST COMPANY OF PHILADELPHIA

Insurance in Force, \$214,509,255.00
(Paid for Basis)

Assets \$70,514,350.45
(Market Value, Dec. 31, 1909)

Contingency Reserve . \$9,207,276.38
(Inclusive of Capital Stock, \$1,000,000.)

The Provident has been particularly distinguished for the development of a highly trained force of agents. The systematic instruction which its agents receive has resulted in their being recognized as representatives of exceptional knowledge of the business and of marked efficiency.

missions revealed in various sections and in certain cities.

Address of Commissioner Barry at Luncheon of Chicago Board.

The April luncheon of the Chicago Board of Underwriters held yesterday at the La Salle Hotel was made unusually notable by the presence of the State insurance commissioners. James V. Barry, of Michigan, former president of the National Convention of Insurance Commissioners, was the speaker of the day, and the guests included John A. Hartigan, of Minnesota, the present president; T. H. MacDonald, of Connecticut; Joseph Button, of Virginia; Frank H. Hardison, of Massachusetts; Charles C. Lemert, of Ohio; Reau E. Folk, of Tennessee; Samuel McCulloch, of Pennsylvania; Henry D. Appleton and Nelson B. Hadley, of New York, and W. S. Tift, of Minnesota. Charles Nelson Bishop, president of the Chicago board, acted as toastmaster.

Mr. Barry, who has a notable reputation as an after-dinner speaker, wove a lot of good stories into some sound advice for the insurance interests. He urged that the companies take the lead in correcting the evils of the business, rather than delay action and compel the States to reform abuses by law. He held that the reduction of the fire waste was the most important question before both the insurance companies and the public, and should be encouraged in every possible way, and declared that the solvency and ability of the companies to fulfill their contracts was more important to the public than ill-considered reductions in rates at the expense of solvency.

WHOSE SURPLUS IS IT?

The hearing of the suit brought by Leon Blanchard, to compel a division among the stockholders of the Prudential Insurance Company of surplus funds amounting to \$16,000,000 will be resumed in Newark, N. J., to-morrow.

It is said that no matter what the decision, it is certain that the case will be carried to the highest court. Joined with Blanchard in the suit are the additional stockholders representing about 8,700 shares out of a total of 40,000. Although the plaintiffs represent only a few of the stockholders, it is no secret that there are many others who would be glad to see them succeed. The majority of the stock is owned by the Fidelity Trust Company of Newark, and it is generally understood that John F. Dryden, president of the Prudential, and other members of his family own the ma-

jority of the stock of the Fidelity. The Prudential's capital is \$2,000,000 and dividends of 10 per cent. are paid on the stock. The price of the shares has gone as high as 800, and it is said that even higher figures have been paid by some of the parties to the suit. The present quotation is 550.

This is practically a contest between policyholders and stockholders. Within recent years the active management of the company has considered that the surplus is much larger than is necessary to safety and it has been the practice to return to the policyholders various portions of it, and this is the issue now joined.

LIFE INSURANCE IN MEXICO.

H. E. Bouchier, who is director-general for the Mutual Life Insurance Company of New York, in Mexico, is at the Imperial, and he says that Mexico is about to adopt laws governing insurance.

"They have never had insurance laws in Mexico," said Mr. Bouchier yesterday. "In fact, the life insurance business down there was not important until a few years ago. Now they are preparing a new code for life insurance, following out the line of the present finance minister's idea of putting everything on a sound basis. There are now four New York companies, two Canadian and three Mexican companies doing business down there. The fire insurance companies are mostly English, though there are a few German and American.—"New York Commercial," Tuesday.

James Dwight Orne has been appointed superintendent of the liability department of the Prudential Casualty Company of Indianapolis. Mr. Orne for the past six years has been assistant manager of the liability branch of the General Accident, prior to which time he was with the Ocean Accident. He will resume his new position on May 1.

CUR

Course of Insurance Education.

Department for Furnishing Prospects.

New "Model Policy"

Will Plough the Field and Assure the Harvest for Good Agents.

Phoenix Mutual Life

INSURANCE COMPANY,
Hartford, Conn.

Write Home Office.

201ST YEAR.

SUN

Insurance Office
OF LONDON.

FOUNDED 1710.

UNITED STATES BRANCH:

54 PINE STREET, NEW YORK.

WESTERN DEPARTMENT:

171 LA SALLE ST., CHICAGO.

PACIFIC DEPARTMENT:

Sansome & Sacramento Sts.,
SAN FRANCISCO, CAL.

AGENTS WANTED
AT UNREPRESENTED POINTS.

Organized 1871

Life Ins. Co. of Virginia

Home Office, Richmond, Virginia.

J. G. WALKER, President.
T. W. PEMBERTON, 1st Vice-President.
W. L. T. ROGERSON, 2d Vice-President.
E. D. HARRIS, Secretary.

The OLDEST Southern Life Insurance Company.
The LARGEST and STRONGEST Southern Life Insurance Company.
The PIONEER Southern Industrial Life Insurance Company.

Its policies are clear and definite in their provisions and their values are absolutely guaranteed.

Assets Dec. 31, 1909.....	\$5,372,691.99
Liabilities Dec. 31, 1909.....	4,312,405.32
Insurance in Force Dec. 31, 1909	68,337,613.00
Total Payments to Policyholders since Organization	9,820,412.49

Royal Exchange Assurance

OF LONDON.

Incorporated by Royal Charter A.D. 1720.

UNITED STATES OFFICE:

92 William Street

New York City

UBERTO C. CROSBY, General Manager.

RICHARD D. HARVEY, Assistant General Manager.

A COMET AND A TALE.

Chicago (Special).—The Associated Press furnished the afternoon papers of Chicago some juicy news last Friday when it gave part of Actuary Roche's report on his examination of the Consolidated Casualty for the West Virginia department. Out of the "graveyard" was resurrected the much used picture of the "former Assistant Secretary of the Treasury," and it was made to do service once more.

Mr. Roche's report certainly gives some men in Chicago ground for saying, "I told you so." The opposition to the Consolidated Casualty was not due to any great extent to fear that it was going to be a competitor, but to the belief that it was a "con game" designed to fleece the public and destined to bring disgrace to the casualty business and to Chicago. Nearly, or quite, every new development so far has added proof that those who thought these uncharitable thoughts were sound in their upper stories.

The one praiseworthy thing the company has done in its short but spectacular career was to "can" the crowd responsible for its misfortunes and disrepute and install as general manager a man who has had as much of a hand as anybody in exposing to the public gaze what they were doing, viz.: J. W. Scherr, Deputy Insurance Commissioner of West Virginia.

Mr. Armstrong, the deposed president, who is accused of looting the company, is out with a statement in which he takes emphatic issue with the examiner's report. He says he has been the victim of a plot and a horrible conspiracy. His ability as a high roller and money spender (and some folks even suggest "four-flusher") enters not into his computation. His juxtaposition to millions of Uncle Sam's sound dollars of the realm during his incumbency of a plush chair and highly upholstered office in the Treasury at Washington, with automobile auxiliaries, must have created by familiarity a contempt for money that developed his financial genius to the point at which he spent \$100,000 cash to secure a premium income of \$13,000.

In his statement the doughty Robert says in part:

Armstrong's Denial and Defiance.

"The report reflects the hostility which the company has encountered from its inception. For practically two years there has been apparently an organized effort to assassinate the company. These guerilla methods of the competitors of the company were

encountered on every hand and enormously increased the expense of organization. I have been warned scores of times in the last two years that the Consolidated and myself would be put out of business.

"The president of one surety company, member of the Surety Trust, told me that the only hope that the Consolidated had in continuing in business was to join the Surety Association, otherwise known as the Surety Trust. More recently I have been warned that the failure to maintain rates would mean annihilation of the Consolidated. This warfare of combined interests on the Consolidated prevented it from being licensed in a number of States where it had spent money and time to secure stockholders and a complete agency organization.

"Temptation has been very strong during the last year for me to throw up my hands and abandon the company. I have stuck to the task, however, as a matter of duty to the stockholders. I have not benefitted in any respect from the two years' work which I have given to the company, a large part of my salary being spent in the expenses necessary to the organization of the company. There has been nothing to my knowledge in the conduct of the company that has been irregular. If mistakes were made they were mistakes of judgment and such as usually come in the organization of a new proposition.

"The statement is untrue and misleading in many particulars. Without having access to the records, I should say that the item of income was approximately correct. The impression is given that the assets of the company have been dissipated until only \$191,000 remained. This is palpably untrue. The latter figure is arrived at by scaling down values and throwing out of consideration bank accounts and other good assets. The assets of the company are some place

between \$300,000 and \$400,000, and the difference between this figure and the income is represented by disbursements properly accounted for.

"That the management made false entries in the books of the company is also untrue, and likewise is the statement that false returns were made to the Insurance Department of West Virginia. Incorrect entries on the books when discovered were corrected, and in regard to the item of \$2,312 referred to as an overdraft on my salary, I desire to say that this is composed of a number of items of expenses incurred by me and incorrectly charged to salary, and afterward correctly entered as it should

The Connecticut Mutual

That means the best life insurance to have and the best to sell. If you can sell life insurance, you can sell more of it for the CONNECTICUT MUTUAL.

Men of Character and Ability are invited to apply.

Conn. Mutual Life Ins. Co.,
Hartford, Conn.

Please mention this paper.

COMMERCIAL - UNION

ASSURANCE CO.,

(LIMITED)

OF LONDON.

OFFICE;

Cor. Pine & William Sts.

NEW YORK.

COME AND PROSPER

Among the 15 largest American companies (excluding industrials) this is our 1909 ranking:

First place in percentage of gain in insurance in force; *third place* in gain over 1908 in amount of paid-for new business.

New business first quarter of 1910 far in excess of first quarter of 1909. Our agents are busy and prosperous—and are not driven by the Home Office.

New York Agency: 1401 Empire Building, 71 Broadway.

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY,

Springfield, Mass.

Incorporated 1851

bc, in miscellaneous expenses, this amount being used in traveling and other necessary and proper expenses in the organization of the company."

The Commissioner Has a Word.

This is interesting in view of the official memorandum just furnished "The Chronicle" by Insurance Commissioner Darst, of West Virginia, in which he says:

"Notwithstanding the deplorable condition in which the Consolidated Casualty Company was found when the department first took charge of the books and records of the company, I am glad to announce that through the prompt and vigorous action of the directors the company has sufficient funds remaining with which to continue in business. Criticism of the former management cannot be put too severely. It is doubtful if anything in the history of the insurance business, from a standpoint of extravagance, can approach what has been revealed in the examination of this company.

"Our examiner very properly threw out of the assets everything of a questionable character and reported only that which the company is in actual possession of, and I am, therefore impressed with the belief that it is more than probable that with proper management a considerable sum can be realized from the non-admitted assets. The stockholders of the company at its meeting on the 11th inst. took the necessary legal steps to reduce the capital stock from twenty-five dollars per share, par value, to ten dollars per share, which leaves the company in actual possession of one hundred and forty thousand dollars capital and a net surplus of \$51,617.54. Upon this showing and not taking into consideration any of the items not admitted in the examiner's report, upon which the company expects to realize, I have licensed the company to transact the business of accident and health insurance in this State. The company has placed on deposit with this department approved securities amounting to one hundred thousand dollars for the protection of its policyholders.

"As to the future of the company, I am of the opinion, judging from the personnel of the organization, that there is no reason why it should not take its place among the many reputable companies doing business throughout the country, and, with careful and economical management, meet with success.

"Mr. McChord, who has been selected as its executive head, impressed me as being a man of sterling integ-

rity, and his wisdom throughout the investigation of the company's affairs has convinced me of his sincere intentions to put the company on its feet. The board of directors is made up of men of large business affairs and is in a position to render inestimable service to the executive management in the upbuilding of the company.

"J. W. Scherr, who has been chosen as general manager, has been connected with the Insurance Department of the State for nearly twelve years. Mr. Scherr undertakes the task with a full knowledge of the company's troubled career and, consequently, must have faith in its future under the re-organization. His experience with the various phases of insurance matters and his wide acquaintance with the insurance fraternity, coupled with his reputation for conservatism, should commend him to the public with which he will have to deal.

"This department takes the position that honestly and wisely managed insurance companies should be encouraged, and I would not knowingly put any obstacle in the path which would retard the progress of a legitimate enterprise. I am thoroughly satisfied with the present condition of the Consolidated Casualty Company and its management."

The Pennsylvania Casualty Company, of Scranton, Pa., has completed arrangements with the Western Union Life of Spokane, Wash., to reinsure its accident and health policies.

SPECIAL OPPORTUNITIES offered now in Southern States to Representatives of

CITIZENS LIFE INSURANCE CO.

W. H. GREGORY, President.

"THE COMPANY WITH THE PYRAMID"

40 CONSECUTIVE YEARS OF PYRAMIDAL PROGRESS

ASSETS & SURPLUS	
1910	\$1,154,810.10
1909	1,063,800.52
1908	915,122.37
1907	865,147.92
1906	810,192.38
1905	765,147.92
1904	710,192.38
1903	665,147.92
1902	610,192.38
1901	565,147.92
1900	510,192.38
1899	465,147.92
1898	410,192.38
1897	365,147.92
1896	310,192.38
1895	265,147.92
1894	210,192.38
1893	165,147.92
1892	110,192.38
1891	65,147.92
1890	20,192.38

NEW HAMPSHIRE FIRE INSURANCE CO.

TOTAL LIABILITIES	
1910	\$2,585,953.23
1909	2,437,319.76
1908	2,288,680.05
1907	2,139,040.12
1906	1,990,400.42
1905	1,841,760.71
1904	1,693,120.99
1903	1,544,481.28
1902	1,395,841.57
1901	1,247,201.86
1900	1,098,562.15
1899	949,922.44
1898	801,282.73
1897	652,643.02
1896	504,003.31
1895	355,363.60
1894	206,723.89
1893	58,084.18

TOTAL LIABILITIES \$2,585,953.23
POLICY-HOLDERS' SURPLUS \$2,610,064.23

Liability
Boiler
Plate Glass



Accident
Disability
Fly Wheel

Automobile Liability and Defence
Employers' Compensation Insurance

Casualty Company of America

HOME OFFICE KUHN-LOEB BUILDING 52-54 WILLIAM STREET NEW YORK

SEEMS IN EARNEST.

About five years ago some leading progressive spirits at Chattanooga began the organization of a company, under the broad charter obtainable under Tennessee laws, to write the several lines of casualty and surety insurance. At that time the laws required a deposit for the special protection of the citizens of the State, and this provision, by the application of the retaliatory laws of other States, practically prevented a company operating outside the State. This served to kill the project. However, the seed sown at that time seems to have borne good fruit, because the deposit requirement was afterward repealed by the legislature and since then several projects have been launched at Memphis, Jackson, Nashville and Chattanooga, as well as in the neighboring States of Georgia, Alabama and Kentucky, but the only one that promises any measure of successful completion is the latest, the Interstate Accident, of Chattanooga, which appears to be in the hands of highly reputable people, leading citizens of the Lookout City.

The leading spirit in the movement is H. D. Huffaker, general agent of the Central Union Life, who will resign July 1 to devote his entire attention to the development of the proposed enterprise. The capital proposed is \$200,000, but no provision seems to have been made for a working surplus and an article on another page of this issue, which refers to the handicaps of the small company, as evidenced by the experience of one in Philadelphia, is peculiarly applicable to this new venture.

The day of the single line company with inadequate capital and working surplus has passed, but Chattanooga has ample financial ability to make as big a company as those of New York, Baltimore or Hartford, now in practical control of the whole surety and casualty field. If the incubators of the enterprise have foresight sufficient to engage a high class of experienced managers and will realize that the only hope of success is in paying for brains, there is no reason why the undertaking cannot succeed under central direction from Chattanooga as well as one from New York or any other point.

The recent remarkable industrial and commercial development of the South, of which Chattanooga may properly be called the center, especially from a railway standpoint, and which is destined to continue for many years, affords ample assurance that a casualty and surety company on multiple lines and under compe-

tent management would find it difficult to score a failure.

"Lookout" Fitting.

If a tender of advice will be pardoned it is in order to suggest that the corporate title selected for the proposed company will be found a serious handicap when it enters the multiple casualty and surety lines, as it has announced its intention of doing.

Why not the "Lookout Casualty Company?"

WANTED: PEACE.

Burglary insurance men in Chicago report conditions satisfactory now. It is said that certain of the New York contingent have not yet gotten over being offended because the Chicago people settled the question there according to their own ideas instead of according to the program laid down in New York, and that two or three managers in Chicago have been obliged by their companies to withdraw from active membership in the conference. As they are not creating any disturbance, nobody seems to care much. The Chicago burglary insurance men want peace more than a compact.

A BIG MARINE LOSS.

The Minnehaha, of the American transatlantic liners, is still on the rocks off the Cornish coast of England. The "trust" carries its own vessel insurance, and the loss is sure to be a heavy one, even though the big steamer is pulled off the rocks of Scilly Islands, where she is now firmly wedged. The indications at the moment are that she will be a total loss.

The cargo is insured, but there is a good prospect that most of it will be salvaged. This, however, is largely contingent upon good weather conditions. Cable advices from Lloyds

indicate that a reinsurance policy, if issued at all, will be at a heavy premium. On Monday the premium was 40 per cent.

The Minnehaha sailed from New York on April 9. She was not built to make fast time, but is patronized by many who prefer a leisurely transatlantic voyage. She is considered one of the staunchest vessels of the line, and Captain Layland is regarded as a careful and experienced navigator.

The Minnehaha was built at Belfast in 1900 and registers 8,637 tons net. She measures 600.7 feet in length.

An ordinance has been passed to print by the San Francisco Board of Supervisors providing that the city shall pay the premium upon indemnity bonds secured by members of the Board of Public Works against the chance of their being held liable for damages claimed by persons suffering injuries through the tearing up of streets and other improvement work authorized by the Public Works department.

A General Agency is open
in the State of

PENNSYLVANIA

For one of the best Old Line
Companies in America

Write "B," care of this paper

UNITED SURETY COMPANY

BALTIMORE, MD.

HENRY G. PENNIMAN PRES.



JOHN B. MURPHY,

Resident Vice-President.

84 WILLIAM STREET - - NEW YORK

Telephone, John 1770 - 1771.

COURTING UNKNOWN SORROW.

A committee of the Chicago Board of Fire Underwriters recently sent a circular letter to members inquiring as to their views on the advisability of reducing rates on preferred business in consideration of the use of a co-insurance clause in policies on this class. For some reason not much has been said about the matter. What the committee will recommend to the board or whether it will recommend anything is not known yet. There is some sentiment in the board in favor of a reduction in preferred rates, but every time the question has been put to the test this element has proved to be in the hopeless minority. It is possible that there has been some change of sentiment of late. It would be a serious reflection on the intelligence of the membership of the Chicago board not to give it credit for sense enough to see that preferred rates and excessive expense in Chicago are the two questions, for the solution of which legislation is most likely to be invoked. Surely there are some agents in Chicago who are well enough satisfied with the present preferred rates who would prefer to make concessions to public sentiment rather than have the legislature attempt regulation.

1909 DIGEST READY.

The 1909 edition of the "Insurance Digest" is now ready for delivery. This is the twenty-second volume and it contains more matter than the preceding books, exceeding the volume for last year by 80 pages—fifty more insurance cases were decided by the courts of last resort during 1909 than during the year 1908.

The relation between the number of cases on the different kinds of insurance is well maintained year by year. In the book just published there are 195 cases on fire insurance questions, 155 on life insurance policies, 140 on fraternal, 59 on accident, 16 on marine and 113 involving miscellaneous insurance.

The "Insurance Digest" is published by The Rough Notes Company, Indianapolis; the annual volumes sell for the small sum of \$3.50, including the expressage. The reprinted set of of twenty volumes sell for \$36.00.

STILL COMING.

Three new surety and casualty companies are being projected in this city at the moment; at least the legal form of advertising their application for a charter is being complied with.

Their titles as set forth are: Independent Surety Company, Government Surety Company, and The Life

and Casualty Company of New York. There is also another advertisement running in which no name is given, a rather singular form of proceeding.

There is much speculation being indulged regarding these several companies. One rumor is that one of them is merely a "strike bill," aimed as a protest against present rates of surety companies by a number of prominent building contractors of this city. Another one is reported as being promoted by parties who have no practical knowledge of the surety or insurance business and without the aid of skilled legal advice and experience.

On the whole there is a lack of that which is calculated to inspire confidence in their ultimate reaching of the goal, but they indicate the very general and widespread interest in casualty and surety development.

CHICAGO NOT FULLY "TONED."

Chicago (Special).—The transfer of the center of insurance company promotion activities to New York is pretty tough on Chicago. Following so closely the removal of the Consolidated Casualty to Charleston, it looks as if Chicago was retrograding as an insurance center. The city still has the Midland Casualty, the Imperial Accident and a few more in the incubator, so it is not entirely without hope.

As a result of the recent fight of President Joyce, of the National Surety, the threatened demoralization of the local surety rate situation at San Francisco has been at least temporarily avoided. The trouble started from sharp competition between the Pacific Coast Casualty and the Pacific Surety. Both companies are members of the National Association and the whole matter will be brought up for adjustment at the next meeting.

The Columbian National Life INSURANCE COMPANY OF BOSTON, MASS.

LIFE, ACCIDENT AND HEALTH
INSURANCE.

The Only Massachusetts
Non-Participating Company

The New Columbian Policies (Sept. '09)
are Unexcelled in Clearness and Liberality.

Good Contracts and Territory for
Good Producers.

ARTHUR E. CHILDS, President.

Germania Fire INSURANCE CO., NEW YORK.

ORGANIZED 1859.

Cash Capital.....\$1,000,000.00
Assets.....\$6,562,329.14
Net Surplus.....\$2,008,419.02
Surplus for Policyholders,\$3,008,419.02

HEAD OFFICE:

Cor. William and Cedar Streets.

HARTFORD LIFE INSURANCE COMPANY, OF CONN.

1909 Policies are Participating, or
Non-participating, with Lower Rates
and Values based on FULL RE-
SERVE.

For Right Contracts,

Address, Second Vice-President,

Home Office, HARTFORD, CONN.

BONDS OF SURETYSHIP.

The Guarantee Company of North America HEAD OFFICE, MONTREAL

Edward Rawlings, President.

H. E. Rawlings, Asst. Mgr.

Richard B. Scott, Secretary & Treasurer.

It is the Pioneer Company, was established in 1872, and is conducted under a conservative management of over 55 years experience.

It has recouped to employers over \$2,190,000 for losses sustained by the infidelity of employees and has a surplus of \$1,041,423.23 to credit of shareholders and total resources of \$1,919,892.38 for the security of insured.

Branch Offices:

NEW YORK: 111 Broadway,
D. J. Tompkins, Secretary.
BOSTON: 114 Milk Street,
W. A. Hamilton, Agent and Attorney.
CHICAGO: Room 100, The Temple,
J. R. Pruyn, Resident Sec. and Atty.
PHILADELPHIA: 500 Arcade Bldg.
W. H. Jackson, Res. Secretary.
PITTSBURGH: 1120 Farmers Bank Bldg.
E. R. Munro, Resident Secretary.
LOUISVILLE: 316 Columbia Bldg.
P. N. Clarke & Co., Agents.

UNITED INSURANCE, OF ARIZONA.

When the genius of New Jersey's legislature passed an incorporation act some years ago that has since afforded a volume of revenue from taxation that paid the State debt, debauched the membership, and earned the title of the "Traitor State," the monopoly was naturally destined to a short life and a merry one, as indicated by the closing scenes of the legislature last week.

Every other of the preying and grafting elements among the legal profession throughout the Union immediately took the cue and got into competition for the rich intake, a la the Dakota and Nevada "improved" divorce laws of to-day, as they were initiated and for long practiced by Illinois.

Not to be outdone a number of the States and even the District of Columbia, by act of Congress, set a new pace in incorporation liberality and inducement. Under exalted example it is not surprising that the Territory of Arizona, one of the finest regions in America, but populated entirely by voluntary and involuntary expatriates, should become infected by the microbe and enact a corporation law that went all the others several better. (Incidentally it may be stated that this has had much to do with creating a sentiment in favor of Arizona's claim to Statehood in order that the conditions created might be rectified under a State constitution.)

Under this omnibus incorporation act of Arizona, as it now prevails, a charter may be obtained that has not the slightest shade of limitation. It's to get the money. It was under this act of incorporation of the Territory of Arizona that Van Laningham obtained a charter for the United Insurance Company, the prospectus of which proclaims that it is designed to purchase all classes of insurance companies and "hold" them, eventually to own everything in insurance and to write all the insurance, not only of the United States but of the entire earth and the waters below it.

Now comes the United with an application to the Territory of Arizona for amendments to its already malodorous charter and its hopelessly discredited and disrated standing in reputable financial circles.

One amendment provides that Article 3 of the charter be amended by the addition of the following:

To subscribe for, buy, sell and deal in the shares of stock of the capital stock of other companies. To manage, operate and direct the management and operation of

any insurance company while the owner and holder of shares of the capital stock of such company, and to exercise all the rights and privileges of ownership, including the right to vote thereon.

Another amendment asked for is to Article 4 in the addition of this sentence:

The balance to be sold during the term of this charter at not less than par, to subscribers, for cash, or installments of cash, or subscribers' evidence of indebtedness convertible into cash, or installments of cash, and at such price or prices above par to ultimately accumulate a total surplus of \$40,000,000.

The application is made by Paul S. Knowles, vice-president, and attested by Stewart Goodrell, secretary, of Chicago, Ill.

Following this information comes from Chicago a dispatch:

Stewart Goodrell, vice-president of the United Fire, has transferred his headquarters from Chicago to New York. Secretary Knowles has charge of the Chicago office.

The United Fire Insurance Company of New York is one of the many subsidiary companies to be formed by the United Insurance Company of Arizona and it has already procured a charter in this State. Coincident with this announcement comes the information that Van Laningham has abandoned the promotion game in California, where he went a few months ago, and has returned to New York to resume his skilled and expert activities of hypnotizing the unsophisticated investor. Address: 100 William street, New York City.

B. St. D. Thomson, who has long been connected with the Chicago "Record-Herald," has taken charge of the advertising and publicity department of the Continental-Fidelity-Phoenix at the home offices in New York. Mr. Thomson has had much experience in that line and will be a valuable acquisition.

"The Leading Fire Insurance Company of America."



WM. B. CLARK, President.
W. H. KING, Vice-President.
HENRY E. REES, Secretary.
Assistant Secretaries,
A. N. WILLIAMS, E. S. ALLEN,
E. J. SLOAN, GUY E. BEARDSLEY.

1860 50th YEAR 1910

HOME LIFE

Insurance Company of New York.

GEORGE E. IDE, President.

Assets	\$23,626,018.63
Liabilities	21,858,691.52
(Including Deferred Dividend Fund)	
Dividend Endowment Fund	
(Deferred Dividends)	2,119,044.00
Net Surplus	1,767,327.00
Insurance in Force	92,532,583.00

The record for 1909 shows the following GAINS:

Insurance in Force	\$4,164,239.00
Assets	1,917,117.00
Deferred Dividend Reserve	148,581.00
Contingency Reserve (Surplus)	655,149.17

INCORPORATED 1833.

British America

Assurance Company

HEAD OFFICE, TORONTO, CANADA

UNITED STATES BRANCH.

JANUARY 1, 1910.

Assets	\$1,556,740.94
Liabilities	902,438.61
Surplus	\$ 654,302.33

Hon. GEORGE A. COX, President.
JOHN HOSKIN } Vice-Presidents.
W. R. BROCK }
W. B. MEIKLE, General Mgr.

The Best, Safest, Most Liberal and Most Equitable Forms of Policy Contracts are issued by the

JOHN HANCOCK MUTUAL LIFE INSURANCE CO. OF BOSTON, MASS.

ROLAND O. LAMB, President.

WALTON L. CROCKER, Secretary.

Issues the Most Perfect Forms of Life, Endowment, Instalment and Term Policies Greatest Sellers in the Market.

LIBERAL CONTRACTS TO THE RIGHT MEN.

ROBERT K. EATON, Supt. of Agencies, Boston.

WILLIAM N. COMPTON, General Agent, Metropolitan District,
St. Paul Building, 220 Broadway, New York.

WHERE FRIENDSHIP CEASES.

Considerable bad blood has been stirred up by the affair at Lincoln, Ill. Agent E. F. L. Rautenburg has represented the Continental there for eighteen years. He also represents seven non-union companies. Recently State Agent McAnally of the Continental discovered that Mr. Rautenburg was copying the Continental's register. Mr. McAnally transferred the company to another agent and then canceled and rewrote the business at rates that would get it. He did not disturb the business of other companies in the agency, with the exception of a few policies of the Northwestern Underwriters' Agency.

As usual there are two sides to this question, as to all others. The Continental claims Mr. Rautenburg told Mr. McAnally that he would not represent any company that would not pay him more than union graded commissions, and Mr. McAnally holds that the fact that the register was being copied was sufficient evidence that the agent intended to strip the company's books.

According to what Mr. Rautenburg has told special agents of other companies he did not desire to lose the Continental, but would rather have kept it on a 15 per cent. commission scale than give it up. He admits that he was copying the Continental's register, as he wanted to be on the safe side in case the company should decide to leave him. He says he had no assurances that it would stay with him. He also charges Mr. McAnally entered his office in the morning before he got there, while the janitor was telephoning him to come down, and thus secured the information that the register was being copied. Mr. Rautenburg has sued the Continental and its State agent for \$20,000 for alleged conspiracy to ruin his business, and threatens to sue Mr. McAnally for trespass in addition. He claims that Mr. McAnally went to his customers, told them that he (Rautenburg) had overcharged them and that he (McAnally) was ready to take up the policy, give them a new one and pay them a return premium in addition.

Mr. Rautenburg is described by one of the other special agents as a dignified, inoffensive old German, who stands so high in his community that he is being prominently spoken of as a nominee for State Senator this fall. He is not a man of large means, and told his other companies that if they wanted to enter into any fight in the town they would have to do it themselves, as it would ruin him to have his business cut to pieces.

The belief exists in some quarters that the Continental chose Lincoln as the place where it would give warning to other agents of what they might expect if they undertook to switch the Continental's business because of its having entered the union.

Will Cause a Stir.

There is no doubt that this case will cause a stir among local agents who do not even represent the Continental, and have no personal interest in the case further than the generally established principle of ownership by the agent of the business on his books, and an appeal to rate-cutting to hold business for a company, are concerned.

Another feature of the case is the possibility of Mr. Rautenburg's being a member of the next legislature of Illinois. If he is a man of such standing as his friends claim, he will be the subject of much sympathy in his community. What one man in a legislature can do to insurance companies is well known in the West, as well as in New York. Blanchard, the father of the notorious anti-compact law of Iowa, was a local agent whom the State board disciplined. He went to the legislature and the companies have been paying reprisals for it ever since.

TUTTLE SELLS AGENCY INTERESTS.

Robert R. Tuttle has sold all of his stock in the Syracuse Fire Office, the corporation through which his local business in Syracuse has been transacted for the past fourteen years. He decided to take this step because his time was so occupied with the Protective Fire Insurance Company, the new Syracuse company of which he is to be general manager; also because the Syracuse Fire Office is a non-board agency and he desires for the Protective Fire the good will of all of the Syracuse agents. Should Mr. Tuttle re-enter the local business, a right to do which he has reserved, his business will conform with board rates.

Hartman & Thompson, representatives of the United States Fidelity & Guaranty in Portland, Ore., have been placing the bond for \$1,250,782 for the contractors who are installing the second Bull Run pipe line into Portland. The United States Fidelity & Guaranty takes \$500,000 of the bond and the Title Guaranty & Surety \$250,000, the rest being distributed among other companies. The contractors are the Shaw-Batcher Company of Sacramento, Cal. The first premium on the bond is \$7,873.

The South Dakota department has granted a license to the North American Guaranty of Minneapolis, an accident and health company.

THE BANKERS LIFE ASSOCIATION

DES MOINES, IOWA.

ERNEST E. CLARK, President.

Exceptional Record During twenty-nine years for

**LOW RATE OF MORTALITY
ECONOMY OF MANAGEMENT
PROMPT PAYMENT OF CLAIMS
SECURITY OF ITS FUNDS**

and satisfactory results for its policyholders.

LEADING FIRE COMPANY OF THE WORLD



[of Liverpool,

England.]

New England Mutual Life

Insurance Company

BOSTON, : : : MASS.
chartered 1835

Assets, January 1, 1910..\$51,316,543.00
Liabilities 47,050,672.15

Surplus \$4,265,870.85

Sixty-six years of honorable dealing with its policyholders has placed the **NEW ENGLAND MUTUAL LIFE INSURANCE COMPANY** in the front rank of Life Insurance Companies of the Country.

ALFRED D. FOSTER, President.

D. F. APPEL, Vice-President.

J. A. BARBEY, Secretary.

WM. F. DAVIS, Assistant Sec'y.

J. G. WILDMAN, Assist. Sec'y.

EDWARD W. ALLEN, Manager,

220 Broadway, New York.

LATHROP E. BALDWIN, Manager,

141 Broadway, New York.

CHARLES H. STRAUSS, Gen. Ag't,

200 Fifth Ave., New York.

QUAKER CASUALTIES.

The Union National Accident, of Philadelphia, has issued a letter to its stockholders, tendering a proposition which suggests that it may be amalgamated by some larger and stronger company. The letter sets forth that it has been made evident to the management that a small casualty company may not hope to enter into successful competition with a limited capital. Only the companies with ample surplus may hope to survive.

This is the substance of the letter. Continuing, it urges and recommends its stockholders to trustee their holdings with the Fidelity Trust Company of Philadelphia.

The Columbia Securities Company of New Jersey is suggested by the letter as the clearing house for the transfer of stockholdings, the Fidelity Trust being merely the escrow. The plan proposed contemplates an equal exchange of Union National stock for that of the Columbia Securities.

The impression created by this deal and the intimate connection of the Fidelity Mutual Life with the Fidelity Trust, and its well known ownership of the Philadelphia Casualty, is that this is the long anticipated movement for annexing the feeble and the weaklings to some sound company, not only as a matter of civic pride, but as a matter of intelligent self-interest, not to mention public policy.

Philadelphia, with its one single exception, has not been fortunate in its casualty ventures. It has half a dozen small new concerns now putting up a more or less brazen frontage that must shortly be rescued or go to pot.

AGENTS' EXPIRATIONS.

Henry H. Putnam, secretary, National Association of Local Fire Insurance Agents, has issued a pamphlet setting forth the protective principles of the association in regard to agents' expirations.

Definition of Agents' Rights.

The National Association stands for the agent's right and moral right to retain his list of expirations, to be free to solicit the business at expiration on equal terms with other agents and companies, and to transfer the business which he controls by sale to another. When a company retires from an agency for any cause, the expirations in the agency which it leaves should be left undisturbed. The agent is under obligations to keep the business on the books of the company so long as the agency relation shall continue. When a company reinsures,

the agent of the reinsuring company should not solicit the expirations.

In Case of Reinsurance.

Agents of the reinsured company shall continue the business with the reinsuring company until expiration. The reinsuring company will respect the expirations of agents of the reinsured company and not solicit renewals from the insured. The reinsuring company will furnish the schedules of the reinsured company to its agents everywhere for the purpose of enabling them to make endorsements. Agents of the reinsuring company will be instructed not to solicit the expirations where the business of the reinsured company has been acquired by legitimate practices.

Rule for Local Boards.

Members of this board shall consider the knowledge of expirations of risks placed with them by fellow members, or coming into their possession by reinsurance of a company or transfer from one agent to another, as confidential, and soliciting of such risks by them or by others over whom they have control, shall be considered as a violation of the rules of this board and contrary to the spirit of personal honor upon which the association is founded.

NEW YORK'S ROTTEN HOSE.

A committee has been appointed by Fire Commissioner Waldo, of New York City, to supervise the purchase and to examine all hose. Each length will be branded and its history kept at headquarters so that if it proves unworthy in the three years of its guarantee it may be returned to the manufacturer, who must refund or replace it with those of the required standard.

The subject was discussed at fire headquarters Monday by the Commissioner and representatives of fire insurance companies, hose manufacturers, the Merchants' Association and others. The National Board of Fire Underwriters sent representatives from various cities. Chief Croker and other experts were there to explain things.

It was decided that the fire department should get strong and durable hose on standard specifications from the lowest bidder, the bidding to be entirely free and open, marking a distinct departure from former methods of Tammany purchases.

London advices state that a large firm of brokers and underwriters at Lloyds, London, are in trouble and may not pull through.

The Employers' Liability

Assurance Corporation, Ltd.

LIABILITY, STEAM BOILER,
ACCIDENT, HEALTH, FIDELITY
and BURGLARY INSURANCE.

UNITED STATES BRANCH.

SAMUEL APPLETON, United States
Manager,
Employers' Liability Building,
33 BROAD STREET, BOSTON, MASS.

EDMUND DWIGHT,
Resident Manager for New York State
66 MAIDEN LANE, NEW YORK.

AGENTS WANTED.

A PENN MUTUAL PREMIUM, less a
PENN MUTUAL DIVIDEND, pur-
chasing a PENN MUTUAL POLICY,
containing PENN MUTUAL VALUES,
make an INSURANCE PROPOSITION
which in the sum of ALL ITS BENEFITS
is unsurpassed for net low cost and care
of interests of all members.

**THE PENN MUTUAL
LIFE INSURANCE COMPANY
OF PHILADELPHIA**

On January 1, 1909, rates were reduced
and values increased to full 3% reserve.

—THE—
Philadelphia Casualty Co.

WALTER LE MAR TALBOT, Pres't.

Our New Accident Policy Is Perfection.

**It's the Policy Your Client Wants.
It's the Policy That's Easy to Sell.**

**Personal Accident, Health, Liability
Automobile, Plate Glass and
Credit Insurance.**

Agency Correspondence Solicited.

**A first class life under-
writer with a successful
field record, and an un-
tarnished reputation can
secure good open terri-
tory by addressing**

**SECURITY MUTUAL LIFE
INSURANCE COMPANY
Binghamton, N. Y.**

HOW THIS GUN KICKS.

The decision of the Western Union last week to restore the relief rule to active service will bring joy to the hearts of some of the union agents and field men who have been losing business while it was not being used. At the last meeting of the Illinois State Board there was much complaint of the loss of business to non-union companies. The governing committee suspended the relief rule some time after the abuses of it had received a good airing at the hearing before the Illinois Fire Insurance Commission at Quincy last fall. That put the union companies at a disadvantage. There being no anti-compact law in Illinois it is incumbent upon them to adhere to the advisory rates. With a power at hand to absolve them from this obligation they were able to meet the situation when non-union companies cut the rates, but with that power palsied they were helpless unless they took the matter in their own hands and cut rates too.

It is rather to be regretted that this question can not be handled satisfactorily without giving the governing committee a power over rates which it has claimed, in theory at least, not to have. There is, of course, a distinction between making rates and legalizing the breaking of them, but the exercise of either is likely to be popularly construed as exercise of control over rates. However, a body of practical insurance men is not likely to hesitate long over a name or a theory when confronted with the loss of desirable business. Insurance companies are not organized primarily for the purpose of posing as beautiful examples of adherence to good practices or good theories.

FOR A GUILLE DAY.

Department managers, general agents and special agents of the Sun Insurance Office, north, east, south and west, are busy framing up a new business day for May 11 next in commemoration of the 25th anniversary of Manager Guile's American control. A supply of a neat form of paster in silver and blue, showing the insignia of the Sun in the center, surrounded by the words "Complimentary to Manager J. J. Guile, 1885-1910" is being placed in the hands of the agents to be attached to daily reports of risks written in honor of the occasion. It was the intention of the staff to make the premium shower a surprise to the manager, but the project gained such momentum that the cat slipped out of the bag, and now some other companies and their

agents are actually going to complement the movement by contributing to "Guile Day."

Mr. Guile sails for London on the Lusitania May 18 to take part in the celebration on June 1 of the company's 200th birthday.

The annual banquet of the Life Underwriters' Association of Buffalo will be held at the Iroquois Hotel in that city Saturday. The principal speakers will be William H. Hotchkiss, Superintendent of Insurance; John W. Whittington, president of the National Association of Life Underwriters, and A. F. Sheldon, of Chicago.

Fire losses in Galveston during the past year are covered in a report by Chief Gernand of the Galveston fire department, who shows a total insurance loss of \$126,816 out of a total insurance involved of \$598,297. The property loss was \$1,486,200 insured and uninsured. During the year only four fires out of 296 extended beyond the building in which they originated.

Announcement is made of the engagement of George E. Kline, vice-president of the Continental and Fidelity-Phenix, to Miss Frances B. Cooper, of Great Falls, Montana. The news will be of surprise as well as of deep interest to Mr. Kline's friends.

F. M. Pond, for several years special agent of the Phenix of Brooklyn in Nebraska, has been appointed State agent of the Fidelity-Phenix in the same territory, being assisted by A. F. Siefken as special agent.

MEN OF ENERGY ARE OFFERED WORK OF MOMENT

in desirable localities representing a sixty-year old institution, with modern, liberal, law-conforming policies, and helpful Home office co-operation. Much good territory available. Many opportunities for advantageous positions. Inquire NOW.

UNION MUTUAL LIFE INSURANCE COMPANY PORTLAND, MAINE

FRED E. RICHARDS, President.

Address
either:

ALBERT E. AWDE,
Supt., 396 Congress St.,
Portland, Maine.
THORNTON CHASE,
Supt., 405 Exch. Bldg.,
Los Angeles, Cal.

If you can choose your company,
Why not represent

**"The
GREATEST
Health and Accident
INSURANCE
Company in the World?"**

CONTINENTAL CASUALTY COMPANY CHICAGO

H. G. B. ALEXANDER,
President.

LEADS THEM ALL.

Premiums, 1909, - - \$3,156,000

*"Every time the clock ticks,
Every Working hour,
IT PAYS*

*A Dime to Somebody, Somewhere,
Who is
Sick or HURT."*

**Most Liberal Contracts to Agents.
Most Liberal Policies—Prompt Pay.**

1894

1910

The State Life Insurance Company INDIANAPOLIS

UNEQUALLED IN SOLID ACHIEVEMENT

Assets, Dec. 31, 1909...\$8,580,830.58 Surplus, 1909.....\$1,174,606.34

GROWTH UNPARALLELED

Gain in Admitted Assets	Gain in Surplus
1907.....\$1,001,409.00	\$ 27,775.00
1908.....1,023,700.00	153,161.00
1909.....1,201,977.14	314,044.74

**EIGHT MILLION DOLLARS IN SECURITIES
DEPOSITED WITH THE STATE of INDIANA**
This is **\$848,861** more than is required by law

Most Attractive Agency Contract

Our Own Idea Every Contract Direct with the Company
Scores of Good Men Have Joined the State Life Field Force Since Jan. 1, 1910.

On All Agency Matters Address

CHAS. F. COFFIN, Second Vice Pres., 1231 State Life Bldg.

CHICAGO F. I. C.

The Chicago Fire Insurance Club has arranged a course of six lectures on law which begin on Tuesday in the assembly room of the Chicago Board, William R. T. Ewen, Jr., LL.B., of the Chicago bar, speaking on "Law of Contracts." The papers to follow will be: May 24, 1910, "Commercial Paper"; June 14, 1910, "Bailments"; October 11, 1910, "Chattel Mortgages, Bills of Sale, Mechanics' Liens, Attachments, Garnishments, etc."; November 8, 1910, "Real Estate," comprising among other things, Law of Descent, Real Estate Trusts, Landlord and Tenant, etc.; November 22, 1910, "Waiver." A talented speaker will handle each subject.

The Canton Insurance Office, Ltd., of Hong Kong, China, has made application for admission to Oregon. It will write marine lines only and will be represented by the Pettis-Gros-mayer Company of Portland.

COLORADO'S 1909 RETURNS.

"The Chronicle" has been favored by Commissioner W. L. Clayton with the report of the Colorado insurance department covering operations in that State for 1909, which shows that the business has made rapid development and that the Centennial State is a good field for intelligent effort.

The figures are interesting:

	Premiums.	Losses.
130 Fire Co.'s...	\$3,227,903	\$988,526
30 Life Co.'s...	4,511,412	1,455,736
45 Surety and Casualty Co.'s.	1,182,879	504,169
9 Assessment accident concerns	183,886	104,768
Totals	\$9,106,080	\$3,053,199

There are also 80 fraternal life concerns operating with a membership of 98,180, and insurance in force at \$149,790,790. The income and outgo of these concerns does not appear but their total assets as of Dec. 31 is

given as \$82,996,356. Of course this includes all the States.

The fire loss ratio is about normal while the life ratio is below the average, and the surety and casualty is extra heavy, coming perilously near the danger line for a number of the new companies while nearly all of the old ones seem to have kept well within safety lines.

Colorado Companies.

Of the entire number of companies—214—in the foregoing list there are but 9 Colorado concerns with premium income and loss account as follows:

	Premiums.	Losses.
4 Fire	\$117,474	\$25,141
2 Life	400,390	40,000
1 Assessment	36,781	10,608
1 Casualty	18,234	3,789
Totals	\$572,879	\$79,538

From these figures it is apparent that Colorado is a good field for the development of home industries. The figures are deserving of careful comparison and study.

HOME OFFICE OF THE**Metropolitan Life Insurance Co.**

(INCORPORATED BY THE STATE OF NEW YORK, STOCK COMPANY)

The Company OF the People, BY the People, FOR the People

PROOF OF PUBLIC CONFIDENCE

This company has more premium paying business in force in the United States than any other Company, and for each of the last 16 years has had more New Insurance accepted and issued in America than any other Company.

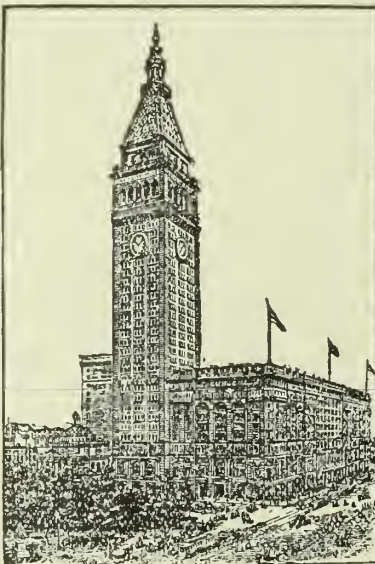
The number of Policies in force is greater than that of any other Company in America, greater than all the Regular Life Insurance Companies put together (less one), and can only be appreciated by comparison. It is a greater number than the Combined Population of Greater New York, Chicago, Philadelphia, Boston, St. Louis, Cleveland, Cincinnati, San Francisco, Pittsburg, Baltimore, New Orleans and Buffalo.

ASSETS.

Municipal and R. R. Bonds and Stocks	\$123,346,161.39
Bonds and Mortgages	105,183,172.02
Real Estate	23,311,215.73
Cash	5,420,643.42
Demand Loans on Collateral	172,930.00
Loans to Policyholders	11,193,245.61
Prem. deferred and in course of collection (net)	5,190,268.45
Accrued Int., Rents, etc.	3,290,211.65
Total	\$277,107,866.48

LIABILITIES.

Reinsurance Fund and Special Reserves	\$27,213,384.00
All other Liabilities	9,992,264.48
Capital and Surplus	29,902,219.96
Total	\$277,107,866.48



Largest Office Building in the World—Madison Avenue, Fourth Avenue, 23d Street and 24th Street, New York City.

THE DAILY AVERAGE OF THE COMPANY'S BUSINESS DURING 1909 WAS:
456 per day in number of Claims paid.
6,535 per day in number of Policies placed and paid for.
11,463,755 per day in New Insurance placed and paid for.
\$183,403.75 per day in Payments to Policyholders and addition to Reserve.
\$132,172.72 per day in Increase of Assets.

OFFICERS

JOHN R. HEGEMAN	President
HALEY FISKE	Vice-President
GEORGE H. GASTON	2d Vice President
GEORGE B. WOODWARD	3d Vice President
FRANK O. AYERS	4th Vice President
F. F. TAYLOR	5th Vice President
JAMES M. CRAIG	Actuary
STEWART L. WOODFORD	Counsel
WM. J. TULLY	General Solicitor
FRED'K. H. ECKER	Treasurer
WALTER STABLER	Comptroller
JAMES S. ROBERTS	Secretary
JOHN R. HEGEMAN, JR.	Asst. Secretary
J. J. THOMPSON	Asst. Secretary
T. R. RICHARDSON	Asst. Secretary
GEO. B. SCOTT	Asst. Secretary
FRED'K. A. BETTS	Asst. Secretary
GEORGE C. PENHALLOW	Asst. Secretary
THOMAS H. WILLARD, M. D.	Med. Dir.
AUGUSTUS S. KNIGHT, M. D.	Med. Dir.
E. M. HOLDEN, M. D.	Asst. Med. Director
W. S. MANNERS, M. D.	Asst. Med. Director
J. BERGEN OGDEN, M. D.	Asst. Med. Director
D. M. GEDGE, M. D.	Asst. Med. Director
I. J. CAHEN	Manager Ordinary Dept.
LEE H. FRANKEL, Ph. D.	Mgr. Indus. Dep.
JACOB CHADEAYNE	Mgr. Intermediate Br.
CHAS. G. REITER	Asst. Actuary
JAMES C. BROWN	Asst. Actuary
JAMES D. CRAIG	Asst. Actuary
RAYMOND V. CARPENTER	Asst. Actuary

Paid to Policyholders since Organization, plus the Amount now invested for their Security, \$537,223,523.63.
Number of Policies, 1 Force, December 31, 1909, \$10,621,679. Total Outstanding Insurance Placed and Paid for, December 31, 1909, \$2,041,951,700.00.

In its Ordinary Department policies are issued for from \$1,000 to \$1,000,000 on individual lives, premiums payable annually, semi-annually and quarterly. In its Industrial Department policies are issued on all the insurable members of the family for weekly premiums.

Full particulars regarding the plans of the Metropolitan may be obtained at its Home Office, 1 Madison Avenue, New York City, or its Agents in all the principal cities of the United States and Canada.

COMPARATIVE RESERVE TABLES

BY
MILES M. DAWSON
Consulting Actuary.

Containing Mean and Terminal Reserves for the
usual forms of policies and by the
following standards:

American Experience, Select and Ultimate $3\frac{1}{2}$ per cent.
American Experience, Select and Ultimate 3 per cent.
American Experience, Modified Preliminary Term $3\frac{1}{2}$ per cent.
American Experience, Modified Preliminary Term 3 per cent.
American Experience, Select and Ultimate 4 per cent.
Actuaries', Modified Preliminary Term 4 per cent.
American Experience, Committee of Fifteen, $3\frac{1}{2}$ per cent.
American Experience, Illinois and Tennessee, $3\frac{1}{2}$ per cent.
American Experience, Michigan, $3\frac{1}{2}$ per cent.
American Experience, Wisconsin, $3\frac{1}{2}$ per cent.
American Experience, New Jersey, $3\frac{1}{2}$ per cent.
H^M, Canadian Life Officers' Association, $3\frac{1}{2}$ per cent.
O^[M], Select and Ultimate, $3\frac{1}{2}$ per cent.

THIS covers all the standards, other than the net level premiums, in use in this country. Tables showing the first year margins set free by each method of valuation are given.

Send all orders to the Publishers,

The Chronicle Co., Ltd.

No. 90 William St.

NEW YORK

The Northwestern Mutual Life Insurance Co. of Milwaukee

GEO. C. MARKHAM, President
A. S. HATHAWAY, Secretary



New Business Paid-For

1905	.	.	.	.	.	\$ 90,334,038
1906	.	.	.	.	.	93,563,452
1907	.	.	.	.	.	102,233,634
1908	.	.	.	.	.	109,683,428
1909	.	.	.	.	.	113,716,188

Each year larger than any in the previous history of the Company:

Commenced Business 1858

INSURANCE MEN will note the significant increase in The Northwestern's new business during the past five years.

IMPORTANT FACTS relating to this business are shown by the following percentages:

	Expenses	Mortality	Interest
1905	12.15	67	4.73
1906	11.76	59	4.72
1907	11.81	58	4.76
1908	10.76	59	4.84
1909	10.63	54	4.85

It is capable of easy demonstration that The Northwestern is the best Company to insure in.

See The Northwestern's new (1910) policy contract with its Dividend Options, Paid-up and Endowment Options, Options of Settlement and the Premium Loan Features.

Issues Partnership and Corporation Insurance.

For further information or an Agency, address

H. F. NORRIS,
Superintendent of Agencies.

NOTEWORTHY ADVANCE.

The BERKSHIRE LIFE Insurance Company,

OF PITTSFIELD, MASSACHUSETTS,

takes an advanced step in the interest of the policyholder by the adoption of the following liberal features in its new policy contract:

Low premium rates.
Large surrender values.
Dividends at the end of each policy year.

Thirty-one days of grace in payment of all premiums after the first year.

Paid-up insurance or cash surrender value or extended insurance after two years' premiums have been paid.

Loans for the full cash surrender value.

Policy payable in one sum or in installments for terms of years.

Policy has no restrictions upon residence or travel and is incontestable after the first policy year, except for non-payment of premiums.

Right of the insured to change the beneficiary.

Liberal re-instatement privileges.

Every effort has been made to make this new policy the very perfection in a life insurance contract.

For further information apply to
JOHN H. ROBINSON, General Agent
FRANK ALLEN, Associate General Agent
For New York and New Jersey,
Postal Building,
253 Broadway, - - - NEW YORK.

CLAIMS PAID OVER \$11,300,000. CASH CAPITAL \$500,000.00. RESERVE—SURPLUS—POLICY HOLDERS OVER \$3,200,000.

All forms of Accident, Sickness, Industrial and Liability Insurance

THE

STANDARD

Accident Insurance Co.

Detroit, OF Michigan.

Lem W. Bowen, Pres. E. A. Leonard Sec.

Metropolitan Department,
C. A. TIMEWELL, Manager,
92 William St., New York City.

The Chronicle.

1866

Published by THE CHRONICLE COMPANY, Ltd., 90 William St., New York City.

1910

VOLUME LXXXV.

New York, April 28, 1910.

NUMBER 17

NATIONAL LIFE

Insurance Company,
MONTPELIER, VERMONT.

Established in 1850.
Operating in 37 States.

JOSEPH A. DE BOER, President.

FRED A. HOWLAND, Vice-President
JAMES B. ESTEE, 2nd Vice-President
OSMAN D. CLARK, Secretary
H. M. CUTLER, Treasurer
A. B. BISBEE, Medical Director
C. E. MOULTON, Actuary

This Company held January 1, 1910,
and gained during the past decade:

ASSETS . . .	\$47,490,998.98
GAIN, 167 PER CENT.	
LIABILITIES . . .	\$41,661,130.12
GAIN, 162 PER CENT.	
SURPLUS . . .	\$5,829,868.86
GAIN, 211 PER CENT.	
INSURANCE . . .	\$161,423,115.00
GAIN, 79 PER CENT.	

**Absolute Security and
Economy of
Management**

Germania Fire

INSURANCE CO.,
NEW YORK

ORGANIZED 1859.

Cash Capital.....\$1,000,000.00
Assets.....\$6,562,329.14
Net Surplus.....\$2,008,419.02
Surplus for Policyholders,\$3,008,419.02

HEAD OFFICE:

Cor. William and Cedar Streets.

BONDS--CASUALTY

AGENTS { Can Command Bond or Casualty business
IF { Are seeking an Agency connection
YOU { Are not representing another like Company

ADDRESS, AGENCY DEPARTMENT,

The Empire State Surety Co.
NEW YORK

THE FIDELITY MUTUAL LIFE INSURANCE COMPANY OF PHILADELPHIA

Has some excellent Agency Positions

FOR INFORMATION APPLY TO

ALEXANDER McKNIGHT, Vice-President
L. G. FOUSE, President.

THE FRANKFORT MARINE, ACCIDENT AND PLATE GLASS INSURANCE CO. OF FRANKFORT-ON-THE-MAIN GERMANY ESTABLISHED 1865.

United States Department, . . . 100 William Street, New York, N. Y.

TRUSTEES:
RICHARD DELAFIELD, Pres. of National Park Bank
ERNST THALMANN, of Ladenburg, Thalmann & Co.
STUYVESANT FISH, 214 Broadway, New York City.
C. H. FRANKLIN, U. S. Mgr. and Attorney JNO. M. SMITH, Sec. U. S. Branch

INSURANCES TRANSACTED
LIABILITY—Employers, General, Vessel Owners, Burglary
Public, Landlords, Contingent, Workmen's Collective
Teams, Elevator, Druggists & Physicians. Individual Accident & Health
Industrial Accident & Health
AGENTS WANTED FOR UNOCCUPIED TERRITORY

EDITION ALMOST EXHAUSTED

SAVES TIME AND LABOR

Various Derived Tables

AMERICAN EXPERIENCE

3 and 3½%

BY

MILES M. DAWSON

TABLE OF CONTENTS.

Single Premiums, Pure Endowment.
 Accumulations, Pure Endowment.
 Forborne Immediate Annuities.
 Accumulated Temporary Insurances.
 Accumulated Increasing Insurance.
 Single Premiums Endowment Insurance.
 Single Premiums Temporary Insurance.
 Immediate Temporary Annuities.
 Valuation Columns.
SELECT AND ULTIMATE VALUES.
 Single Premiums, Whole Life.
 Life Annuities.
 Terminal Reserves, Life, Limited Payment, Endowment.
 Mean Reserves, Life, Limited Payment, Endowment.
LOGARITHMS, SEVEN PLACES.
 Forborne Immediate Annuities.
 Curtate Summations of D Column.
 Immediate Temporary Annuities.

USES.

Computing Annual Term Insurance Premiums:
 Divide temporary insurance values by immediate temporary annuities.

Computing Annual Endowment Insurance Premiums:
 Divide endowment insurance values by immediate temporary annuities.

Computing Annual Pure Endowment Premiums:
 Divide pure endowment values by immediate temporary annuities or take reciprocals of forborne immediate annuities.
 By these means, the net extra premium for a special guaranty can be quickly and accurately computed.

Computing Annual Semi or Double Endowment Premiums:
 Add temporary insurance and pure endowment values for proper amounts and divide by immediate temporary annuity.

Computing Limited Premiums:
 Divide the proper single premiums by immediate temporary annuity.

Computing Surrender Values:
 Extended Insurance. Find the temporary insurance value next lower than the sum to purchase extension. This gives even number of years. Apply remainder to pay for additional days according to daily differences in the table.

Extended Insurance with Fractional Paid-up Endowment:
 Deduct from purchase money, value of insurance for unexpired term; multiply remainder by accumulation, pure endowment, to get amount of endowment.

Computing Terminal Reserves:
 Unvarying Benefits. Multiply net premiums by forborne immediate annuity and deduct accumulated temporary insurance.
 Return Premium, Full Reserve. Multiply net premium by forborne immediate annuity and deduct accumulated temporary insurance and accumulated increasing insurance, multiplied by gross premiums to be reduced.
 Return Premium, Extra Reserve. Multiply net extra premiums by forborne immediate annuity and deduct accumulated increasing insurance, multiplied by gross premiums to be returned.

Warranted Commissions for New Business.
Surrender Values.
Dividends.
 For these purposes the "select and ultimate" will be most useful.

SEND ALL ORDERS TO

THE CHRONICLE CO. (Ltd.)

90 William Street, New York.

The Chronicle

VOLUME LXXXV.

NEW YORK, THURSDAY, APRIL 28, 1910.

NUMBER 17

ALFRED B. DAWSON, President.
R. B. Dawson, Treasurer. Chas. D. O'Brien, Secretary.
Emil Schwab, Manager New England Department,
178 Devonshire Street, Boston, Mass.

All communications should be addressed to and remittances
should be made to The Chronicle Company, Limited.
Entered at the Post Office, New York, N. Y., as Second Class
Mail Matter.

PUBLISHED EVERY THURSDAY BY
THE CHRONICLE COMPANY, Limited.
No. 90 WILLIAM ST., NEW YORK.
Phone "567 John." Cable Address, "Chronogram," New York

Subscription Price:
Three Dollars a Year. Single Copies, Twenty-five Cents.
Postage Prepaid in the United States and Canada.

The Dutchess Case.

There is a rather pretty mix-up over in the good old County of Dutchess, all about things that are almost forgotten. Superintendent Hotchkiss, of the Insurance Department, on patrol duty, has met with what a Manhattan cop would describe as "resisting an officer in the discharge of his duty." And there seems to be sound argument on both sides of the controversy. It's the old order of things against the new, the improved youngster against an age that burned witches and scoffed at Verne's submarine navigation story. The advances made in the medical, surgical and in the wireless and aviation conquests of the world of science have not been equalled by the development in insurance, especially of the life and casualty forms, within the past five years. But that's not to the point.

And so it is that when Mr. Hotchkiss puts his official finger on the button and calls "time," the elders of a generation passed are awakened in their "Amen Corner" and articulated into utterance. The story of the rub is best told by Superintendent Hotchkiss in the following statement:

An examination into the affairs of the Dutchess Fire Insurance Company was begun by the State Insurance Department on March 31. Such examination was the first since the one immediately following the organization of the company late in 1906. This examination is still in progress, and will not be completed in a week or ten days.

Facts developed seemed to require an examination of the affairs of the Dutchess Insurance Company, which prior to 1907 had been officered by the same persons and had done business from the same principal office as the Dutchess Fire Insurance Company, but which had been seriously impaired as a result of the San Francisco conflagration. This examination, now practically complete, brought out facts which led to mandatory action on the part of the Insurance Department at a meeting of the directors of the two

companies held at Poughkeepsie Wednesday night.

It is claimed that the older company's losses in San Francisco were so great as to wipe out its capital and surplus and compel it to settle with loss claimants at much less than par. For a time a receivership was threatened, but in the end avoided by settlements now claimed to have been, to an extent at least, based upon false representation. Some claimants were paid 30 cents on the dollar, settlements being made direct.

Suits involving possible attachments were, however, threatened, and the controlling officers devised a plan whereby a local attorney and certain of the directors borrowed funds from local banks with which funds loss claims were purchased at a discount, but ultimately paid for to such attorney at the face value of each claim, resulting in salvage to the stockholders of upward of \$80,000. This, up to the present time, has been concealed.

The examination also brought out the fact that the president of the two companies carried in special accounts various sums of money paid by the new company to the old for commissions on a reinsurance contract, and further, that such officer in 1908 and 1909 speculated actively on the credit of certain securities which had been turned over to the local attorney above mentioned in payment for the San Francisco claims acquired by him. It also developed that other funds, chiefly commission payments, had been similarly concealed by the company in his personal account, and, until the arrival of the examiners of the department, apparently treated as his own. Other irregularities evidencing an intention on the part of the officers of the old company and certain of its directors to sequester assets to the end that the true condition of the old company might not be known were brought out at oral examinations by representatives of the Insurance Department.

Further inquiries resulted in the discovery of the deception practiced on the Insurance Department by the president and other officials of the company late in 1906. These evidences consist in the cutting out of the minute book of the executive committee of a page purporting to give the pro-

ceedings of a meeting of that committee on August 18, 1906. The secretary of the company testified that the examiners of the department having called for such minute book, which showed an agreement that if carried into effect would have impaired the new company from the start, and made it impossible for it to secure its certificate of authority, President Vail cut out such leaf, the vice-president interlined the same with lead pencil, and gave the same to the secretary with orders to destroy it. This the secretary did not do, but in response to questions testified to the facts and produced the leaf cut out. It appears by comparison of this leaf with the page in the new minute book then started that the minutes of this meeting of the executive committee were modified at that time so that the department was deceived into believing that a liability of upward of \$60,000, which would have been shown by the leaf cut out, did not exist.

President Vail, when confronted with the cut-out leaf, denied knowledge of the transaction and asserted that the resolution there shown was never adopted. Examination of the files of the company developed the fact that these minutes shown on the cut-out sheet had been copied by the secretary from the original in the handwriting of President Vail, who, when confronted with such original, admitted the fact.

The examiners, in a preliminary report furnished the superintendent, also call attention to the conduct on the part of President Vail at the time the San Francisco claims were compromised, which drew from Superintendent Kelsey a statement that certain representations which were being made in San Francisco by the adjusters of this company were "misrepresentations and apparently fraudulent ones," the superintendent adding: "It is difficult to understand how business men dealing honestly can allow themselves to impose on the department in such a manner."

The Superintendent of Insurance at a meeting of the directors of the two companies directed that the trustees of the old company at once place the liquidation of its assets in the hands of a committee appointed or approved by him, President Vail being required

to resign as chairman of such trustees, and also that President Vail and the local attorney above mentioned turn over to such trustees all property held by them apparently in trust for the stockholders of the company.

The superintendent also directed the old company to carry out with the new company the reinsurance contract on the basis of 25 per cent., evidenced by the proceedings of the executive committee of the new company on the leaf cut out of the minute book, and that it ask and accept the resignation of L. H. Vail as president and director of such company.

The present company, so far as we know, is solvent, but the misdeeds of the old company are pretty serious.

Throws Down the Gauntlet to Hotchkiss.

The latest advices from Poughkeepsie state that the directors are up in open defiance of Superintendent Hotchkiss and insist on a judicial review of the allegations made.

Louis H. Vail, president of the old Dutchess, has issued a statement in which he denies the charges against him. The management of both the old and new Dutchess, which was formed after the San Francisco fire, announce that they will resist any attempt to oust Vail.

Allison Butts, Vails counsel, says that he will welcome court proceedings. This will give him an opportunity to cross-examine Jesse Graham, the secretary of the old Dutchess, who made the charges against Vail.

Secretary Graham is a brother-in-law of Public Service Commissioner James E. Sague, who is a stockholder and director in the new company, but not in the old company, in which Mr. Graham and Mr. Sague's mother have small interests. Mr. Sague refused to admit or deny the rumor that he instigated the investigation. He added that he wanted to see the fullest investigation of both companies, and would do all he could to further it. He said that he reserved the right to demand from any State commission or department an investigation of matters in which he is interested. Mr. Sague has \$7,500 in stock in the new company.

Practically all of Vail's fellow directors in the old company, which include three bank presidents, indorse his management of its affairs and say they were familiar with the acts of which Mr. Hotchkiss complains, and believe Mr. Vail did what was right.

The question regarding the 25 per cent. commission which was brought out by the superintendent regarding the missing minute book leaf, was straightened out by Milton A. Fowler, vice-president of the old company, who said:

With reference to the question as to whether the executive committee of

the Dutchess Fire Insurance Co., ever passed a resolution to pay the trustees of the Dutchess Insurance Co. a commission of 25 per cent., I am perfectly clear in my recollection, in which I am sustained by the three other members of the executive committee, that no such resolution was presented by me or was ever passed.

I have also stated, as have several members of each of the joint committees which were appointed to agree upon a commission to be paid that no agreement for the payment of a commission was ever reached until February, 1910, when the agreement for the payment of 15 per cent. was made and has been acted upon.

AT SEA ON FIRE COMMISSIONS.

About a dozen insurance commissioners and deputies were in Chicago last week holding committee meetings and hearings. On Monday and Tuesday the committee on fraternal insurance gave a hearing to the representatives of the fraternal on a draft of a proposed bill for the government of these concerns. To those who attended the hearings the whole thing looked like a thankless task. The commissioners have a bill, which will be further amended and worked over, which advocates of sound insurance would regard on the whole with favor. It might be adopted in some of the older States like New York or Massachusetts, where the younger fraternal have not so strong a foothold as they have in the West, but it is very doubtful whether it could be passed in any part of the Mississippi Valley States without having its teeth drawn by the fraternal to such an extent as to make it innocuous.

The hearing before the committee on the fire insurance expenses did not bring out much that is new. Neither companies nor organizations of companies had sent anybody to appear before the committee and at the first session O. B. Ryon, attorney of the Illinois Fire Insurance Commission, took up the time, in the absence of other witnesses, in telling the committee what had been brought out at the hearings of the Illinois commission. At Thursday's session P. D. McGregor, Western manager of the Queen; William S. Warren, Western manager of the Liverpool and London and Globe; G. H. Lermitt, Western manager of the Northern Assurance; J. W. Going, vice-president of the Shawnee; Harry Fox, Chicago manager of the Milwaukee Mechanics, and H. B. Seely, of the Policyholders Union, were present and spoke.

Mr. McGregor was armed with some figures and was able "to get down to brass tacks." The expense ratio of his company in Western Union territory is between 35 and 36

per cent., divided as follows: Commissions, 21.1 per cent.; taxes, 3.5 per cent.; field work, 4.3 per cent.; other expenses, about 7 per cent. The Queen's commissions average 18 per cent., outside the excepted cities, and 28 per cent. in them. Mr. McGregor does not believe commissions could be reduced outside of the large cities without injustice to the agents and injury to the business. He thinks that on a scale below 25 per cent. for preferred business agents could not afford to solicit it, the premiums being small and the collections often slow. He does believe that commissions in the large cities should be reduced.

Messrs. Lermitt and Warren furnished something of a surprise by advocating contingent commissions. For good members of the Western Union this looked somewhat like heresy of the Henry Evans type. Mr. Going explained the Kansas law and its results. There was considerable discussion by the commissioners themselves.

Wanted: Unselfish Thinking.

There appears to be a marked absence of clear thinking on this subject of expense. That the expenses are too high is almost universally admitted, but many of the notions of what should be done to reduce them are vague. Many people have theories on the subject as on numerous other subjects about which they know but little, but their very want of accurate and wide knowledge makes their theories of little value, and they doubtless would prove baneful, if not destructive, if put into statutory form. There are those who think the whole subject of expense would right itself if preferred business was done away with, and there was no class on which companies could almost certainly make money, even at high expense, poor agents, and inferior field supervision. How to get rid of preferred business is as much of a problem as how to reduce expenses. Some say: "Enact laws limiting commissions to 15 per cent." Others say that that would result in evasions of the law, or in the ruin of the small companies. There are those who think the small company no longer is needed, but the small company officers do not think so, nor do those who fear a combination of the large companies. One man suggests fixing the maximum of commissions at 15 per cent., limit companies to lines of not over 10 per cent of their capital and surplus, and forbid reinsurance, giving many companies a chance on large lines direct. And so it goes, suggestions and theories, world without end.

THE LAST WORD.

On the hour the last word in the new Mutual Life-McCurdy imbroglio with Superintendent of Insurance Hotchkiss, of New York, based upon the recent settlement of a long drawn out controversial contest over ancient history, is furnished in the letter dated Tuesday and written by Joseph H. Choate, chief referee, to President Peabody, as follows:

My Dear Mr. Peabody: I have your letter of April 22 enclosing a copy of the report of Mr. Hadley, the examiner of the Insurance Department. I have carefully perused the portion of it which relates to the settlement of the McCurdy suits, so-called, in which are set forth the report of the special committee to the board of trustees, of the settlement which was approved by James McKeen and myself and the examiner's criticism thereon.

The settlement was not made by the board of trustees upon any statement made by the committee, but the committee having received absolute authority to make the settlement exercised that power and made its proof accordingly.

On reperusing the report of the committee it appears to me to state with substantial accuracy the facts of the settlement, and I am sure that in the long consideration of the matter by the committee at their various meetings between the date of their appointment and the making of their report, at all of which I was present with Mr. McKeen, the terms of the settlement were perfectly understood as stated in the report and that the \$750,000 received in settlement was to come \$250,000 in cash from Mr. McCurdy, \$250,000 from C. H. Raymond & Co. by a credit on the amount standing due to them on the company's books and \$250,000 from Robert H. McCurdy by a similar credit on commissions coming to him under his contract, to which was to be added \$65,050.73, the amount of the bill for supplies received from Lawrence. All dispute as to the validity of these contracts was, of course, ended by the settlement, and so it was understood by all parties.

The report shows that the committee fully considered and understood the whole situation, and the report itself and the names and character of the committee are a sufficient refutation of the charge that they misled or intended to mislead the board of directors.

In my opinion, therefore, neither you nor the committee are called on to make any further reply to the criticisms of the examiner than that which you and Gen. Tracy have already made. From my knowledge of the situation I am willing to take the entire responsibility for the settlement recommended by the committee as a wise one and as better for the company and the true interests of the policyholders than to have continued the litigation, and Mr. McKeen concurs with me in this view.

Yours very truly,
JOSEPH H. CHOATE.

There is added interest to this open letter when considered in connection with Samuel Untermyer's suit against

the Mutual Life for alleged injury to a very high character, or something like that, equally amusing. After the cyclone there is inevitably a lot of debris for the second-hand and old clothes men to clean up, and busy people must of necessity be bothered with these sordid details. The Ethical Culture Society has not yet even approximately exhausted the field open to its gratuitous energies.

SHOWN UP A MATTER OF 150 YEARS AGO.

The United States Life Endowment Association, of Chicago, a "widows' annuity" concern, which considered that when a member died its liability was the one annuity payment then due, appears to be about ready to give up the ghost. Superintendent Potter, who some months ago succeeded in preventing the concern's doing any new business, has applied for a receiver.

His examiners' report discloses a shocking practice of compromising claims for pitifully small lump sums and then paying a much larger amount to the officer who pockets the difference. In several cases, President Kingsbury is charged with having put through such deals for his own profit.

Only 150 years ago or such a matter Dr. Richard Price showed up the essential fraudulence of this assessment "widows' annuity" plan, and that enlightened legislators of this day and land can permit widows to be defrauded in the "good old way" really passes understanding.

\$500,000 STOCK FOR "RENEWAL CONTRACTS."

In the complaint in the suit at Chattanooga, Tenn., to wind up the Great Southern Agency Company and to hold its officers and directors responsible for the misconduct of its promotion, it is alleged that all of its \$2,000,000 stock was issued to Herbert for an assignment of certain "renewal contracts," which proved to be worthless.

He magnanimously "turned back" \$1,500,000 into the treasury to be sold; but kept—or rather, sold as much and as quickly as possible, no doubt, for coin of the realm—the \$500,000.

This is the concern which declared a large dividend before commencing business.

WESTERN ASSURANCE Co.

HEAD OFFICE,
TORONTO, - - CANADA.

Incorporated 1851.

Hon. GEORGE A. COX.....President
W. R. BROCK and JOHN
HOSKIN, K. C. LL. D., Vice-Presidents
W. B. MEIKLE.....General Manager

United States Statement, Jan. 1, 1910.
Assets\$2,377,303.37
Surplus in United States..... 839,268.07

OLDEST
IN
AMERICA

STRONGEST
IN THE
WORLD

THE MUTUAL LIFE Insurance Company of New York

Mutual Life Agents Make Most Money
Because Mutual Life Policies Sell Most Freely

For terms to producing agents, address

GEORGE T. DEXTER

2nd Vice-President

34 Nassau Street

New York, N. Y.

ANOTHER FRAUD NAILED.

In the conviction of A. Gero Marshall, general factotum of the Standard Protective Society, in the United States Circuit Court in this city yesterday on four counts of two indictments charging the use of the mails in pursuance of a scheme to defraud, Assistant United States Attorneys Dorr and Walton scored an important victory in the warfare which the Federal authorities are waging against fake insurance companies.

Judge Hazel, who presided at the trial, imposed a sentence of one year in the Blackwell's Island Penitentiary and a fine of \$500.

The conviction of Marshall took on addition importance by reason of the fact that he was one of the two men indicted in the summer of 1908 for conducting a colonization scheme in violation of the Federal regulations, intended to take up large tracts of Government timber land in Oregon.

Marshall and one Henry E. G. Cooke were indicted at that time, and the office of their concern, the Oregon Timber and Ranching Company, at 154 Nassau street, was raided by the Federal authorities after one party of thirty-eight misguided individuals had already been shipped to the West. Marshall pleaded guilty to that indictment rather than stand trial.

In the same offices he conducted the Standard Protective Society, a Pennsylvania corporation organized under the somewhat elastic laws of that State to do ostensibly a benefit insurance business. The company started in Pennsylvania and then moved here, where it undertook to establish a headquarters for a business conducted largely among the farmers of Pennsylvania and the up-State districts of New York.

It was not nor could it be admitted as an insurance company to do business under the New York State laws, and at the time that the Federal authorities got after it the New York State Insurance Department had it on the list of proscribed concerns.

As conducted by Marshall the Standard Protective Society assumed to issue a policy which provided for small monthly payments by policyholders and a sick benefit, or at the end of five years a cash payment of \$250. The evidence showed that the company never had a dollar in the benefit fund, and generally, even on its own figures, lacked sufficient assets to meet its outstanding liabilities.

More than this the evidence adduced at the trial of Marshall developed the fact that he had openly stated to employees in his office that

he undertook to keep his business going by arbitrarily reducing the expected benefits to policyholders from time to time and thus scaring out or freezing out those who had taken his contracts of insurance. The investigations of Mr. Dorr and Mr. Walton indicate that about \$20,000 was extracted from the gullible public upon which he preyed.

Marshall was convicted of embezzlement in Somerset County, Penn., and has avoided the consequence of two prior indictments by settling with the individuals who said he had victimized them. In Cleveland, Ohio, a few years ago he was tried for obtaining money under false pretenses, but succeeded in beating the case.

Marshall in the later days of the Standard Protective Society started another concern called the Banker's Protective Society, and sold bonds at the same time he was victimizing the policyholders with his benefit scheme. His final deal in the insurance business was to sell his company into other hands after transferring to himself the last of its available assets.

COMPULSORY INSURANCE AGAINST SICKNESS COMING IN BRITAIN?

The Insurance Record, of London, in its issue of April 15, expresses the view that compulsory insurance against sickness will be on the program of the present Liberal government before it again appeals to the voters. It says in part:

It has been said that it is never safe to prophecy unless you know, and it might well be added that, in regard to anything to be expected from a government, prophecy is an extremely unwise proceeding. In the present state of political affairs and parties it is certainly not possible to prognosticate with any degree of certainty even the length of time that the present government are likely to hold on to office, so that discussion of any probable measures to be introduced by the party at present in power would seem almost superfluous. There exists, however, a belief, freely expressed of late in the columns of the insurance press, that before the government once again endeavor to obtain the approval of the country on their general program, an attempt will be made to introduce a scheme of State insurance against sickness and invalidity. The idea of governmental insurance against sickness is naturally an attractive one to all interested in social reform, while there probably exists no topic upon which a politician can rhapsodize so effectively. It is undoubtedly a great help in a vote-catching scheme to refer to the "sick and broken soldiers of industry in need of aid" as having been "cruelly and callously deprived of a great humane provision by men who have never known the sting of

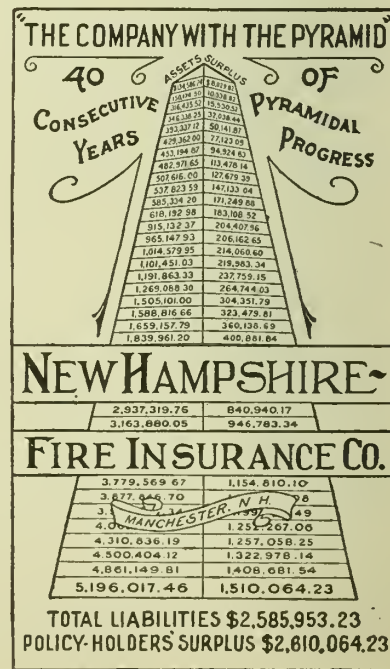
want and poverty." Language of this nature was adopted by the member of the government primarily responsible for bringing State insurance into the forefront of modern British politics, and in this very language would appear to lie a danger that any scheme to be introduced will be fashioned more upon sentimental than upon common-sense and businesslike principles. The fact that details of the proposed scheme have been submitted to two of the greatest actuaries the government could command is more reassuring, however, and their endorsement of the plan would have more effect upon business men than columns of high-falutin language indulged in by politicians in a hurry.

The plan under consideration by the government provides for utilizing the existing friendly societies—i. e., accepting membership in them as compliance with the law—as well as setting up other societies to which all who are not insured elsewhere must belong.

THE LARGEST INCREASES IN 1909.

Of the life insurance companies doing business in New York, the Massachusetts Mutual leads in percentage of increase in insurance in force in 1909, scoring 8.03 per cent. The Travelers is a close second with 8.02 per cent. Other leaders are as follows:

	Per Cent.	Amount.
Mutual Benefit.....	7.02	\$32,932,473
New Eng. Mutual..	6.80	12,578,914
Prov. Life & Trust.	6.62	13,323,910
Union Central.....	5.80	15,839,528
Penn Mutual	5.62	25,094,877
State Mutual	5.52	6,813,069
Aetna	4.96	13,858,006
Conn. Mutual	3.39	6,053,061
National of Vt.	3.27	5,040,034



PITTSBURGH LIFE AND TRUST.

President Baldwin of the Pittsburgh Life and Trust, announces the appointment of George Smith, of Forfarshire, Scotland, to a position on the home office staff as supervisor of agencies. Mr. Smith has had a thorough training in all departments of the insurance business, and is especially considered authority on workmen's compensation and casualty risks, as well as being a very successful life agency organizer and field man.

Mr. Smith was born in Forfarshire, Scotland, in 1875. For three years he was connected with a firm of brokers in Dundee. He was eight years with the secretary of the Alliance Assurance Company of London, at Dundee, and was afterward branch manager and secretary of the Century Insurance Company of London, at Edinburgh. For the past two years he has been in Australia, where he held the position of superintendent of the life and accident departments at the home office of the Australian Assurance Company.

Mr. Smith has not only had a thorough home office and field experience, but he also possessed the faculty of preparing literature and writing fluently upon all insurance matters pertaining to life, casualty and workmen's compensation lines of underwriting. He has found time during a busy career to write a series of instructive articles and poems, which have appeared in various journals in Britain, America and Australia. His new field will afford him ample opportunity for the exercise of his many talents.

LEADING BRITISH ACTUARY FAVORS STATE INVALIDITY INSURANCE.

At a recent meeting of the Faculty of Actuaries of Scotland, Vyvyan Marr, assistant secretary of the Edinburgh Life Assurance Company at its London office, read an interesting paper upon the best means of supplementing the present old age pension law of Great Britain, which grants to all over 70, whose income is below a certain figure, a pension from the State.

The suggestion of reducing the age to 65 or even to 60 he considers unwise. He also shows that to pass down even to 65 would double the present burden which is already enormous, and he estimates that more than half of the recipients would be capable of earning a livelihood and so not be in need of the pension.

He favors, instead, compulsory insurance against invalidity, i. e., total

and permanent incapacity, to be paid for by contributions of the workmen, of employers and of the State, and, as the same would be compulsory, he would favor the "assessment" plan, the "compulsion" taking the place of the reserve which would be necessary under a voluntary system.

Archibald Hewat, F.F.A., the authority on pension funds, followed, also expressing his strong preference for a contributory plan.

LIFE UNDERWRITERS MEET SEPTEMBER 7.

The date for the annual convention of the National Association of Life Underwriters, which this year meets at Detroit, is fixed for September 7 to 10. The Canadian Life Underwriters' Association meets immediately before that date.

The subject for the prize essay competition is "The Appeal That Persuades in Soliciting," and the program embraces discussion of:

(1) How to Improve Our Service to Policyholders.

(2) How to Obtain and Hold Agents Under Present Conditions.

A—How Best to Overcome the Difficulty in Securing New Agents.

B—Has Not the Work a Special Dignity?

C—Is Not the Percentage of Successes Greater in Life Insurance Work Than in Other Lines?

(3) Under Present Conditions How Best May it Be Made Profitable to Keep a Field Man Traveling Through Territory for the Purpose of Appointing, Encouraging and Assisting Local Agents?

The Federal Life Insurance Company of Chicago has appointed as its cashier Colin E. King, formerly secretary of the Interstate Life Assurance Company of Indianapolis. Mr. King is a high-grade man and an efficient accountant, and the Federal is to be congratulated upon securing his services.

METROPOLITAN SECURES SITE FOR SANITARIUM.

Subject to the permission of the board of health of Westchester county, that it establish there a sanitarium for the treatment of tuberculosis, the Metropolitan Life Insurance Company has purchased 225 acres of land near Somers Centre, on the Putnam road.

The land, though near New York, is a pine forest, with abundant springs and well elevated.

The plans are for a camp consisting of portable cottages, with a permanent headquarters in the center.

The price of the Frankfort Marine Accident and Plate Glass Insurance Company shares was 2,070 marks on April 1. The paid-up value is 250 marks.

If you can choose your company,
Why not represent

**"The
GREATEST
Health and Accident
INSURANCE
Company in the World?"**

**CONTINENTAL
CASUALTY COMPANY
CHICAGO**

**H. G. B. ALEXANDER,
President.**

LEADS THEM ALL.

Premiums, 1909, - - \$3,156,000

*"Every time the clock ticks,
Every Working hour,
IT PAYS
A Dime to Somebody, Somewhere,
Who is
Sick or HURT."*

**Most Liberal Contracts to Agents.
Most Liberal Policies—Prompt Pay.**

THE HOME LIFE INSURANCE COMPANY OF AMERICA

Incorporated 1899.



THE COMPANY FOR THE AMBITIOUS AGENT who desires to sell "COMMON SENSE" insurance at LOWEST COST, and who seeks, through most liberal first year and guaranteed renewal commissions, to receive just recognition of service. All policies registered, signed and sealed by the Insurance Commissioner of the State of Delaware, making them truly

SAFE AS GOVERNMENT BONDS.

Address Executive Offices, 416-18-20 Walnut Street,
PHILADELPHIA, PA.

**JOHN LANGHAM, Jr.,
President.**

**JOSEPH L. DURKIN,
Secretary.**

**GEORGE M. NETTLESHIP,
Manager of Agencies.**

KNIGHTS OF COLUMBUS SURPLUS FUND.

The trial of the action of Kane et al. vs. Knights of Columbus has been in process at Bridgeport, Conn., this week. The issue is as to the disposition of some \$570,000 of funds, held by the society, when it adopted its new rates and plans in 1902. The issue has been repeatedly raised, but without being adjudicated by the courts. All parties desiring such adjudication, the suit was brought as a friendly action, and, pursuant to a resolution of the National Council that the decision of the Supreme Court of Connecticut be secured.

District Attorney Pelletier, of Boston, with his assistant, Mr. Leahy, and Senator Kennedy, of Connecticut, represented the society, and Messrs. John J. Phelan and John Cullinan, of Bridgeport, and Miles M. Dawson, of New York, the plaintiff. The hearing was held before Judge Curtis, of the Superior Court.

The testimony taken showed the excellent progress made by the society under its adequate rate plans, introduced by Actuary David Parks Fackler in 1902, its insured membership increasing from 33,000 to 75,000 and its surplus, including the funds in question, over all other liabilities including reserve as computed by Mr. Fackler, from \$550,000 to about \$1,150,000. In event the funds in question are apportioned to the old members, therefore, the society will still have a handsome net surplus after covering all liabilities of every character. Its assets would not be diminished in any case, as the application asked for is merely to the reduction of future premiums.

By consent of all parties, the decision of whether there is a trust calling for an accounting, distribution and application of the funds, was, after all the testimony was in, referred by Judge Curtis directly to the Supreme Court, which is expected to hear the case at the June term. If accounting is awarded, it is not expected that there will be any difficulty about the parties agreeing upon a method. Among the expert witnesses called were Mr. Fackler, George D. Eldridge and B. D. Flynn, of the Travelers, of Hartford.

A person is more liable to accidental death than any other single cause excepting consumption and pneumonia, the average age at death from accident being 33 years. A person is twice as liable to die by accident as from old age.—"Commentator."

UNEXAMPLED "WANING OF WASTE."

The veteran life insurance statistician, "Benjamin F. Brown, of Boston," author of the "Brown Book of Life Insurance Economics," publishes some extracts from the forthcoming 1910 edition in "The Standard," of the 23d inst., closing with the following.

Other notable evidences of the passing of one of the most trying periods in the history of the institution, and of conditions which point strongly to the up-building of the business on a higher plane than ever before, will be found in the waxing gain from new issues in the last two years and the waning of waste by discontinued business to a point which, as measured by percentage, has never been closely approximated in the writer's experience.

The lowest percentage of lapse (or rather of total terminations, other than by death or maturity) was 2.56 per cent. in the Connecticut Mutual. The average of twenty-five leading companies was but 5.39 as compared with 7.89 in 1906.

The average cost of new business was 76.9 per cent. of the first year's premiums, as against 88.6 per cent. in 1906, with \$912,437,400 produced, as against \$875,110,300.

PROVIDENT SAVINGS LIFE APPOINTMENTS.

The Provident Savings Life Assurance Society of New York announces the appointment of George R. Burris as manager at Rochester, N. Y., controlling the mid-western part of the State of New York. Mr. Burris is an experienced insurance man, having been previously connected with the Provident Savings and also with the Prudential and the Fidelity and Casualty Company at Rochester.

Frank J. Sehrey has been appointed general agent for the society at Buffalo, N. Y., controlling the New York Lake counties. Mr. Sehrey is also an experienced insurance man, and has resided in Buffalo for many years.

SUSPECT A FRAUD.

Press dispatches from Chicago state that five of the big life insurance companies are suspicious of the circumstances surrounding the death on Monday night of Joseph Deimel, president of the National Parlor Furniture Company, buried at Blue Island yesterday.

Deimel was killed by a Rock Island train at Blue Island as he attempted to board it to return to Chicago. He lived a few minutes after being struck, but died without making any ante-mortem statement.

Deimel was reputed to be worth \$500,000 and had taken out insurance on his life amounting to more than \$500,000 within the last few months.

The insurance officials suspect that he committed suicide and have decided to withhold payment of the policies on his life until an inquiry can be made.

On Tuesday a coroner's inquest was held in the case and a verdict was returned that Deimel had died of shock following a railway accident.

Despite the decision of the coroner's jury the insurance companies have evidence that did not come to the attention of the coroner.

A receiver has been appointed for the Union Life and Trust Company of Muskogee, Okla., the first of the numerous million-dollar life insurance companies promoted in that State. Its stock was sold by salesmen on high commissions and promises of enormous profits and the recent warnings by the insurance department precipitated the collapse.

The annual meeting of the American Life Convention will be held at Des Moines during the first week in October.

T H E PROVIDENT LIFE AND TRUST COMPANY OF PHILADELPHIA

Insurance in Force, \$214,509,255.00
(Paid for Basis)

Assets \$70,514,350.45
(Market Value, Dec. 31, 1909)

Contingency Reserve . \$9,207,276.38
(Inclusive of Capital Stock, \$1,000,000.)

The Provident has been particularly distinguished for the development of a highly trained force of agents. The systematic instruction which its agents receive has resulted in their being recognized as representatives of exceptional knowledge of the business and of marked efficiency.

WHICH MEN INSURE THEIR LIVES.

The Northwestern Mutual Life Insurance Company, of Milwaukee, supplies the following table, showing the occupations of its applicants for insurance in 1909:

	Actual No. of Lives.	Per Cent.
Farmers	3,585	9.93
Merchants	5,443	15.08
Clerks	7,474	20.69
Professional	2,983	8.26
Manufacturers	2,301	6.38
Manufact'r's' employes..	1,304	3.62
Teachers and students..	1,994	5.52
Insurance and real estate	1,123	3.12
Railway employes.....	942	2.61
Finance, bankers, etc....	946	2.62
Commercial Trav.	805	2.23
Publishers, printers....	725	2.02
Government employes...	751	2.08
Contr'ct'rs, carp't'rs, etc.	802	2.22
Livery, expr'sm'n, etc....	336	.93
Hotel and restaurant....	180	.50
Chemicals and drugs....	722	2.00
Plumbers, stationery en-		
gineers	354	.98
Decorators, painters....	140	.39
Civil, mechanical, elec-		
trical engineers	740	2.05
Archit's, draftsmen, etc..	346	.96
Artists, phot'g'rs, etc....	112	.31
Mechanics	455	1.26
Stockmen	226	.65
Miners	236	.58
All others	1,087	3.01

WILL TEST INTER-PROVINCIAL SUPERVISION.

"Office and Field," of Toronto, is authority that the present prospects are that the question of the right of the Dominion to regulate inter-provincial operations of insurance companies—which a Province of Quebec judge recently decided adversely—"is going to be fought out to the last court," which presumably means two appeals, the last one to the Privy Council in London. The following is part of what "Office and Field" says of it:

That the companies are justified in feeling that even the Dominion House is uncertain of its authority and has been reluctant to bring the issue of jurisdiction to a head is seen from the habitual non-enforcement of the present insurance law. For years this law has been systematically ignored by insurance companies, especially in the Western provinces. The Prudential of Winnipeg, for instance, has been operating in Saskatchewan for some time, and is now doing business in New Brunswick.

When it opened in Saskatchewan the matter of this contravention of the present insurance act was brought to the attention of the department of justice at Ottawa and the deputy minister ruled that the company was operating in Saskatchewan illegally. When asked what was going to be done to enforce the law, the answer was given that the Dominion authorities had never considered it their duty to enforce the act.

In spite of the fact that the present law was never pressed, a new law is about to be placed on the books, a

good law, and one that would place life insurance on a basis satisfactory to all. But over it all hangs the uncertainty of the matter of jurisdiction. The Dominion has decided to submit a test case to the Supreme Court, and that means a Privy Council decision, no matter which way the lower court rules. The provincial authorities did not suspect that the Federal cabinet would ignore the unanimity of the provinces in asking that the case already quoted as a precedent be allowed to decide.

The insurance companies are almost a unit in desiring Federal control. It is not that they fear injustice or lack of consideration from the provinces, but the lack of uniformity if nine provinces made their own laws would mean serious work and expensive red tape. They claim that the inter-province conditions of life insurance should demand Federal inspection and control, in order to prevent the mixture of legislation that will bind the companies in different provinces.

DUNHAM MADE CHIEF OF LIQUIDATION BUREAU.

Frederic G. Dunham, of New York, has been appointed chief of the new liquidation bureau in the New York State Insurance Department. Mr. Dunham, until about a year ago, was a practicing lawyer in New York city. He had acted as special counsel in the examination of titles to real estate held by or mortgaged to insurance companies. On the enactment of the new law authorizing the department to take possession of and liquidate insurance companies, Mr. Dunham was appointed special Deputy Superintendent to take charge of and liquidate eight mutual fire insurance companies which had transacted business in central New York, and since that time has been stationed at Syracuse.

His work in this connection has been of a high character, in that in less than a year he has completed the liquidation of one of the companies, paying its creditors 100 cents on the dollar, and will be able shortly to complete his work in the other com-

panies by paying loss claimants in full. His experience in this field, therefore, in the judgment of the department, peculiarly qualifies him to organize and set in motion the new liquidation bureau resulting from recent legislation.

Pursuant to this policy of the department to continue its examiners only temporarily in charge of failed companies, Examiner Saxton, who has so ably represented the department in the liquidation of the Peoples Mutual Life Insurance Association and League, has been relieved and Mr. Dunham has been appointed Deputy Superintendent in his stead. The complete liquidation of the company will now be pushed as rapidly as possible. Certificate holders will shortly be requested to send in their certificates and membership books, that their claims may be ascertained and the basis of dividends to them established. It is thought that a very considerable dividend will be available for payment soon after July 1. Meanwhile, the department is advising certificate holders not to assign their claims, but to await the payment of dividends.

The Texas commissioner has decided to allow the public access to the list of Texas insurance agents.

THE Philadelphia Casualty Co.

WALTER LE MAR TALBOT, Pres't.

Our New Accident Policy Is Perfection.

It's the Policy Your Client Wants.
It's the Policy That's Easy to Sell.

Personal Accident, Health, Liability
Automobile, Plate Glass and
Credit Insurance.

Agency Correspondence Solicited

CHICAGO'S GREATEST COMPANY

ILLINOIS LIFE INSURANCE CO.

OLDEST IN CHICAGO **CHICAGO** LARGEST IN ILLINOIS
JAMES W. STEVENS, PRESIDENT

We Guarantee where others Promise

The year 1909 was the most successful in this company's already splendid record of successful years.

INSURANCE IN FORCE
FIFTY MILLION DOLLARS

IN NEW ENGLAND

THIS SHOULD HOLD "FITZY" FOR A WHILE.

The suspense as to what Mayor Fitzgerald would do in regard to the fire commissionership of Boston—the term of the present incumbent expiring May 1—was ended a few days ago by the announcement that His Honor had selected Jeremiah J. McCarthy, surveyor of the port of Boston, for the job. However estimable a gentleman Mr. McCarthy may be, no one has as yet come forward with any striking presentation of his fitness for the place, whereas the present incumbent, General Samuel D. Parker, has made an excellent record, to say nothing of the two years' experience he has had upon which to build further efficiency in duties which the new comer would still have to learn. Both the fire underwriters and other business interests of Boston have labored with the Mayor for the retention of General Parker, but to no avail.

Robert A. Boit, a leading fire underwriter of Boston, and former president of the board, has addressed an open letter to the Mayor, which speaks for itself in no uncertain terms, as follows, in greater part:

April 23, 1910.

Honorable John F. Fitzgerald, Mayor of Boston:

Sir: With great regret I see in the evening papers that you have appointed Mr. J. J. McCarthy in the place of General Parker as fire commissioner. Whether you have been influenced by political or personal reasons is immaterial. It is enough that you have practically discharged from this important office a man who has distinguished himself as an organizer and administrator, and as a most energetic and efficient head of the department—a man who has been entirely above and superior to political influences in the discharge of his duties.

He has commanded the confidence of all citizens with property and property interests subject to fire. As the citizens of Boston pay more per capita for their fire department than any city in the world, they certainly had a right to the best man obtainable at the head of it. That you have appointed to the place a Republican officeholder does not help matters. To those legitimately interested it is not a question of party, but of the best man for the place, and you are letting go one who has never had his superior in Boston as a fire commissioner.

* * * * *

As your honor has taken this action against the expressed wishes of the fire underwriters and property owners and business men of this city—those most deeply interested financially in this question—it will try even

your honor's great ability to make it harmonize with your reiterated statements that your energies have been and would be devoted only to the best interests of Boston and her citizens.

This is the first time since the insurance interests and property owners of Boston succeeded in getting rid of the political three-headed commission that a fire commissioner has been appointed in Boston solely from political or personal reasons, and this is an act which neither the underwriters nor property owners of Boston are likely to forget. Respectfully yours,

ROBERT A. BOIT.

Not Bad for One Company's Representatives.

The blushing honors that Walter Adlard wears so modestly recalls to Boston underwriters how service at some time in the New England field of the Queen seems to have been the steady road to preferment. First there was E. G. Richards, now United States manager of the North British and Mercantile; then C. G. Smith, now secretary of the German American; then Nevitt S. Bartow, now secretary of the Queen, and, finally Walter Adlard, soon to steer the underwriting course of the greatest fire and marine company launched in a generation. Quite a showing, isn't it?

"Trailing the Fire Bug."

Nothing more interesting has been presented to the members of the Boston Insurance Library Association than the address under the heading above, delivered at the Exchange Club last Friday evening by Fire Marshal Beers, of New York City. The stereopticon views were particularly effective, showing how the sleuths of the investigation service followed the movements of intending incendiaries step by step in certain cases, and Mr. Beers' elucidation of the pictures impressed his auditors with the efficiency of the bureau he controls.

New England Brevities.

The New England Casualty has appointed Charles W. Coffin to be field manager of its industrial health and accident branch. Mr. Coffin was formerly identified with the Aetna Life's liability branch in Boston.

John A. Mathias, for some time past in charge of the New England department of the Home Life, has been appointed assistant superintendent of the agencies of that company, and is succeeded by F. S. Retan as general agent in charge of its Boston office.

The exterior of the new building of the Boston Mutual Life on Kilby street is completed and presents a

very natty appearance, quite in keeping with the company's characteristics—spunk, crisp, and up-to-date-ness. The interior is practically ready, save for the finishing touches, which are being rapidly put on.

After two years' agitation, the bill which provides that in Massachusetts insurance agents or brokers who withhold premiums collected for insurance companies, shall be deemed guilty of larceny, has become a law. The bill was sponsored by Insurance Commissioner Hardison and introduced in the legislative session of 1909, but was referred to this year's sitting, where it passed both branches and was signed by Governor Draper last Friday. It is a good measure, and ought to end a very annoying abuse for which there is no excuse but the shiftlessness and indifference of a small minority engaged in the business.

Lester B. Howard, of Augusta, Me., has been appointed special agent for Maine, New Hampshire, and Vermont of the Fidelity-Phenix, beginning next Monday. He takes the place of the late W. J. Kelly, for many years identified with the field work of the Phenix in Northern New England.

Herman Bird, for twenty-six years president of the Cambridge (Mass.) Board of Fire Underwriters, relinquished that office at the recent meeting of the board, and his associates gave him a handsome cane in recognition of his sterling worth. Herman is a typical New Englander of the best sort, shrewd and kindly, ever on the level, abundantly endowed with the saving grace of humor, and of such unfailing punctuality that all the denizens of Water street set their watches when he enters the Field & Cowles office at the dot of twelve every business day. May you live many a long year more, in health and happiness, to enjoy that stick, Herman, dear old friend!

C. F. Pierce has been elected president, A. R. Henderson, vice-president, and A. M. Stewart, secretary, of the Cambridge board.

The second annual outing of the Aetna Life Club of Hartford will take place at Compounce Pond, New Britain, on Saturday, June 18, prox.

Application for a license to write credit insurance in Massachusetts has been made by the London Guarantee and Accident.

Permission to do business in Massachusetts is sought by the Phoenix Preferred Accident of Detroit.

A FOOLISH PLAN.

For several months it has been a matter of common knowledge on La Salle street that one of the prominent Western departments at Chicago was having a vast amount of trouble in its accounting department. Of course, it was rather a delicate matter to discuss, so the talk about it was rather quiet, but details continued to come out as time went by until it was known that the accountants had got things "all balled up." There were stories to the effect that the books had been put in bad shape intentionally, for spite against the manager, by a bookkeeper who thought he had a grievance; but there is reason to believe there was nothing to this.

Last fall the manager discovered that something was wrong. Protests commenced to come in from agents that they were being dunned on their accounts, which they already had paid, and special agents soon were making a big roar over being sent to collect balances from good agents who never were behind, only to have proofs presented to them that the alleged balances had been paid in due time. Investigation showed that errors had been made in crediting remittances to the wrong accounts. It was found also that accounts with other companies for reinsurance and the like were also mixed. It was a very serious matter. Night after night the manager and assistant manager and an expert accountant worked over the books, getting them straightened out. It is only within the past few weeks that the books could be said to be absolutely correct again.

Now it is related that this is not the only Western department that had been through such a siege, although the others perhaps had a less bitter experience.

Penny Wise and Pound Foolish.

The prime cause of the trouble in all these cases seems to have been false economy. It was a case of a \$1,000 man on a \$2,500 job, and he was not big enough for it. The Western departments—or some of them—are under constant pressure to hold down expenses. The one which had the recent trouble was one of these and the trouble became serious about the time that salaries were cut, under orders from the home office to reduce expenses.

Probably a secondary cause of the trouble is the fact that very few of the managers are themselves trained accountants. In fact, it is said that A. F. Dean, of the Springfield, is about the only manager in Chicago who could lay claim to being a master

of accounting. Coming up through the underwriting department or in from the field, a manager is in danger of looking upon the underwriting or the field work as the important matter and to place a low value on accountancy. Having to economize, he concludes that an ordinary bookkeeper can keep the books, or, if he has a good accountant, the limit of his possible salary is likely to be placed too low. With incompetent accountants a few mistakes are made. Then when an effort is made to discover them work piles up and soon the books are in a snarl. The manager, not being an accountant himself, is at the mercy of his accounting department. He does not know when things are going wrong until they have reached such a bad pass that it is a work of months to straighten them out. It is rather surprising that when several departments have had an experience of this kind those managers who have incompetent or underpaid accountants do not wake up to the danger they are running. Some of them are in no danger for they have been shrewd enough to get good accountants and pay them what they are worth.

Another Phase of the Policy.

Some years ago before the Czarina of Russia had presented that empire with an heir to the throne, but had become the mother of several heiresses, a Western newspaper published a cartoon giving a picture of the imperial palace placarded with a large sign "Wanted—A Boyski." A similar sign on Western departments or home offices of fire companies diligently seeking special agents would not be amiss. Field changes have been very common of late. At the present time there are probably a dozen field vacancies in the West and companies are advertising for field men. Yet in a number of cases it has been found that what was really wanted was a boy, who would travel at

\$75 a month with prospects of getting a hundred sometime in the future. Not all the vacancies are of that kind, by any means. There are some managers who are looking for strong men and are willing to pay men's salaries, but there have been so many cases of the other kind as to be noticeable. There are in Chicago men now idle who have had several years field experience and have made good in every position they held. They have applied for various positions that were open, have had interviews and were given doubtful answers after they had named reasonable salaries they would work for. Then in a few days it was announced that some very young man out of a local agency or one with only a few months' experience had been chosen.

Henry A. Day, until lately indented with the Cleveland office of the American Credit Indemnity and prior to that active in New England as an insurance man, has been appointed special agent of the Boston office of the company.

New England Mutual Life

Insurance Company
BOSTON, : : : : MASS.
Chartered 1835

Assets, January 1, 1910. \$51,316,543.00
Liabilities 47,050,672.15
Surplus \$4,265,870.85

Sixty-six years of honorable dealing with its policyholders has placed the **NEW ENGLAND MUTUAL LIFE INSURANCE COMPANY** in the front rank of Life Insurance Companies of the Country.

ALFRED D. FOSTER, President.
D. F. APPEL, Vice-President.
J. A. BARBEY, Secretary.
WM. F. DAVIS, Assistant Sec'y.
J. G. WILDMAN, Assist. Sec'y.

EDWARD W. ALLEN, Manager,
220 Broadway, New York.
LATHROP E. BALDWIN, Manager,
141 Broadway, New York.
CHARLES H. STRAUSS, Gen. Ag't,
200 Fifth Ave., New York.

The Columbian National Life

INSURANCE COMPANY
OF BOSTON, MASS.

LIFE, ACCIDENT AND HEALTH
INSURANCE.

The Only Massachusetts
Non-Participating Company

The New Columbian Policies (Sept. '09)
are Unexcelled in Clearness and Liberality

Good Contracts and Territory for
Good Producers.

ARTHUR E. CHILDS, President.

The Connecticut Mutual

That means the best life insurance to have and the best to sell. If you can sell life insurance, you can sell more of it for the **CONNECTICUT MUTUAL**.

Men of Character and Ability are
invited to apply.

Conn. Mutual Life Ins. Co.,
Hartford, Conn.

Please mention this paper.

FIRE INSURANCE STOCK SELLING.

In significant contrast with this extraordinary activity of promoters of life insurance company stock-selling schemes stand the very few attempts to organize new fire insurance companies. The professional stock salesman is not wasting his time in vain endeavors to induce business men to invest money in fire insurance; the business man knows too much about the troubles of the fire insurance business. He realizes the effects of a conflagration and has some conception of the moral hazard of the business and also of its intricate nature. And he is willing to give up his chance of making a fortune out of fire insurance to somebody else. So there may be to-day throughout the country, a dozen fire insurance companies in process of organization, as against about a hundred and eighty life companies. The disparity is all the more remarkable when it is considered that while the public has to be talked into taking out life insurance, it seeks fire insurance voluntarily. And this disinclination on the part of the public to invest in the stock of new fire insurance companies hardly squares with the frequent complaint that fire insurance rates are too high. If they are, profits ought to be big and fire insurance company stock a highly desirable investment. Yet the grumblers who think too poorly of the business to invest their money in it insist that rates must come down. There is to be an investigation into the fire insurance business in New York, and an investigation into the expenses of the business has been begun in Chicago this week. All of which may possibly foreshadow changes in the methods of conducting the business which will make it still less attractive to investors.—From "The Standard," April 23, 1910.

It is true that the volume of stock selling has been much greater in life insurance than in fire insurance of late; but there has not been an absolute dearth of the latter, by any means, and there are not wanting indications that the life insurance stock field is about worked out and that increased attention is being given to the promotion of fire companies.

And did the Armstrong investigation discourage sales of stock in new life companies? If, instead, it boomed them—or at least a boom followed it—might not a similar phenomenon attend the threatened fire insurance investigation?

NO AGREEMENT ON UNIFORM BILL.

The meeting of the committee of the insurance commissioners on a proposed uniform bill for the supervision of fraternal beneficiary societies which took place in Chicago last week encountered very active and even frenzied opposition on the part of several societies. One manager is said to have indulged in the peroration:

"The fraternalists will welcome the

bill with bloody hands to an inhospitable grave."

Notwithstanding which, and notwithstanding the evident ability of certain societies to make this threat good, in several States at least, the committee, it is reported, will adhere to the minimum rate and valuation requirements, to take effect January 1, 1912.

In view of the Wright and Dowdall decisions in the New York Court of Appeals, it is supposed that the minimum rate requirements will apply only to new members. If so, such a measure should also provide for complete separation of insurance funds of old and new members, with entire absence of inter-liability. Else the Mutual Reserve story may be retold many times, i. e., the payments of adequate rate members be absorbed to pay excessive death claims of the other class.

FIRE INSURANCE RESERVES IN GREAT BRITAIN.

Heretofore fire insurance companies in Great Britain have been a law unto themselves as regards reserves. About three-fourths of a gross or unearned premium reserve—i. e., averaging 40 per cent. of the premiums on annual risks—has been the rule. But it has been as much lower than that, at times, as the folly of the management might make it.

The new Assurance Companies' Act provides in the sixth schedule for the following item of liability in a company's statement:

The value of a current policy shall be such portion of the last premium paid as is proportionate to the unexpired portion of the period in respect of which the premium was paid.

That is, Great Britain goes over to the American system. "The Insurance News," of London, in commenting upon this, says:

We can only repeat that in the mere fact of compelling the fire offices to disclose and provide for the one supreme item in their liabilities, the new act is of priceless value, and at one stroke puts an end to a system of deception, and even of fraud, which has long been the blot and curse of fire insurance administration.

The Illinois Surety Company is on the \$300,000 bond of the Alling Construction Company of Chicago, guaranteeing the proper completion of the new Cook County poorhouse. The construction company has gone into the hands of a receiver and the Illinois Surety has been notified by the Cook County board that it must complete the poorhouse.

The impending legislation investigation of all other than life insurance companies by the New York Department is now a fixed fact.

MANAGER MULLER.

Secretary Nicholas W. Muller tendered his resignation as secretary of the Casualty Company of America, to accept a position of larger responsibilities with the Peninsula Casualty Company of Jacksonville Fla.

As a token of the high regard and esteem in which he was held by his business associates, he was tendered a banquet on Friday, the 22d, by twenty-five of the heads of the company, which was a most enjoyable affair, and one which very clearly demonstrated how greatly he will be missed and how much he was loved by those with whom he has been associated in the past years.

A handsome silver fruit set was presented him by his hosts, a fitting and appropriate service for use in his new position in the fruit and flower land of Ponce de Leon.

Mr. Muller was born on February 7, 1877, and was educated at the high school at Lockport, N. Y., and at Columbia University, where he was graduated in 1904. He served in 1898 in the Spanish-American War and 1899-1901 in the Philippine War. He took up insurance work in 1904 as filing clerk with the casualty company and has since risen to his present position.

FEDERAL LIFE INSURANCE COMPANY CHICAGO

ISAAC MILLER HAMILTON, ; ; President

Admitted assets.....	\$2,447,499.17
Capital stock.....	177,300.00
Surplus apportioned and unapportioned	77,510.61
Excess security to policy holders	254,810.61
1909 insurance in force increased over.....	\$6,300,000.00
Surplus increased over....	100,000.00

HIGH-GRADE MANAGERS AND AGENTS WANTED.

ATTRACTIVE POLICIES.

DESIRABLE CONTRACTS.

WILL ENTER NEW TERRITORY.

Address,

CHARLES M. TURNER,
General Manager,

Marquette Building, CHICAGO, ILL.

ANOTHER DUPLICATION OF NAME.

Another Three C's casualty company—the Commercial, of Nashville, Tenn.—is booked for banner raising September 1. All lines, as usual. Really, the casualty craze has become an obsession in certain sections of the country. Philadelphia, Kansas City, Atlanta, Oklahoma, and even New York have been the centers of the disturbance, as the weather man would state it.

How many of the eggs in the incubator will hatch a healthy chick is a matter of the merest speculation. Certainly not all, nor even half. Already three of the bantlings have been gathered in under one fold, and there are more to follow.

There are excellent names in the list of officers of the new company, as named, that are a presage of success.

Frank Dibrell, president; William Peak, secretary; W. J. Cude, treasurer; P. R. G. Barnette and W. C. Lacey, directors; Dr. C. F. Anderson, medical director; Dr. Duncan Eve, Sr., consulting surgeon.

The title is a distinct handicap to expansion because there is already a Commercial Casualty Company in the field, full panoplied, and there is an unwritten law of comity and public policy which declines to license two companies of the same title.

To the idle inquisitor there is a suggestion for psychologic inquiry as to the whyness of so many of new ones running to title of three words and Three C initials.

VICE-PRESIDENT GILBERT.

It is in logical line with the constructive and creative work of President Joyce, of the National Surety, to recognize the value of Frank L. Gilbert, Pacific Coast manager, in elevating him to the vice-presidency and directorate of the company.

Mr. Gilbert will continue his residence in San Francisco and exercise his new functions in executive work of development, a field in which he proved an adept as manager. He formerly represented a Maryland company, the unpopularity and ponderosity of which even his own personal popularity could not successfully overcome, and he threw it over for the National, since when he has had a constantly enlarging measure of success, resulting in this latest recognition of his ability.

With enlarged powers and the experience gained by the clear-headed judgment that carried him safely through the earthquake period that

tried men's souls, as well as their treasure, combined with that gained later by the awful political graft exposures and recent criminal convictions in San Francisco's municipal affairs, through which he safely steered his company, it is easily presumable that Mr. Gilbert will shortly make the National and its progressive forms the leaders on the Coast.

Hats off to the new vice-president!

MAKING A SUCCESS.

The Indiana and Ohio Live Stock Insurance Company of Crawfordsville, Ind., has increased its capital stock from \$100,000 to \$200,000, with full paid subscriptions, and has doubled its office space. J. R. Bonnell, the president of the company, was United States collector of internal revenue at Terre Haute, but resigned that office at the expiration of his term on March 31, to devote his entire time to the company. The prospect for the current year gives every expectation of another large increase over its 1909 premium income of \$400,000.

The American Casualty Company of Tacoma, with J. E. Chilberg, of Alaska-Yukon Exposition fame as president, is making rapid strides. It has an authorized capital of \$250,000 and insures against loss of time through accident, sickness or death. It is an industrial plan company with insurance at the cost of \$1 per month.

As already announced, the Western Casualty, organized at Denver last September, has been abandoned by its promoters. In a recent statement to the Colorado Insurance Department, the company's attorney advises that only thirteen shares of the concern's stock has been issued, and these shares to the incorporators. At the present time the subscription books are closed.

MEN OF ENERGY ARE OFFERED WORK OF MOMENT

In desirable localities representing a sixty-year old institution, with modern, liberal, law-conforming policies, and helpful Home office co-operation. Much good territory available. Many opportunities for advantageous positions. Inquire NOW.

UNION MUTUAL LIFE INSURANCE COMPANY PORTLAND, MAINE

FRED E. RICHARDS, President,

ALBERT E. AWDE,
Supt., 396 Congress St.,
Portland, Maine.
THORNTON CHASE,
Supt., 405 Exch. Bldg.,
Los Angeles, Cal.

Address
either:

The Employers' Liability Assurance Corporation, Ltd.

LIABILITY, STEAM BOILER,
ACCIDENT, HEALTH, FIDELITY
and BURGLARY INSURANCE.

UNITED STATES BRANCH.

SAMUEL APPLETON, United States
Manager,

Employers' Liability Building,
33 BROAD STREET, BOSTON, MASS.

EDMUND DWIGHT,
Resident Manager for New York State
56 MAIDEN LANE, NEW YORK.

AGENTS WANTED.

A PENN MUTUAL PREMIUM, less a
PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS is unsurpassed for net low cost and care of interests of all members.

THE PENN MUTUAL LIFE INSURANCE COMPANY OF PHILADELPHIA

On January 1, 1909, rates were reduced and values increased to full 3% reserve.

BONDS OF SURETYSHIP.

The Guarantee Company of North America HEAD OFFICE, MONTREAL

Edward Rawlings, President.

H. E. Rawlings, Asst. Mgr.

Richard B. Scott, Secretary & Treasurer.

It is the Pioneer Company, was established in 1872, and is conducted under a conservative management of over 55 years experience.

It has recouped to employers over \$2,190,000 for losses sustained by the infidelity of employees and has a surplus of \$1,041,423.23 to credit of shareholders and total resources of \$1,919,892.38 for the security of insured.

Branch Offices:

NEW YORK: 111 Broadway.
D. J. Tompkins, Secretary.
BOSTON: 114 Milk Street.
W. A. Hamilton, Agent and Attorney.
CHICAGO: Room 400, The Temple.
J. R. Pruyn, Resident Sec. and Atty.
PHILADELPHIA: 500 Arcade Bldg.
W. H. Jackson, Res. Secretary.
PITTSBURG: 1120 Farmers Bank Bldg.
E. R. Munro, Resident Secretary.
LOUISVILLE: 316 Columbia Bldg.
P. N. Clarke & Co., Agents.

THE PRUNING PROCESS.

The first general rating of surety companies' limits on Federal government undertakings since the placing of the entire subject under direction of the Treasury Department, has been furnished "The Chronicle" by Honorable Franklin MacVeagh, Secretary of the Treasury, accompanied by a ruling which indicates a return to the formerly abandoned stand that a surety company will not be approved on government bonds in a State or Territory where it has not complied with local laws. He says:

"Bonds executed by companies in States in which they are not regularly licensed to do a fidelity and surety business will not be accepted."

This is a complete reversal of the former ruling which ignored State qualifications of sureties on bonds and adhered rigidly to the exact terms of the act of August, 1894. There is grave doubt as to the authority of the Secretary of the Treasury to read into the statute mere personal opinions of interpretation. In fact the two recent reversals of rulings not only indicate the weakness of the situation, but also the danger, because no surety—individual or corporate—may ever determine where he "is at" under the new rule.

Uncle Sam's bonding business is a big and ever-increasing one and deserves a far greater degree of sober consideration than it has ever received. It has been foot-balled back and forth by incompetents in office for brief periods and has never had any appreciable measure of intelligent treatment. It is not difficult to locate the cause. Cheap politicians, through their political henchmen, have had a man, or men, in direction of this highly important branch of government conservation utterly devoid of any ability except that of promptly drawing salary and preventing the wind from blowing the desk chair out of the window.

The New List at 10 Per Cent.

Following is the limit of 10 per cent. of capital and surplus for which any one company will be approved on any one bond:

Am. Surety	\$ 562,783
Fidelity and Deposit	434,564
Fidelity and Casualty	356,422
U. S. Fidelity and Guar.	244,765
National Surety	166,997
Am. Bonding	150,024
Title Guaranty	124,717
Mass. Bonding	70,005
Pacific Coast Casualty	66,278
Am. Fidelity	67,555
U. S. Guarantee	60,053
Citizens' Trust	52,263
Empire State Surety	60,058
Peoples Surety	50,683
Bankers Surety	54,025

Southwestern Surety	45,000
Southern Surety	47,172
Pa. Surety	44,774
International Fidelity	39,257
Pacific Surety	37,513
Federal Union	38,005
Ill. Surety	33,272
Aetna Indemnity	32,645

\$2,748,830

For Reinsurance:

Guarantee Co. of N. A.	\$ 50,000
-----------------------------	-----------

Total available indemnity \$2,789,830

The Vacant Chairs.

The United Surety is dropped from the approved list. Others are reduced in rank. On the whole, it appears that the combined resources available for surety bond undertakings has increased. The Boston pneumatic tube concern of many millions purported capital, first foisted upon Uncle Sam by the great Parker, the Sam Slick of Washington Federal surety business, is also missing from the revised list. And there are other, but unimportant ones. All of which tends toward a higher standard of practice by Uncle Sam and a breaking away from the Parker Bond et al. methods of recent years.

The Tiger's Claws.

The tigerish cruelty of which human nature is capable is illustrated very aptly in the present plight of the United Surety Company, of Baltimore, and it affords confirmation strong as proofs of Holy Writ that a soulless corporation can no more dally with Satanic fires and hope for immunity than can the individual. The unholy alliance entered into by the United with the dive and suicide-hall liquor dealers of New York worked its undoing just as "The Chronicle" predicted when the suicide pact was made. The utterly and hopelessly discredited management of the company was too stupid to see just a little way ahead. It seems now as if their act was deliberate.

Certainly no principle of intelligent interest obtained foothold in their councils.

Now comes the end. The tiger has

eaten its young. The "trusted" officers of the liquor league have been caught with the goods on, the goods in this instance being the sale to over 340 "innocents" in the saloon business of blocks of United Surety stock at \$150 per and the further consideration of the company making the bond for their liquor license. Now it is out that these patriotic officials obtained these shares from the promoting philanthropist Knabe, of piano fame, at \$80 per share, he having acquired them at \$60. Then comes the pitiful sequel in an offer from the new control of the company to these deluded minority stockholders of \$59 per share. This is a first and voluntary offer and evidently indicates approximately the correct value of the stock.

The Majority's Offer.

To the Minority Stockholders of the United Surety Company, Baltimore, Md.

Gentlemen,—As you are doubtless advised, the capital stock of the United Surety Company has been found to be seriously impaired, necessitating the contribution of further capital by the stockholders if the company is to continue to do business.

The company has passed resolutions looking to the cutting of its capital stock in half and issuing additional stock at a premium for the purpose of making good the surplus.

While the affairs of the company were in this condition, I have purchased the majority of the capital stock of the company from Messrs. E. J. and William Knabe at \$59 a share, and I am willing to offer the holders of the minority of the stock the same terms.

If you desire to avail yourself of this offer send your stock to the United Surety Company, endorsed in blank, together with sight draft on me drawn for such amount as will represent the value of your holdings at \$59 per share, to the National Mechanics Bank, Baltimore, Md., using the endorsed form for the purpose.

This offer will not be open unless accepted by wire or by forwarding the stock prior to Wednesday, April 20.

Very truly yours,

THOMAS H. BOWLES.

There is good reason to expect a complete change of executives and the rehabilitation of the company after its

I notice that a number of agents are making changes from the Companies they were formerly with to other Companies. Also, that none of these agents have been in correspondence with the Philadelphia Life. Perhaps it is due to the fact that they do not read our advertisements, and I think that it would pay the agents, whether they are working for this company or not, to read these advertisements, as many a time there appear in the advertisements little arguments that would help them to secure business. For instances:—How many agents to-day are using the argument that they are insuring income, which is really what you do on every policy that you have caused to be issued by a Life Insurance Company? Now why don't you get in touch with the new up-to-date income policy of the Philadelphia Life that is different in all details from that issued by any other Life Insurance Company? Write Perry to-day.

stormy period of gestation, birth and infancy.

It will also serve as a warning to other foolish youth who rush in where even the veterans are badly stung. It also revives "The Chronicle's" oft-repeated suggestion that the companies use their organization to restrain the writing of excise liquor bonds for one, or, perhaps, two years, and the situation will clear itself. Then an adequate rate may be obtained. The only logical argument against this action is advanced by an official who points out that if the rate was doubled the excise department would advance the forfeitures in the same ratio. Already the department is boasting of a surplus of \$36,000 over expenses last year and asking for the appointment of additional political heelers to "inspectorships," meaning, in reality, weekly "collectors"—they say to gather evidence, but there are several citizens who just laugh at that.

Yesterday at Albany there was reported out of the legislative committees favorably a bill to increase the number of "collectors of evidence" from 60 to 150. And so the bonding companies may be amply warned of the department's need for increased income.

And so in the evolutionary process the United Surety is simply marking the inevitable pains of growth and development and affording an example and object-lesson for the generations to follow:

The Prosecution of Violators Makes Excise Department More Than Self-Sustaining.

State Excise Commissioner Clement reports that for the six months period from October 1, 1909, to April 1, 1910, he has collected in costs and penalties in bond actions and cancellation proceedings upward of \$284,800, which is more than \$36,000 in excess of the total expenses of the department during the same period.

The effect is wholesome and encourages obedience to law. Liquor dealers who think are beginning to realize that they cannot afford to violate it. The losses are liable to be greater than the profits.

THE GLOBE SURETY COMPANY.

Kansas City, Wednesday, (special).—The new company designed to take over the surety and fidelity business of the Commerce Trust Company, of this city, will be titled Globe Surety Company.

The new company will have a capital of \$500,000 and an equal surplus and will begin business with a running and working organization. Backed by the Commercial Trust interests the new-born "Globe Surety," directed by the well seasoned experience of Man-

ger Van Buren, must get up front. There is an indication of highest enthusiasm on the part of those interested in the new movement that augurs well for the future of the company. It is recalled that the city abhorred the National Surety Company, of New York, through the reorganization of the surety department of the Missouri Kansas and Texas Trust Company on similar lines. It is also recalled that the effort to combine insurance and banking hazards has been absolutely abandoned by even the most adventurous of the "high financiers" of the trust company world.

It is probable that some other of the numerous inchoative propositions of organization throughout the Middle West may be brought into the fold and rescued from the inevitable end toward which they are rapidly drifting.

The Guarantee Surety and Casualty Company of Kansas City, Mo., has received its charter. The company has an authorized capital of \$500,000 and surplus of \$250,000. The officers are: President, Dr. J. P. Kanoky; vice-presidents, J. C. Wolcott and John H. Wiles; secretary, James A. Roberts; treasurer, F. G. Robinson.

The clause in a fire policy making its validity depend upon the sole and unconditional ownership by insured is reasonable and valid, and a breach of such stipulation, unless waived by the company, will excuse it from liability.—Bacot v. Phenix Insurance Company of Brooklyn (Miss.) 729.

The West Virginia Insurance Company of Alderson has been organized to write all kinds of insurance—capital, \$25,000. The incorporators are G. H. Gwinn and J. N. Alderson, of Alderson; W. B. Heinz, of White Sulphur Springs, and W. D. Slaven, of Lewisburg.

SELL LIFE INSURANCE



If you have latent ability as a salesman we will help you develop it, and you'll make money while learning.

The Prudential Wants Agents. Write Today for Particulars.

THE PRUDENTIAL

Insurance Company of America.

Incorporated as a Stock Company by the State of New Jersey.

JOHN F. DRYDEN, Home Office, President, NEWARK, N. J.

1860 50th YEAR 1910

HOME LIFE

Insurance Company of New York.

GEORGE E. IDE, President.

Assets	\$23,626,018.63
Liabilities	21,858,691.52
(Including Deferred Dividend Fund)	
Dividend Endowment Fund	
(Deferred Dividends)	2,119,044.00
Net Surplus	1,767,327.00
Insurance in Force	92,532,583.00

The record for 1909 shows the following GAINS:

Insurance in Force	\$4,164,239.00
Assets	1,917,117.00
Deferred Dividend Reserve	148,581.00
Contingency Reserve (Surplus)	655,149.17

201st YEAR.

SUN

Insurance Office OF LONDON.

FOUNDED 1710.

UNITED STATES BRANCH:

54 PINE STREET, NEW YORK.

WESTERN DEPARTMENT:

171 LA SALLE ST., CHICAGO.

PACIFIC DEPARTMENT:

Sansome & Sacramento Sts., SAN FRANCISCO, CAL.

AGENTS WANTED AT UNREPRESENTED POINTS.

COME AND PROSPER

Among the 15 largest American companies (excluding industrials) this is our 1909 ranking:

First place in percentage of gain in insurance in force; third place in gain over 1908 in amount of paid-for new business.

New business first quarter of 1910 far in excess of first quarter of 1909. Our agents are busy and prosperous—and are not driven by the Home Office.

New York Agency: 1401 Empire Building, 71 Broadway.

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY,

Springfield, Mass.

Incorporated 1851

THE END BEGINS.

What may properly be termed a panic is agitating the serried ranks of those soldiers of fortune, yclept promoters of new insurance schemes and companies, who have, through over-industriousness, pulled their own house down over their heads.

It's a simple example in equation. In the old school copy books was an axiom that when thieves fall out honest men may get (or have a chance to get) their dues. If these gents of promoting skill had hung together, it is quite probable that they would not be hanging separately—at least yet. But, as it is, the profession seems gravitating rapidly toward the toboggan.

With the passing of "Brilliant Bob" Armstrong and his "Everyladies Corporation," and the puncturing of two or three other over-bulbed inflations, together with the deflection of the king-pin of the whole bunch, and the sudden return to grace (?) of his chief lieutenant, according to profession of faith, by way of confession and avoidance, there has come cold feet feelings to the satellites—that is, the professionals. The amateurs will no doubt stay in the game, or try. There is something peculiarly contagious in the promoting play as it has been staged. It is not likely that it will down. On the contrary, it will merely assume a different livery in which to serve as the devil's cadet. For instance, it may be apropos to quote the following from the "Underwriters' Report":

The license of the Union Guarantee Association of Portland to transact business in Oregon during the insurance year beginning April 1, 1910, has not been renewed by the State Insurance Department. The department is now notifying fire companies which had furnished statutory \$25,000 bonds of the concern that they must immediately replace such bonds with those of some other bonding company licensed in the State.

The failure on the part of the Union Guarantee Association to renew its license will not create much surprise among those familiar with the concern's operations. It attempted to obtain a monopoly of the depository bond business in Oregon last year by cutting the regular rate of one-half of one per cent., or \$125. to as low as \$35. On this basis it did succeed in writing some twenty-odd bonds, but its activities along these lines were soon restricted when the attention of fire companies was called to the class of security the company had to sell. It is understood that several of the companies which furnished Union Guarantee bonds during the last quarter of 1909 are now having a merry time attempting to collect the unearned premium for the balance of the term.

In evidence of the power of the press, already mentioned, it is only

necessary to point out that the Federal government could not accomplish by legal process what the press has done by publicity and arousing the sleepy public. The notorious Rhodus brothers, the original Belshazzars and infection spreaders in the promotion game, were dismissed in Chicago the other day on the charge of using the mails for fraudulent purposes, even after the department had issued its fraud order. This action undoubtedly influenced the department's decision in abandoning any further prosecution of a similar charge against Armstrong, inspired and vigorously pushed by his former bed-fellow, one Zimmerman, of more or less would-be promoting skill and notoriety, of Quakertown, the hamlet of the Honorable Robert's next most recent residence to his undertaking the "toning," as he termed it, of Chicago, insurancewise.

Now comes a bothersome question propounded by the "Underwriters' Report." It affords relief, however, as to the noxious presence of the ubiquitous promoter. Note these remarks:

The question, "What to do with our insurance company promoters?" bids fair to be solved by the action of a number of these gentry who lately established themselves in Cuba. Having lately exhausted the fertility of their native soil, a number of insurance promoters migrated from the Southern States to the virgin territory of the tropic isle. There, amid the luxuriant foliage of the date palm and the lordly banyan, one may witness the sight of an enthusiastic stranger expatiating to an interested native the delights of ownership of insurance company stock, the while the mountains echo: "No old-line insurance company ever failed; keep your insurance premiums at home, etc." Shades of Van Laningham, what a chance!

W. E. McLaughlin, lately of the advertising staff of the Nashville "American," has resigned to become a special agent for the Southern Insurance Company of Nashville. Mr. McLaughlin was formerly in the casualty business.

When some so-called insurance journals tackle any other than the advertising feature of the business there is laughter clear out to Kalamazoo and Kokomo. The try-monthly "Assurance" of the city has discovered Lloyds of London and London Lloyds, the real and the spurious. In the fullness of time it is barely possible that "Assurance" may justify its literal title and drift insuranceward and graduate from fulsome pulchritudinaries. Incidentally, Cousin John Bull et al. may learn that all wooden nutmegs do not come from Connecticut.

Organized 1871

Life Ins. Co. of Virginia

Home Office, Richmond, Virginia.

J. G. WALKER, President.
T. W. PEMBERTON, 1st Vice-President.
W. L. T. ROGERSON, 2d Vice-President.
E. D. HARRIS, Secretary.

The OLDEST Southern Life Insurance Company.
The LARGEST and STRONGEST Southern Life Insurance Company.
The PIONEER Southern Industrial Life Insurance Company.

Its policies are clear and definite in their provisions and their values are absolutely guaranteed.

Assets Dec. 31, 1909.....	\$5,372,691.99
Liabilities Dec. 31, 1909.....	4,312,405.32
Insurance in Force Dec. 31, 1909.....	68,337,613.00
Total Payments to Policyholders since Organization	9,820,412.49

INCORPORATED 1833.

British America Assurance Company

HEAD OFFICE, TORONTO, CANADA

UNITED STATES BRANCH.

JANUARY 1, 1910.

Assets	\$1,556,740.94
Liabilities	902,438.61
Surplus	\$ 654,302.33

Hon. GEORGE A. COX, President.
JOHN HOSKIN } Vice-Presidents.
W. R. BROCK }
W. B. MEIKLE, General Mgr.

HARTFORD LIFE

INSURANCE COMPANY,
OF CONN.

1909 Policies are Participating, or Non-participating, with Lower Rates and Values based on FULL RESERVE.

For Right Contracts,
Address, Second Vice-President,
Home Office, HARTFORD, CONN.

The Preferred
ACCIDENT INSURANCE COMPANY
of New York

SUPERIOR POLICIES

KIMBALL C. ATWOOD, President
290-292 Broadway, New York.

RAILROAD ACCIDENTS INCREASE.

A large increase in the number of casualties on American railroads is shown by the report for the quarter ended December 31, 1909, as compared with the corresponding quarter of the previous year. A bulletin issued by the Interstate Commerce Commission shows an increase in the number of persons killed of 301, and in the number injured of 5,645, as compared with the corresponding quarter of 1908. The total number of persons killed was 1,099, and the total number injured 22,491.

The bulletin makes a comparison of steam roads with the electric lines on which interstate traffic is carried. The total number of persons killed on the electric lines was 26, and 642 were injured. The total number of accidents on the steam roads was 3,206 (1,745 collisions and 1,461 derailments), of which 257 collisions and 155 derailments affected passenger trains. The damage to cars, roadbeds, and equipments amounted to \$2,733,830.

New York's Quota.

According to the report of the Public Service Commission just given out, there were a greater number of accidents of street car and railroad lines last month than for March, 1909. The same month in 1908 saw 4,353 accidents, while this year's figures are 4,506, with 3,925 for last year. The number of persons killed, however, is smaller, as eighteen met death last month, compared with twenty in March, 1909, and forty-four in the same month of 1908.

This increase, in view of the continued installation of improved safety devices and methods, is one of those inexplicable phenomena that puzzle the most inscrutable wisdom.

The Museum of Safety.

An exhibit of devices to prevent accidents has just been arranged for in the Engineering Societies Building, by the American Museum of Safety. This will be a permanent exhibition, free to the public, of safeguarded machines in operation, models, charts and photographs.

No exhibit will be displayed that has not been approved by the board. There will be no charge for space, but a plan of each installation must be submitted in advance. Each exhibit will be accepted as a loan for one year, then to be replaced if substantial improvements have been made. The museum assumes no responsibility for any damage by fire, or loss by theft, and exhibitors showing non-patented devices or processes do so at their

own risk. Therefore it is recommended that exhibitors arrange for fire, liability, burglary and patent infringement indemnity.

The board of approval consists of Professor F. R. Hutton, Philip T. Dodge, Charles Kirchoff, T. C. Martin, and W. H. Tolman.

All makers and inventors of safety devices, in the threefold aspect of safety for the worker, the public, and the machine, are invited to exhibit. Applications for space should be sent to the Museum, 29 West Thirty-ninth street, New York City.

Endorsed by the American Federation of Labor.

President Gompers informs the American Museum of Safety that he is directed by the executive council of the American Federation of Labor to formally endorse the American Museum of Safety in its promotion of industrial safety by means of a permanent exposition, where every safety device that human ingenuity can devise may be displayed and explained in its practical application, and commends it to the Federal, State, and Municipal governments, and particularly to the State and city government of New York, for appropriations and other support, in order that it may adequately carry on its life-saving work and its educational propaganda.

Under the direction of Dr. W. H. Tolman, this work of conservation has already accomplished results that demonstrate its utility and justifies the cordial support of casualty insurance companies.

The Maryland Casualty Company, originator of water damage insurance four years ago, shows a loss. The company believes the hazard is insurable, but it has not yet secured a sufficient average. The premiums amounted to \$18,026 and the losses to \$15,044.

A first class life underwriter with a successful field record, and an untarnished reputation can secure good open territory by addressing

SECURITY MUTUAL LIFE INSURANCE COMPANY

Binghamton, N. Y.

TO WIN IN COMPETITION

Represent the Company whose agents have the strongest fighting material and the most telling arguments. Everyone knows the superiority in low cost to policyholders, (due to high interest earnings, low death and expense rate) of

THE Union Central Life Insurance Co. of Cincinnati.

Assets, \$74,523,966.28
Liabilities, \$72,324,302.92

JESSE R. CLARK, President.
ALLAN WATERS, Sup't of Agents

"The Leading Fire Insurance Company of America."



WM. B. CLARK, President.
W. H. KING, Vice-President.
HENRY E. REES, Secretary.
Assistant Secretaries,
A. N. WILLIAMS, E. S. ALLEN,
E. J. SLOAN, GUY E. BEARDSLEY.

SPECIAL OPPORTUNITIES offered now in Southern States to Representatives of

CITIZENS LIFE INSURANCE CO.

W. H. GREGORY, President.

COMMERCIAL - UNION

ASSURANCE CO., (LIMITED)

OF LONDON.

OFFICE;

Cor. Pine & William Sts.

NEW YORK.

ANOTHER "WHALE."

Last week "The Chronicle" referred to the movement on in Philadelphia to amalgamate some of the small struggling stragglers in the casualty procession. The movement did not at that time show the earmarks of the professional promoter, but the prospectus since received show them in box-car letters. The attempt at subterfuge is an extremely awkward one. The prospectus flaunts the title of Columbus Securities Company of New Jersey, a holding concern, to corral all vagrant and unmated elements in the casualty field. It attempts the role of innocence aforethought in its naivety and disingenuousness, but the old, old sordid story of deception runs between its lines. Just for instance, its title gives New York, Philadelphia, Chicago, Cleveland and Montreal as its habitats, and among other things contains the following misleading and deceptive language, to put it mildly:

High Average Earnings.

The sworn annual reports of corporations, accessible to all, show that in America to-day no class of stocks is producing as high an average of earnings as those of stock insurance companies. Of these by far the most conspicuous and rapidly advancing are the companies in the various casualty lines.

The percentage of profit of all casualty companies has increased 300 per cent. in the last five years. This percentage to-day is 36.7 per cent. The casualty branch of insurance is rapidly surpassing every other class in volume, demand and earnings.

No Failures.

Commercial houses fail. Banks close their doors. Railroad receiverships are common. But it is a matter of record that not a single stock casualty company has ever failed.

Protected by Law.

In no form of investment are the interests of the stockholders so rigidly and carefully safeguarded by law as in the case of stock insurance companies.

The Showing of 15 Years.

A broad, quick view of the enormous earnings of casualty insurance is given by these figures: During the past fifteen years the total received for premiums was \$525,087,304. Of this only \$208,239,306 was paid out for losses. The balance is \$316,847,998. Allowing 40 per cent. as the average cost of operating (and this is extremely high), the net earnings, or profits, have been \$190,108,798.80. All of this huge amount has been either paid to stockholders or added to surplus.

"The Fidelity and Casualty Company has paid an average dividend of 71.8 per cent. for 25 years," says the prospectus, an obvious falsehood.

This is followed by other glaring, blatant and crass evidences of the ad-

venturous promoter. Here is a mild specimen:

Thus Far.

Thus far, as must be conceded, this book has demonstrated beyond question these facts: 1. That casualty insurance is immensely profitable; 2. That this form of investment is safe; 3. That the large company has many overwhelming advantages in the securing of these great profits. These facts are matters of actual record, and they are not at all open to argument.

Thus it is clear that, so far at least, the plan of the Columbus Securities Company is based, not on theory, but upon a wise application of actual recorded results.

You will find the other features of this plan equally free from theory. In each of its details this plan is founded upon the solid rock of experience.

The peroration is a screaming bit of the ad. writing art. Even Armstrong's "Everybody's Corporation," which "guaranteed" \$220 annually for life in return for every \$10 invested "now" in casualty insurance stock may feel jealous of this rival for unsophisticated coin. And the dance goes merrily on and the end is not quite in sight, but may appear with Haley's comet next month.

THOUGHTFUL THINKS.

A few company representatives go around handing out a lot of hot air which passes current for the sole and simple reason that the controverting evidence is not at hand. Here is a handy reference table that may aid in turning on the light, as regards the liability, burglary and steam boiler business for 1909. Paste this in your hat. It may be relied upon.

Liability Figures for 1909.

	Premiums.	Per ct.	Losses Paid
Aetna Life	\$3,150,720	59.7	
Am. Casualty	29,646	24.8	
Am. Fidelity	369,492	31.4	
Cas. Co. of Am.	894,656	62.1	
Empire State	208,259	42.9	
Employer's Liability ..	2,859,536	44.2	
Fid. and Cas.	1,936,273	56.3	
Frankfort Marine ..	821,287	66.5	
General Accident...	852,334	37.4	
Home Accident	245,964	56.1	
London Guarantee..	1,677,422	55.0	
Maryland Casualty..	1,885,594	48.7	
New Amsterdam ...	354,482	56.7	
Ocean	1,438,922	54.7	
Pacific Coast	208,036	38.9	
Pa. Casualty	246,607	48.8	
Peoples Surety	142,599	35.1	
Phila. Casualty	453,020	34.8	
Standard	924,788	52.2	
Travelers'	4,561,985	63.3	
U. S. Casualty	722,866	45.2	

Total.....\$23,783,488

Burglary Figures for 1909.

Fidelity & Cas.	\$585,958	39.4
National Surety	209,401	32.8
Maryland Casualty..	284,169	26.4
U. S. Fidelity & G..	257,306	21.2
Ocean	173,562	24.5

Am. Bonding	159,652	30.1
General Accident...	135,454	49.3
New Amsterdam ...	114,508	34.8
Aetna Indemnity ...	110,193	52.5
Employer's Liability.	77,442	26.7
Empire State	70,954	51.9
Mass. Bonding	69,514	16.6
United Surety	61,356	31.4
N. J. Plate Glass...	60,837	29.8
U. S. Casualty	53,596	30.9
Am. Casualty	50,946	38.1
Aetna A. & L.	47,463	14.8
London Guarantee..	47,383	23.6
Frankfort Marine...	21,488	62.8
Pacific Coast	10,515	40.1
Am. Casualty	9,332	32.2

Total.....\$2,708,587

Steam Boiler for 1909.

Am. Casualty	\$ 4,528	....
Cas. Co. of Am.	84,994	15.3
Empire State	4,852	0.3
Employer's Lia. ...	8,202	....
Fid. & Cas.	384,173	21.9
Hartf'd St'm Boiler.	1,328,207	34.3
London Guarantee..	18,155	10.8
Maryland Casualty..	215,269	10.7
Mutual Boiler	31,795	0.1
Ocean	52,906	2.5
Pa. Casualty	10,943	....
Travelers'	82,525	3.8
U. S. Casualty	33,016	0.3

Total.....\$2,359,565

It must be remembered that these figures, while approximately correct, are in each case furnished from the individual viewpoint, and the individual in each instance may represent the very best type of full seasoned skill or the fresh youngster with the whole world as his oyster.

These figures are presented as an aid in the conservation movement. It is not purposed that they shall be applied to the detriment of any experience of considerable value. On the contrary they are intended as a signal post for the un-hardy mariners on this most uncertain of all the seas of underwriting.

LEADING FIRE COMPANY OF THE WORLD



(of Liverpool,

England.)

COMPARATIVE RESERVE TABLES

BY

MILES M. DAWSON

Consulting Actuary.

Containing Mean and Terminal Reserves for the
usual forms of policies and by the
following standards:

American Experience, Select and Ultimate $3\frac{1}{2}$ per cent.
American Experience, Select and Ultimate 3 per cent.
American Experience, Modified Preliminary Term $3\frac{1}{2}$ per cent.
American Experience, Modified Preliminary Term 3 per cent.
American Experience, Select and Ultimate 4 per cent.
Actuaries', Modified Preliminary Term 4 per cent.
American Experience, Committee of Fifteen, $3\frac{1}{2}$ per cent.
American Experience, Illinois and Tennessee, $3\frac{1}{2}$ per cent.
American Experience, Michigan, $3\frac{1}{2}$ per cent.
American Experience, Wisconsin, $3\frac{1}{2}$ per cent.
American Experience, New Jersey, $3\frac{1}{2}$ per cent.
H^M, Canadian Life Officers' Association, $3\frac{1}{2}$ per cent.
O^[M], Select and Ultimate, $3\frac{1}{2}$ per cent.

THIS covers all the standards, other than the net level
premiums, in use in this country. Tables showing
the first year margins set free by each method of valu-
ation are given.

Send all orders to the Publishers,

The Chronicle Co., Ltd.

No. 90 William St.

NEW YORK

The Northwestern Mutual Life Insurance Co. of Milwaukee

GEO. C. MARKHAM, President
A. S. HATHAWAY, Secretary



New Business Paid-For

1905		\$ 90,334,039
1906		93,563,452
1907		102,233,634
1908		109,685,428
1909		113,716,189

Each year larger than any in the previous
history of the Company:

Commenced Business 1858

INSURANCE MEN will note the significant increase in The Northwestern's new business during the past five years.

IMPORTANT FACTS relating to this business are shown by the following percentages:

	Expenses	Mortality	Interest
1905	12.15	67	4.73
1906	11.76	59	4.72
1907	11.81	58	4.76
1908	10.76	59	4.84
1909	10.63	54	4.85

It is capable of easy demonstration that The Northwestern is the best Company to insure in.

See The Northwestern's new (1910) policy contract with its Dividend Options, Paid-up and Endowment Options, Options of Settlement and the Premium Loan Features.

Issues Partnership and Corporation Insurance.
For further information or an Agency, address

H. F. NORRIS,
Superintendent of Agencies.

FOUNDED 1792

118th ANNUAL STATEMENT

INSURANCE COMPANY OF NORTH AMERICA, OF PHILADELPHIA, PA.

ASSETS.

Real Estate	January 1, 1910.	\$ 364,410.00
First Mortgages on Real Estate		373,803.48
Philadelphia, New York, Boston and other City and State Loans		1,134,390.00
Pennsylvania, Philadelphia and Erie, Lehigh Valley and other Companies' Bonds and Stocks		8,909,150.32
Cash in Bank and Bankers' hands		1,134,635.88
Notes Receivable and Unsettled Marine Premiums		347,440.69
Net Cash Fire Premiums in course of Transmission		1,069,510.62
Accrued Interest, and all other property		52,160.57

Total Assets\$13,385,501.56

LIABILITIES.

Capital Stock	\$ 3,000,000.00
Reserve for Re-Insurance ..	6,813,862.47
Reserve for Losses	877,250.00
All other Liabilities	104,982.45
Surplus over all Liabilities ..	2,589,406.64

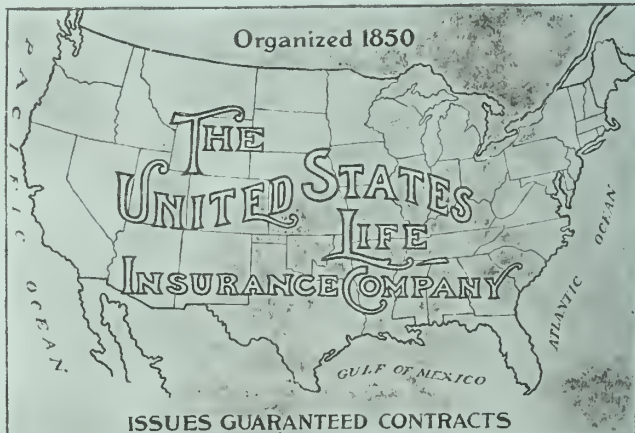
\$13,385,501.56

Surplus to Policyholders	\$5,589,406.64
Increase in Reinsurance Reserve	349,934.71
Increase in Net Surplus	838,500.98
Increase in Assets	1,371,438.93

Eugene L. Ellison.....President
Benjamin Rush.....Vice-President
T. Howard Wright.....Secretary
Henry W. Farnum.....Assistant Secretary
John O. Platt.....Assistant Secretary

Agencies in all Prominent Cities & Towns.

Organized 1850



ISSUES GUARANTEED CONTRACTS

JOHN P. MUNN, M.D.

PRESIDENT,

FINANCE COMMITTEE
CLARENCE H. KELSEY

Fire, Title Guarantee and Trust Co.

WILLIAM H. PORTER

Fire, Chem. and Bank

EDWARD TOWNSEND

Fire, Importers & Traders Nat. Bank

Good men, whether experienced in life insurance or not, may make direct contracts with this company, for a limited territory if desired, and secure for themselves, in addition to first year's commission, a renewal interest insuring an income for the future. Address the Company at its Home Office, No. 277 Broadway, N. Y.

The Chronicle.

1866

Published by THE CHRONICLE COMPANY, Ltd., 90 William St., New York City.

1910

VOLUME LXXXV.

New York, May 5, 1910.

NUMBER 18

THE BANKERS LIFE ASSOCIATION

DES MOINES, IOWA.

ERNEST E. CLARK, President.

Exceptional Record Dur-
ing twenty-nine years for

LOW RATE OF MORTALITY
ECONOMY OF MANAGEMENT
PROMPT PAYMENT OF CLAIMS
SECURITY OF ITS FUNDS

and satisfactory results
for its policyholders.

FOUNDED 1792

118th ANNUAL STATEMENT

INSURANCE COMPANY OF
NORTH AMERICA.
OF PHILADELPHIA, PA.

ASSETS.

	January 1, 1910.
Real Estate	\$ 364,416.00
First Mortgages on Real Es- tate	373,803.43
Philadelphia, New York, Bos- ton and other City and State Loans	1,134,390.00
Pennsylvania, Philadelphia and Erie, Lehigh Valley and other Companies' Bonds and Stocks	8,909,150.32
Cash in Bank and Bankers' hands	1,134,635.88
Notes Receivable and Unset- tled Marine Premiums....	347,440.69
Net Cash Fire Premiums in course of Transmission....	1,069,510.62
Accrued Interest, and all other property	52,160.57

Total Assets\$13,385,501.56

LIABILITIES.

Capital Stock	\$ 3,000,000.00
Reserve for Re-Insurance ..	6,813,862.47
Reserve for Losses	877,250.00
All other Liabilities	104,382.45
Surplus over all Liabilities..	2,589,406.64

\$13,385,501.56

Surplus to Policyholders.....	\$5,589,406.64
Increase in Reinsurance Re- serve	349,934.71
Increase in Net Surplus.....	838,500.98
Increase in Assets	1,371,438.93
Eugene L. Ellison.....	President
Benjamin Rush.....	Vice-President
T. Howard Wright.....	Secretary
Henry W. Farnum.....	Assistant Secretary
John O. Platt	Assistant Secretary

Agencies in all Prominent Cities & Towns.

ASK

UNITED STATES CASUALTY COMPANY

—141 BROADWAY, NEW YORK—

to send you its circular concerning its
FIFTEENTH YEAR CELEBRATION.

There's money in it for you, if you
receive it during the month of May, 1910.

EDSON S. LOTT, President

OLDEST
IN
AMERICA

STRONGEST
IN THE
WORLD

THE MUTUAL LIFE Insurance Company of New York

Mutual Life Agents Make Most Money
Because Mutual Life Policies Sell Most Freely

For terms to producing agents, address

GEORGE T. DEXTER

2nd Vice-President

34 Nassau Street

New York, N. Y.

EDITION ALMOST EXHAUSTED

SAVES TIME AND LABOR

Various Derived Tables

AMERICAN EXPERIENCE

3 and 3½%

BY

MILES M. DAWSON

TABLE OF CONTENTS.

Single Premiums, Pure Endowment.
 Accumulations, Pure Endowment.
 Forborne Immediate Annuities.
 Accumulated Temporary Insurances.
 Accumulated Increasing Insurance.
 Single Premiums Endowment Insurance.
 Single Premiums Temporary Insurance.
 Immediate Temporary Annuities.
 Valuation Columns.
SELECT AND ULTIMATE VALUES.
 Single Premiums, Whole Life.
 Life Annuities.
 Terminal Reserves, Life, Limited Payment, Endowment.
 Mean Reserves, Life, Limited Payment, Endowment.
LOGARITHMS, SEVEN PLACES.
 Forborne Immediate Annuities.
 Curtate Summations of D Column.
 Immediate Temporary Annuities.

USES.

Computing Annual Term Insurance Premiums:
 Divide temporary insurance values by immediate temporary annuities.
 Computing Annual Endowment Insurance Premiums:
 Divide endowment insurance values by immediate temporary annuities.
 Computing Annual Pure Endowment Premiums:
 Divide pure endowment values by immediate temporary annuities or take reciprocals of forborne immediate annuities.
 By these means, the net extra premium for a special guaranty can be quickly and accurately computed.
 Computing Annual Semi or Double Endowment Premiums:
 Add temporary insurance and pure endowment values for proper amounts and divide by immediate temporary annuity.
 Computing Limited Premiums:
 Divide the proper single premiums by immediate temporary annuity.
 Computing Surrender Values:
 Extended Insurance. Find the temporary insurance value next lower than the sum to purchase extension. This gives even number of years. Apply remainder to pay for additional days according to daily differences in the table.
 Extended Insurance with Fractional Paid-up Endowment:
 Deduct from purchase money, value of insurance for unexpired term; multiply remainder by accumulation, pure endowment, to get amount of endowment.
 Computing Terminal Reserves:
 Unvarying Benefits. Multiply net premiums by forborne immediate annuity and deduct accumulated temporary insurance.
 Return Premium, Full Reserve. Multiply net premium by forborne immediate annuity and deduct accumulated temporary insurance and accumulated increasing insurance, multiplied by gross premiums to be reduced.
 Return Premium, Extra Reserve. Multiply net extra premiums by forborne immediate annuity and deduct accumulated increasing insurance, multiplied by gross premiums to be returned.
 Warranted Commissions for New Business.
 Surrender Values.
 Dividends.
 For these purposes the "select and ultimate" will be most useful.

SEND ALL ORDERS TO

THE CHRONICLE CO. (Ltd.)

90 William Street, New York

The Chronicle

VOLUME LXXXV.

NEW YORK, THURSDAY, MAY 5, 1910.

NUMBER 18

ALFRED B. DAWSON, President.
R. B. Dawson, Treasurer. Chas. D. O'Brien, Secretary.
Emil Schwab, Manager New England Department,
178 Devonshire Street, Boston, Mass.

All communications should be addressed to and remittances should be made to The Chronicle Company, Limited.

Entered at the Post Office, New York, N. Y., as Second Class Mail Matter.

PUBLISHED EVERY THURSDAY BY
THE CHRONICLE COMPANY, Limited.
No. 90 WILLIAM ST., NEW YORK.
Phone "567 John." Cable Address, "Chronogram," New York.

Subscription Price:
Three Dollars a Year. Single Copies, Twenty-five Cents.
Postage Prepaid in the United States and Canada.

Amendment Offered To Section 96.

On the 4th inst. Hon. William H. Hotchkiss, Superintendent of Insurance, handed to the chairman of the insurance committees of the Senate and the House, with his recommendation that the same be introduced and passed, amendments to section 96, limiting new business, to take the place of the amendments previously recommended by the department. The previous recommendation was that the bill, substantially without change, be made to apply to companies doing an industrial business, the limitations to be based upon the ordinary business in force and the special exception relating to industrial companies now in the law to be removed, and also recommending that the bill apply to all companies doing business in the State of New York, as well as to New York companies.

In the amended bill, which is now handed in by the superintendent, he continues his recommendation in these two regards, viz:

That the limitations applying to all companies doing business in New York and that as regards industrial companies, the limitation be based upon their ordinary business. The basis of limitation, however, is considerably changed as follows: First—Any company with more than \$600,000 of insurance in force is permitted to write up to full \$150,000,000. Second—Any such company may in the alternative increase its new business over the largest amount issued in any one of the three years immediately preceding by the percentage which the difference between 25 per cent. of its net renewal premiums computed according to the basis of mortality and interest assumed in cal-

culating its liabilities, and its total expenses for such preceding year, after deducting from said total expenses (1) the items of first year expenditure specified in the first sentence of section 97 of this chapter; (2) its actual investment expenses (not exceeding one-fourth of 1 per cent. of the mean invested assets), and (3) taxes on real estate and other outlays exclusively in connection with real estate, bears to said net renewal premiums.

Significance of Amendments.

The meaning of this is that, by economy in the general conduct of its business, the company may earn the privilege of doing a steadily and moderately increasing new business. If it could conduct its business without expense, this increase would be limited to 25 per cent., and in no case in point of fact would it be anything like so much as that.

The following, based upon the reports of four companies for the year 1909, gives an idea of the amount of increase which the saving in renewal expense will permit the company to make:

	Net Premiums.	Renewal Expenses.	25 per cent. of Renewals.	Saving.	Per Cent.
N. W. Mut. Life....	\$27,644,756	\$3,658,432	\$6,911,189	\$3,252,757	11.8
Equitable	38,126,938	7,359,806	9,531,734	2,171,928	5.8
New York Life.....	57,544,409	6,499,632	14,386,102	7,886,470	13.7
Mutual Life	39,378,444	5,758,548	9,844,611	4,086,063	10.3

Proposal First Suggested by Mr. Rhodes.

As this suggestion first came to the attention of the department, it was in the form that the amount of increase of new business written in any one of the three years preceding should

be based upon the percentage of saving in the cost of new business, as compared with the limitation of section 97. This suggestion was brought forward, it is understood, by Vice-President E. E. Rhodes, of the Mutual Benefit Life Insurance Company of Newark, and was doubtless based upon the experience of that company, which is that a large saving on the cost of new business as limited by section 97, is possible. It was not generally acceptable, however; and the insurance department did not approve it, for the reason that it was felt that the pressure upon the limitation of the cost of new business under section 97 was already sufficiently great without having an additional limitation based upon it. In consequence, the suggestion that the latitude be based upon the saving in renewal expense was brought forward by Chief Examiner Hadley and Auditor Woodward and was accepted by the superintendent, and, it is understood, also approved in principle by the governor.

Superintendent Hotchkiss, in commenting upon the measure at Albany

on the 4th inst., gave the press the following statement:

Under this bill any company which desires to take advantage of its provisions must necessarily conduct its business in a very economical manner, and it was to effect economy chiefly that the restriction was incorporated in the Armstrong laws.

THE EQUITABLE'S SPLENDID SETTLEMENT.

An announcement made by the Superintendent of Insurance and the Attorney General at Albany on Monday of this week makes public for the first time the fact that a committee of the directors of the company, being Thomas Spratt, of Ogdensburg; J. Edward Swanstrom, of Brooklyn; Charles H. Zehnder, of New York, and General Counsel W. A. Day, has succeeded in making a settlement of various actions by and on behalf of the company and its policyholders on the one side, and against the company, on the other, by means of which, among other benefits, the Mercantile Safe Deposit Company's lease of the basement of the Equitable building at 120 Broadway is to be released and the lease of the Securities Safe Deposit Company of Boston is also to be released, the Equitable paying \$1,050,000 for the first and \$225,000 for the second. It is estimated that thereby at least \$2,000,000 is added to the value of the Equitable's property at 120 Broadway, and at least \$420,000 to the value of its Boston property.

James Hazen Hyde's Large Contribution.

These leases were made by the Equitable under the Henry B. Hyde management, but never came to light until the troubles with the Equitable in 1905. It was understood before James Hazen Hyde left the United States that he had arranged to sell a majority of the stock in the two safety deposit companies to interests friendly to the Equitable, so that the leases could be released; and that for the purpose of enabling this to be done he agreed to turn over out of the appraised value of the stock which he sold, about \$1,000,000 to be used in this way; and in the sale of his interest in the Boston company it is understood that he was to pay over half of the appraised value of the stock for the same purpose. A similar settlement was made with him at the time, likewise, as to the Missouri Safe Deposit Company; but this is not included in the present matter, as a complete settlement was then arrived at.

The Turner Loans Also Settled.

In addition to these transactions, the Equitable has also made a compromise settlement in relation to the

so-called "Turner loans." The Equitable which was in control of the Western National Bank in 1904, caused the bank to lend money to John W. Young and others, who were engaged in various flotations. These loans impaired the bank's capital and the Equitable took them up and caused the Mercantile Trust Company, which it also controlled, to lend money to one Turner, a clerk of the Equitable. This note was guaranteed by Henry B. Hyde, Marcellus Hartley, Louis Fitzgerald, John E. Searles, W. N. Coler, Jr., and others, of whom Mr. Coler is the only survivor. Justice Bischoff held in an action brought by the Mercantile Trust Company that the company, and not these directors, was primarily liable. The Equitable now pays \$2,750,000 to obtain a release from this liability, and thereby secures a transfer to it of bonds and securities, including certificates which represent Colorado and Kentucky lands. It is believed that these are fully equal in value to the amount paid by the company.

Joint Approval of Two Departments.

These settlements did not take effect until the same had been approved by the Attorney General and the Superintendent of Insurance. They were submitted by those officers to Deputy Attorney General Edward H. Letchworth and to Alfred Hurrell, counsel to the Insurance Department, and Nelson B. Hadley, chief examiner of life companies, who joined in a memorandum to the Attorney General and the Superintendent of Insurance, which says:

When one considers that this settlement will end costly and troublesome litigation, much of which would result unfavorably to the society; allows the society to improve its buildings in New York and Boston and thus take advantage of the steadily increasing values of this real estate, all without cost to the society, and at the same time puts it in position to probably gain millions by reason of the readjustment—there can be but one conclusion, and that is that official approval should be given to the settlement and the same consummated at once.

When the question of injunction in the case of Hyde vs. the Equitable was decided by Judge Bischoff the law governing the case was set forth, which practically charged the defendant with the Turner loan liability of over \$3,000,000. The statute of limitations had already run against the directors who had collusively fastened on the society the burdensome losses when the action was commenced by the State.

There is no escape from them, and at the same time no affirmative relief against those who caused them can now be obtained. This being so, the sane course to pursue is to permit the society to effect this settlement,

whereby those liabilities can be avoided, and practically accomplish all that could be gained in the suit by the State if it were maintainable.

Under all of the facts and circumstances we therefore recommend to the Attorney General the discontinuance of the suit of the People of the State of New York against the Equitable et al. and to the Superintendent of Insurance that his approval be given to the proposed settlement as outlined.

A Congratulation and a Query.

The Equitable Life Assurance Society and its policyholders are certainly very particularly to be congratulated upon this outcome; and not the least element of the congratulation is that presumably there can be no offset to their present satisfaction in the form of a criticism by the Insurance Department hereafter. It was doubtless wisdom to obtain the approval in advance, thereby rendering it certain that the company and its management will not be subjected to criticism; but this also gives rise to the following question: Is such always to be deemed the part of wisdom? And, if so, will not the Insurance Department, even under its present exceedingly energetic, industrious and efficient management, be likely to find that it is carrying a very serious burden, if every important movement of the insurance companies doing business in the State of New York is to be referred to it for consideration before action is taken.

OLDEST LIFE INSURANCE POLICIES.

"Mutual Interests," a company paper of the Mutual Life Insurance Company, of New York, says that Policy No. 458 of that company, issued on January 24, 1844, on the life of George L. Newman, of Charlottesville, Va., is the oldest policy of life insurance in force in the United States. It was issued before the company was twelve months old. The next oldest is Policy No. 5 of the New England Mutual Life Insurance Company, issued on February 1, 1844, upon the life of Mrs. Emma S. Rogers of Massachusetts. Mr. Newman is now 94 years old and Mrs. Rogers 87 years old. Neither of them is of the age that other policyholders in various companies have attained to.

Mr. Newman's policy was issued on the ordinary life plan for \$1,500, but all dividends have been applied to purchase additional insurance and the amount of the policy is now \$5,179. Mrs. Rogers discontinued premium payments on her policy many years ago, and it was endorsed paid up for \$294.

ROBERT LYNN COX COMES BEFORE SENATE COMMISSION.

Among the others who appeared before the health committee of the United States Senate at Washington, D. C., on April 29, in advocacy of the bill to establish a Federal department of health, Hon. Robert Lynn Cox, chairman and general counsel of the Association of Life Insurance Presidents, appeared on behalf of that association and delivered an address in part as follows:

If the sentimental side is permitted to dominate in the consideration of this question as it has heretofore, tears will again constitute our main contribution to the financial problems presented by untimely and unnecessary deaths. I would not be understood as intimating that Congress fails to respond to sentiment for evidence to the contrary measured by millions of dollars may be found in every annual appropriation bill. But rather would I be understood as recognizing the duty resting upon you to see that there is reasonable certainty of adequate return in some form or other for every dollar of the people's money you expend. If it can be shown that money spent to prolong human life means large economic gain to the nation as a whole, there would seem to be but one answer to the question of whether you should spend it. To the consideration of this question life insurance companies ought to be able to contribute some valuable information since their business is founded on the principle that human lives have a money value.

The Federal Government can be stirred to great activity to stamp out hog cholera but it sits supinely by if the scourge be typhoid fever among men. It is in the front ranks when it comes to dealing with the foot and mouth disease of cattle, but hesitates about acting when shown that human beings are dying in this country at the rate of one every three minutes from tuberculosis.

And why is this so? Simply because we are not accustomed to view human life from an economic standpoint. We want better water and more sanitary habitations—and sometimes we vote to tax ourselves to get them, but we do it in order that we may escape death ourselves rather than because we regard ourselves as having a money value, worth saving to the world at large. Life insurance companies began telling men years ago that untimely death meant a financial loss to their dependents, which could in a measure be provided against. They did not suggest that men might learn how to live longer, but did say that the money loss incidental to death might be distributed among the living on a scientific basis.

One of the first steps to be taken in preventing untimely deaths is to acquire accurate information in regard to the causes of such deaths. This involves not alone inquiry as to the ultimate and direct cause, but concerning the indirect and contributing causes. Such information is not to be had in quantity sufficient to be of real value, except in the archives

of life insurance companies. They have collected it in the prosecution of their business over a period of many years. Even there it has never been collated and thus made of the greatest practical value. Within the past year the leading life insurance companies, acting through their medical directors and actuaries, have determined to make a scientific and exhaustive examination of their records of some fifteen million individual policyholders whose policies have matured as death claims. This information will be given to life insurance companies in order that they may the better know how to select and reject risks, and to the world in order that people may escape death by avoiding as far as possible the causes which experience has shown lead to death.

It is believed that the product of this investigation when added to the knowledge already acquired in regard to the causes of disease and death will mark a new era in matter of prolonging human life.

Nothing I have said must be construed as minimizing the value and importance of that service, nor as a failure to appreciate the wonderful results achieved by Dr. Wyman and his able assistants. My argument is not directed against that bureau or the men in it, but on the contrary, is meant to be a plea for giving them larger fields and greater opportunity. They have not only demonstrated their personal fitness for such service, but the fitness of the Federal Government to carry on the work of preventing disease and thereby prolonging the average human life.

Gentlemen, the conservation of material resources is of great importance, but the conservation of human life is of greater importance. It will save as many dollars and by saving also sorrow and suffering will contribute more to the happiness and contentment of the American people, than water powers and coal fields. To conserve the health of America is to conserve its greatest and most important natural resource.

Among the others who appeared were Professor Irving Fisher, of Yale, president of the Committee of One Hundred, which is responsible for the movement in favor of establishing a department of health in connection with the National Government.

ORGANIZATION OF INSURANCE DEPARTMENTS.

The Metropolitan Life Insurance Company sends out, with its compliments an interesting compilation, entitled "Organization of Insurance Departments in the United States," which gives the date of the organization of each of the insurance departments, the titles of the supervising officers and the names of all who have held office, with their terms of office.

It would be extremely difficult to obtain this information at first hand, and no other publication has ever purported to give it in compact form.

"The Leading Fire Insurance Company of America."



WM. B. CLARK, President.
W. H. KING, Vice-President.
HENRY E. REES, Secretary.
Assistant Secretaries,
A. N. WILLIAMS, E. S. ALLEN,
E. J. SLOAN, GUY E. BEARDSLEY.

1860 50th YEAR 1910

HOME LIFE

Insurance Company of New York.

GEORGE E. IDE, President.

Assets	\$23,626,018.63
Liabilities	21,858,691.52
(Including Deferred Dividend Fund)	
Dividend Endowment Fund	
(Deferred Dividends)	2,119,044.00
Net Surplus	1,767,327.00
Insurance in Force.....	92,532,583.00

The record for 1909 shows the following GAINS:

Insurance in Force	\$4,164,239.00
Assets	1,917,117.00
Deferred Dividend Reserve...	148,581.00
Contingency Reserve (Surplus)	655,149.17

COME AND PROSPER

Among the 15 largest American companies (excluding industrials) this is our 1909 ranking:

First place in percentage of gain in insurance in force; *third place* in gain over 1908 in amount of paid-for new business.

New business first quarter of 1910 far in excess of first quarter of 1909. Our agents are busy and prosperous—and are not driven by the Home Office.

New York Agency: 1401 Empire Building, 71 Broadway.

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY,

Springfield, Mass.

Incorporated 1851

"COMMISSION RATES AND COST OF LIVING."

"The American Underwriter," of New York, presents, in its issue of March, 1910, "A Study of Agents' Commission Rates in All Branches of Insurance in the Light of the Increased Cost of Living," from the pen of Edward Bunnell Phelps, editor of that journal. Mr. Phelps thinks that in these days, when there is great public interest in the matter of the enhanced cost of living and in the necessity of the increase of wages of workingmen to meet the same, it is remarkable that "there would seem to be absolutely no interest in the conformity or non-conformity of his (the insurance agent's) scale of commission in the change in cost of living," and that on the contrary "at present the sole interest in that subject, if any at all, apparently is in the direction of trying to restrict by statute the commissions of both life and fire agents." The following still further represents the view of the editor of the "American Underwriter":

That weird statutory product of high-browed life insurance thinking, the new Armstrong code of New York State, set a most extraordinary economic precedent by providing specific limitations for the renewal commissions which ordinary domestic life insurance companies might pay their agents, and indirectly ordering a pronounced reduction of their commissions on first-year premiums. Several States have discussed the advisability of similar interference with the fixing of fire agents' commissions, and, in short, as already stated, the sole inquiry and action in the matter of readjusting insurance agents' commissions in these twentieth century days have been with a view to readjusting down, instead of up. Apparently the public attitude toward insurance agents' compensation, in so far as now ascertainable, is in entire harmony with its attitude toward the tariff. It wants to see both materially scaled down.

One Matter Not Mentioned.

There is an unfortunate neglect to mention that the president of the National Association of Life Underwriters, at its session in Louisville last year, said that life insurance agents were making more money than ever before, that is, a larger average income per agent. Certainly nobody will accuse him of having been prejudiced in favor of the Armstrong laws, and, in view of the fact, which Mr. Phelps proceeds to show very clearly, that the average rate of commission has been materially reduced, it must follow that in many, if not all, of the companies doing business in New York, thereby subjecting themselves to the restrictions of the Armstrong

laws, the same thing has been taking place, as in the Fidelity Mutual Life Insurance Company, the president of which said in his report of a year ago that the agents were doing on an average 50 per cent. more business per man than in the good old days of high commissions.

That conditions are so nearly the same in fire and other branches of insurance that it is likely that if commissions were reduced there, it would result in increased earnings for the agents who give their time to the business, is by no means certain; but there are some reasons for believing that moderate commission rates would drive out of all of these businesses ne'er-do-wells and hangers-on, and yield better aggregate incomes to those who are really competent agents.

Decline in Commissions in Certain Life Companies.

For purposes of comparison Mr. Phelps makes use of the commission payments of six companies, reporting to the New York Department as follows: The Equitable, Mutual Benefit, Mutual, New York, Northwestern Mutual and Penn Mutual.

He finds that the average rates of first year's premiums have been as follows:

Year.	Per Cent.
1899.....	55.34
1900.....	55.63
1901.....	53.96
1902.....	51.69
1903.....	51.79
1904.....	52.52
1905.....	56.49
1906.....	53.68
1907.....	45.33
1908.....	43.49

Even this presumably by no means tells the full story, because in this compilation nothing but commissions has been dealt with; whereas, prior to the going into effect of the Armstrong laws on January 1, 1907, "bonuses, prizes and rewards" were, in some of these companies, usual and almost constant companions of commissions, and, in addition, there were very large disbursements for so-called advances and salaries for obtaining new business. All of these are presumably entirely done away with by the prohibitions of the Armstrong laws.

Notwithstanding which the average volume of business written by agents employed by the companies doing business in New York is increased so much that they are making more money than ever before.

The Figures in Other Branches.

The comparison as to the commissions and brokerage paid by casualty

and surety companies is also interesting:

Year.	Per Cent.
1899.....	27.78
1900.....	27.52
1901.....	27.33
1902.....	27.32
1903.....	27.15
1904.....	27.22
1905.....	26.85
1906.....	26.33
1907.....	26.24
1908.....	27.17

The percentage of commissions paid in fire insurance, however, does not show this slight increase or even a slight decrease, but a more or less steady increase.

The percentage runs as follows:

Year.	Per Cent.
1899.....	19.75
1900.....	20.31
1901.....	20.76
1902.....	20.28
1903.....	21.31
1904.....	21.22
1905.....	21.45
1906.....	21.45
1907.....	21.22
1908.....	21.88

General Decline Measured in Purchasing Power.

As compared with all these Mr. Phelps, by reference to the United States Bureau of Labor's investigation of the cost of living, finds that during the same period there have been increases in the wholesale prices of all commodities, as compared with 100 per cent., in 1898, as follows:

Year.	Per Cent.
1899.....	101.7
1900.....	110.5
1901.....	108.5
1902.....	112.7
1903.....	113.6
1904.....	113.0
1905.....	115.9
1906.....	112.5
1907.....	129.5
1908.....	122.8

In purchasing power, therefore, he concludes that the net decrease in agents' commissions has been as follows:

20.90 per cent. for life agents.

Germania Fire

INSURANCE CO.,

NEW YORK.

ORGANIZED 1859.

Cash Capital.....\$1,000,000.00
Assets.....\$6,562,329.14
Net Surplus.....\$2,008,419.02
Surplus for Policyholders,\$3,008,419.02

HEAD OFFICE:

Cor. William and Cedar Streets.

14.55 per cent for casualty insurance agents and

8.27 per cent. for fire agents.

The Results of Investigation and Laws, Together.

Of course, in case of life agents he is intending to take into account only those who represent companies doing business in New York and his selection of companies was intended to be typical for them. The following is an interesting statement, mingling the results of the Armstrong investigation and of the Armstrong laws:

Not only was there a sharp decline in the ratios of first-year commissions to first year's premiums in 1907-8, but the Armstrong investigation of 1905, and the events which immediately preceded it, also caused a pronounced decline in the amount of first year's premiums and consequently in the amount of first-year commissions. From 1899 to 1904, inclusive, there had been a steady increase in the aggregates of both premiums and commissions, to wit, from \$26,883,161 and \$14,876,923 in 1899 to \$38,676,367 and \$20,311,067, respectively, in 1904. In 1905 there was a drop of nearly \$6,000,000 in new premiums, and nearly \$2,000,000 in commissions, in 1906 there was a further decline of more than \$7,000,000 in the aggregate of the six companies' first-year commissions, and again in 1907 there was another slump of more than \$3,500,000 in the aggregate of commissions paid on new business. It was not until 1908 that the aggregate of first-year commissions began to make an upward move, and in the four years from 1904 to 1908 the aggregate of premiums on new business had shrunk from \$38,676,367 to \$17,963,803, and the commissions from \$20,311,067 to \$7,811,662. Surely it would require an exceptional optimist to figure out any particular encouragement for life insurance agents in this outcome of the New York reform crusade!

But this does not take into account the business of companies, other than those doing business in New York, or the earnings of their agents.

CONNECTICUT GENERAL INCREASES CAPITAL.

The stockholders of the Connecticut General Life Insurance Company, of Hartford, approved at a meeting held on the 3d inst., the proposal of the board of directors to increase its capital stock from \$150,000 to \$300,000, the additional stock to be offered to existing stockholders, pro rata, at par.

President Huntington gives out the following brief statement concerning the matter:

The capital stock of the company was fixed originally at not less than \$500,000, the charter allowing an increase of \$1,000,000. It was reduced twice in accordance with permission from the legislature, and it is now proposed to increase it. The company is growing very fast, and the directors thought it best to have a larger capital stock.

DEATHS OF MRS. McCURDY AND MRS. HOMANS.

Since last week's "Chronicle" went to press, the venerable Richard A. McCurdy, formerly president of the Mutual Life Insurance Company, has suffered the loss of his estimable wife, who had been his companion for over fifty-two years. Mrs. McCurdy's death took place at the family home at Morristown, N. J. She had not been in good health for some time, and, indeed, never fully recovered from the shock of the misfortunes which came upon the family.

During the same week Mrs. Sarah Louisa Homans, widow of the late Shephard Homans, passed away at the home of her son, Shephard Homans, Jr., at Englewood, N. J. Her distinguished husband was also at one time connected with the Mutual Life Insurance Company, as its actuary, and was later the founder and president of the Provident Savings Life Assurance Society, as well as the most famous consulting actuary of his time.

THE FIDELITY-PHENIX FIRE INSURANCE COMPANY OF NEW YORK.

The Fidelity-Phenix Fire Insurance Company has decided to handle its Southern business from the home office in New York.

The Southern department, which was maintained for many years at Atlanta, Ga., by the Phenix before its merger with the Fidelity, and was then known as the Southeastern department, is to be given up on June 1.

J. E. Lopez, second vice-president, has returned from a tour of inspection through the Southern territory, as a result of which it has been decided that the business of this territory shall be managed from New York. The change is made because of a belief in the policy of centraliza-

tion by those who have the affairs of the merged companies in charge.

Major Charles F. Hard, who has been manager of the Southern department since last December, will devote his time after June 1 to his own insurance interests in the South.

A PECULIAR CONTEST.

Insurance Commissioner Lasater, of Oklahoma, has compelled the Old Line Bankers Life Insurance Company, of Lincoln, Neb., to resort to the Supreme Court for a mandamus to compel him to issue a license, which he refuses on the ground that the company reserves on a 4 per cent. basis, whereas the Oklahoma law requires that all policies issued on or before January 1, 1910, shall be valued on a 3½ per cent. basis.

The company is willing to submit to that valuation by the Oklahoma department, but refuses to change its own basis; that is, it is willing to have the Oklahoma department so value its policies, but is not willing to value them in that manner itself, and so report their value to the department of Nebraska.

201st YEAR.

SUN Insurance Office OF LONDON.

FOUNDED 1710.

UNITED STATES BRANCH:

54 PINE STREET, NEW YORK.

WESTERN DEPARTMENT:

171 LA SALLE ST., CHICAGO.

PACIFIC DEPARTMENT:

Sansome & Sacramento Sts.,
SAN FRANCISCO, CAL.

AGENTS WANTED
AT UNREPRESENTED POINTS.

THE FIDELITY MUTUAL LIFE INSURANCE COMPANY OF PHILADELPHIA

Has some excellent Agency Positions

FOR INFORMATION APPLY TO

ALEXANDER McKNIGHT, Vice-President
L. G. FOUSE, President.

TEXTS FOR SEVERAL SERMONS.

New York State Superintendent of Insurance Hotchkiss sends "The Chronicle" his advance preliminary report of the operations of the 188 fire and marine insurance companies for 1909. Commenting thereon he says:

It would appear that the year just passed proved a favorable one to the companies and shows that they are again building up their reserve funds against the time when they may be called upon to meet and pay losses of perhaps as great magnitude as those of the California conflagration of 1906. While the fire waste for the year 1909 was not as large as that of the previous year, it is still enormous, being in great measure due to faulty construction of buildings, inadequate water supplies, carelessness and criminality. Proper building requirements, especially in the smaller cities of the country, strictly enforced, would without question prove an important factor in reducing the excessive destruction of property by fire, which is estimated for 1909 at about \$200,000,000.

The National Convention of Insurance Commissioners at their convention held at Colorado Springs in August, 1909, adopted an underwriting and investment exhibit which was used in this report.

The total result of the companies' underwriting and investment returns shows that the 188 fire, fire-marine and marine insurance companies reporting to this department for the year 1909 made an underwriting gain of \$22,589,899. The gain from investments of these companies was \$26,728,228, total \$49,318,127, from which must be deducted a loss in surplus of \$21,912,817, on account of dividends paid, changes in special reserves and balance of remittances to and from home offices of foreign fire and marine companies of other countries, making the total net gain in surplus for the year \$27,405,310.

The fire companies write in the State of New York during 1909 \$5,378,756,810 of insurance, an increase of about \$460,000,000 over the previous year. The excess of fire premiums received over fire losses incurred and estimated expenses on New York State business for the year was \$8,625,491 and is classified as follows:

New York State companies. \$2,869,612
Companies of other States. 3,194,968
Foreign companies—United

States branches 2,560,911

The marine and inland risks written in this State during 1909 by fire and fire marine companies show an increase of nearly \$60,000,000 over those of 1908.

Licensed Agents.

The following is a list of the names and business addresses of the agents to whom licenses have been issued by the superintendent pursuant to the provision of section 137 of the insur-

ance law, for the calendar year 1910:

New York City.

Edouard T. Mostert, 29-31 Liberty street.

William W. Henshaw, 67-69 William street.

Seelye Benedict, 35-37 Nassau street.

Edward E. Hall, 45-49 Cedar street.

Frederick L. Green, 80-82 William street.

Alexander Robb, 100 William street.

Emil H. Frank, 47 William street.

Arthur C. D. Foster, 45 William street.

Warren M. Kimball, 100 William street.

Wallace Reid, 56 Maiden Lane.

Brereton Platt, 63 William street.

Henry W. Lowe, 49 Wall street.

Charles E. Ring, 43 Cedar street.

Charles A. Seddon, 95 William street.

Henry T. Alley, 45 William street.

Edward Meinel, 84 William street.

Lawrence R. Bowden, 111 William street.

Buffalo.

Charles G. Worthington, 15-17 Chamber of Commerce.

Charles M. Clark, 16 West Seneca street.

The section of the insurance law referred to above relates to the surplus line agents, and the number and names of them is an excellent indication of the land office business they are doing with outside companies and Lloyds concerns, and the need of and the opportunity for increasing home facilities.

The limited ability of the home companies to swing large lines has opened up the way for so-called Lloyds piratical and rate-cutting institutions to work all sorts of flim-flam games and wild-cat schemes to the detriment and discredit of legitimate fire underwriting. The door opened by section 137 on the fire question has been a quasi-license for these same concerns to invade every other field of insurance enterprise and the casualty and insurance companies have been especially feeling this newer encroachment during the last few years. Emboldened by the apathy of the insurance companies them-

selves as well as by the State Department, these so-called syndicates have issued combination contracts—politely and conveniently termed "policies"—covering fire, casualty, burglary, fidelity, surety, liability and—as in the auto races last summer—even life risks, all in the same motion. It would seem logical to at least confine these concerns to the same limits set up for home companies.

From the gratifying manner in which Superintendent Hotchkiss has measured up to duty and has assumed personal command and directed the insurance laws applications, the hope may be indulged that he will promptly take hold of the subject of the evils existing and purify the noxious breeding spots of the pests.

The Preferred
ACCIDENT INSURANCE COMPANY
of New York

SUPERIOR POLICIES

KIMBALL C. ATWOOD, President.
290-292 Broadway, New York

TO WIN IN COMPETITION

Represent the Company whose agents have the strongest fighting material and the most telling arguments. Everyone knows the superiority in low cost to policyholders, (due to high interest earnings, low death and expense rate) of

THE
Union Central Life
Insurance Co. of Cincinnati.

Assets, \$74,523,966.28
Liabilities, \$72,324,302.92

JESSE R. CLARK, President.
ALLAN WATERS, Sup't of Agents.

BONDS--CASUALTY

AGENTS
IF
YOU { Can Command Bond or Casualty business
Are seeking an Agency connection
Are not representing another like Company

ADDRESS, AGENCY DEPARTMENT,

The Empire State Surety Co.
NEW YORK

IN NEW ENGLAND

"SAFEGUARDS."

The splendid work which the companies engaged in employers' liability insurance are doing in the matter of encouraging the prevention of accidents has never been better exemplified than by the publication "Safeguards for the Prevention of Industrial Accidents," which has just been published by the accident and liability department of the Aetna Life Insurance Company of Hartford, Conn., and is now being circulated at the low price of 50 cents per copy. This valuable document is edited by David Van Schaack, whose skill in relation to this important subject is well known in employers' liability circles.

The following is a portion of the preface making clear the purposes of the company in publishing this work:

This book of suggestions regarding safeguards for the prevention of accidents is necessarily incomplete. The diversification of industrial operations is so great that to treat the subject fully would require a separate book for at least each group of allied industries.

At the same time it is the hope of the publishers of this book that the suggestions contained herein will be of some aid in the work of accident prevention. For the most part these suggestions are general in nature, and many of them are applicable to a large number of industries.

In connection with the illustrations of safety devices we desire to say that we do not wish to appear as advertising any particular device. There are a great many devices which are just as practical as those we describe or illustrate, but of course it is impossible for us to include them all in this book.

In addition to a general discussion of the perils of machinery the book contains many illustrations of unguarded machinery, showing the perils thereof, and of guarded machinery, showing how those perils may be obviated. It closes with special hints to employers of labor, giving various forms of notices, advices as to information concerning accidents required and the like.

The following is a copy of the "Don'ts" with which "Hints to Employers of Labor" lead off:

Don't neglect to inform yourself as to your legal duty to your servants. Make yourself familiar with the local labor and factory laws regarding the employment of children, the guarding of elevators, shafting and machinery, etc., and see that your foremen are observing same.

Don't neglect to furnish all employes, all the time, with the safest and best ways, works, machinery and appliances with which to do their work. Equip your machinery with all

the standard safety contrivances whether required by law or not.

Don't neglect to furnish proper and frequent inspections and keep all ways, works, machinery and appliances in repair.

Don't neglect to employ experienced and careful managers, superintendents and foremen. Such employes, for whose acts you are held responsible, should be engaged only upon written application indicating their qualifications, previous experience and general fitness to direct your operations.

Don't neglect to furnish a sufficient number of careful and competent employes to safely perform any operation assigned to them.

Don't neglect having all employes carefully instructed in a language they understand as to the proper and comparatively safe way to perform their duties.

Don't neglect to establish reasonable and safe rules and regulations regarding the operation of your business.

Don't neglect to insist upon a strict observance of the rules and regulations prescribed, the transgression of which should be severely penalized.

Don't neglect to have all employes on being hired, or immediately afterwards, expressly admit in writing in the presence of witnesses, a knowledge and appreciation of the ordinary, obvious and necessary hazards of the occupation they are to engage in.

Don't neglect to warn all employes by word of mouth and by printed notices against the dangers which are not apparent except to the experienced and intelligent man, and instruct them how such dangers may be avoided.

John W. Wheeler.

John W. Wheeler, president of the Boston Mutual Life Insurance Company, and for nearly two decades at the head of that organization, died at his home in Orange, Mass., Tuesday afternoon, after a brief illness. He was born in Orange, November 20, 1832, and was one of the leading citizens of the Commonwealth. Prominent among his many activities was the financial management of the New Home Sewing Machine Company, of which he was president and treasurer. He served in the Massachusetts Legislature, was a member of the councils of former Governors Douglas and Guild, and was a delegate to three Republican National conventions. The funeral is to take place to-day.

The Exchange.

At last Saturday's meeting of the New England Insurance Exchange the recommendation of the executive committee that the following note be promulgated in the agents' manual in connection with permit for unprotected dwellings and stables, was adopted: "The form of vacancy and non-occupancy permit prescribed under class D for protective dwellings

and private stables may be used on policies covering unprotected dwellings and private stables in place of the above permit." It was also voted to insert the following note after the note relating to hotels in the term policy rule, as found on page 70 of the Blue Book: "Average rates promulgated for policies covering on entire schedule of property owned by municipalities shall be marked 'A.'" The adoption of the "sidewalk clause" recommended by the executive committee was indefinitely postponed, and the proposed classification of dwelling houses, as to constructive materials, was referred back to the committee for further consideration.

New England Brevities.

The Standard Fire Insurance Company of Hartford, Conn., recently organized with a full paid capital and surplus aggregating \$1,000,000, has made the following agency appointments: W. A. Sanborn, Hartford; George R. Burton & Sons, New Haven; Elmer A. Lord & Co., Boston; J. G. Hilliard, New York; J. W. De Moth, Brooklyn; Hare & Chase, Philadelphia; Parr & Parr, Baltimore; H. R. Bowenstein Co., Washington; Gurney & Overturf, Buffalo; Justus Mulert, Pittsburg; Robert O'Gorman & Co., Newark.

The Phoenix Preferred Accident Insurance Company of Detroit was admitted last week to do a personal accident and health insurance business in Massachusetts, where it is represented by Albion Pease, of Boston.

Albert Henderson, for ten years identified with the Old Colony Trust Company, has been appointed assistant treasurer of the New England Casualty Company of Boston by President Corwin McDowell.

The sympathy of many friends goes out to Thomas L. O'Brien, of O'Brien & Russell, Boston, in the loss of his son Harry, who died suddenly of heart failure Wednesday night of last week.

Russell & Fairfield, of Boston, have relinquished the agency of the Eastern Fire of New Jersey.

The Fidelity-Phenix has appointed Lester B. Howard special agent for Maine, New Hampshire and Vermont. Mr. Howard was formerly identified with the field work of the Granite State Fire.

A license to do business in Maine has been granted the American Drug-gists Fire of Cincinnati.

RIGHT MAN IN THE RIGHT PLACE.

The election of Walter H. Sage, Western manager of the German American, as chairman of the governing committee of the Western Union, is a merited recognition of splendid service. Mr. Sage has been one of the hardest workers on the committee, and has acquired a vast amount of influence because he was everlastingly "on the job." It is only about six years ago that Mr. Sage was promoted from the field to the assistant managership of his company, with prospects that he would for a long time be overshadowed by Judge Eugene Cary, one of the most brilliant managers and influential members of the Western Union.

The sudden death of Judge Cary in a few months was followed by Mr. Sage's promotion to the managership and his becoming the representative of the company in the union. He was a young member and naturally in the background for a time, but when work was assigned to him he did it and soon he was recognized as a member who would deliver the goods. Now he finds himself in what is perhaps the most influential position a fire underwriter can occupy in the country, for the governing committee comes pretty near being the union about 355 days in the year, and an important factor the remaining ten days.

N. F. P. A.

The National Fire Prevention Association has furnished "The Chronicle" with the program of its fourteenth annual convention, to be held in Chicago a week from next Monday, and which promises to be the most important in its history. The business will begin on the day following, as per this schedule:

Tuesday.

President's address.
Report of the executive committee.
Report of the editor of the quarterly.

Manufacturing Risks and Special Hazards—Committee report. W. D. Grier, chairman.

Devices and Materials—Committee report. W. C. Robinson, chairman.

Automatic Sprinklers—Committee report. E. P. Boone, chairman.

Fire Protection Coverings for Window and Door Openings—Committee report, W. C. Robinson, chairman.

Hose—Committee report. H. W. Forster, chairman.

Hydrants and Valves—Committee report. H. O. Lacount, chairman.

Pumps—Committee report. E. V. French, chairman.

Private Fire Supplies from Public Mains—Committee report. E. V. French, chairman.

Standard Hose Couplings and Hy-

drant Fittings for Public Fire Service—Committee report. F. M. Griswold, chairman.

The Fire Underwriters Uniformity Association meets Tuesday evening, May 17.

Wednesday.

Signaling Systems—Committee report. Ralph Sweetland, chairman.

Cold Storage Warehouses—Committee report. E. P. Boone, chairman.

Automobile Garages—Committee report. F. E. Cabot, chairman.

Conference on Building Code—Committee report. E. T. Cairns, chairman.

Fireproof Construction—Including Concrete and Reinforced Concrete—Committee report. E. T. Cairns, chairman.

Afternoon—Visit to Underwriters Laboratories.

Thursday.

Theater Construction and Equipment—Committee report. C. A. Hexamer, chairman.

Pneumatic Conveyors of Stock and Refuse—Committee report. H. L. Phillips, chairman.

High Pressure Fire Service Systems—Committee report. A. G. Patton, chairman.

Address: "The Architect and Fire Protection." Irving K. Pond, president, American Institute of Architects.

Address: "Fire Insurance vs. Preventive Measures in Building." F. S. Baker, president, Royal Architectural Institute of Canada.

"American Water Works Association Convention—Report of delegate. F. M. Griswold.

International Association of Fire Engineers' Convention—Report of delegates.

American Warehousemen's Association Convention—Report of delegates.

SPRINKLER LEAKAGE INSURANCE.

The advent of the Hartford Fire into the sprinkler leakage field has caused considerable comment and some commotion since it happened a few months ago. That it is active is evidenced by the number of complaints from some sections that it is cutting rates. These reports do not appear to annoy its management, as they do not confess to being promoters of bad practices in making such rates as they see fit on business on which there is no recognized tariff. What is troubling some of the Hartford's competitors more than its rates is its policy forms, which one prominent casualty man has admitted are the best on the market. The Hartford policy does not contain the exemption of liability in case of loss resulting from tornadoes, a strong feature.

The Frankfort Marine Accident and Plate Glass Insurance Company has appointed Daniel J. Walsh's Sons, of Philadelphia, general agents for all lines for Philadelphia and vicinity.

"NEEDS MUST WHEN THE 'DEVIL DRIVES.'"

Men connected with Western loss departments will be very glad when vacation times arrives if conditions continue as they have been for the past few weeks. How much the weather has had to do with losses is, of course, problematical. March was unusually advanced and dry and the number of losses resulting from sparks from railroad engines was attributed in part to the dry grass and the winds. In some parts of the West there were also several conflagrations in small towns and villages. April was a month of cold weather and storms, bringing back winter conditions after a spell of spring.

There is considerable complaint of suspicious losses also. It is thought that some merchants and business men have discounted the return of prosperity too heavily, and have found themselves overstocked and crowded for money and—.

Forced Into Good Luck.

In several of the bad fires which have occurred of late the Fidelity-Phenix has been fortunate in having no liability, thanks to the advice given last December by the Policyholders Union of Chicago. The Phenix was strongly criticised at that time by the Policyholders Union and suffered a number of cancellations. And now the laugh is going around and the philosophers are repeating the old saw about its being an ill wind that blows no good.

New England Mutual Life

Insurance Company

BOSTON, : : : MASS.

Chartered 1835

Assets, January 1, 1910..\$51,316,543.00
Liabilities 47,050,672.15

Surplus \$4,265,870.85

Sixty-six years of honorable dealing with its policyholders has placed the NEW ENGLAND MUTUAL LIFE INSURANCE COMPANY in the front rank of Life Insurance Companies of the Country.

ALFRED D. FOSTER, President.

D. F. APPEL, Vice-President.

J. A. BARBEY, Secretary.

WM. F. DAVIS, Assistant Sec'y.

J. G. WILDMAN, Assist. Sec'y

EDWARD W. ALLEN, Manager,
220 Broadway, New York.

LATHROP E. BALDWIN, Manager,
141 Broadway New York.

CHARLES H. STRAUSS, Gen. A'gt.
200 Fifth Ave. New York,

Poor Deluded Sinners.

Vice is a monster of such hideous mien
That to be hated needs but to be seen;
But seen too often, familiar with his face,
We first pity, next endure, and then embrace.

When the good gray poet wrote these lines long ago he was unconsciously affording a fit motto for a heading for the bonds issued to the so-called Raines law hotels of the State of New York. It should be kept ever before those who sign such bonds as sureties. The principals are already one leg in Hell and irredeemable, but there is evidence abundant that innocent sureties—corporate and individual—are being constantly deluded and seduced into involuntary partnership in the disastrous business alliance—for them—and without reference to the moral questions, which "The Chronicle" has left to other forces to combat. Only the disastrous and discreditable influence which the signing of excise liquor bonds has on the financial credit of surety companies engaging in the maniacal rush for premiums have actuated it. The result is apparent in the present condition of two or three companies which have been kissed by Iscariot.

These have been victims of youth and credulity, combined in about equal measure with inexperience, and the worship of mammon and the fleshpots of Egypt.

These dive-keepers—hotel-keepers they are licensed as—were badly stung in a recent deal by which some 340 of them acquired shares of stock in a "liberal and improved" up-to-date surety company, directed by the finest talent in America and intending to set all other companies an example of how to do it, according to announcement. As a result the company has practically gone to the rubbish heap. There are more to follow, not yet, but soon, unless there is a radical reversal of the practices of the immediate past. *Verbum sat sapienti.*

Give the Devil His Dues.

It is but fair to extend a measure of pity and sympathy to the deluded saloon owners. Handicapped on one side by birth and breeding in an atmosphere of such foulness that they may never reasonably hope to escape its environment and by the necessity of earning a living, and, on the other side, by the wolves and hyenas of politics—Tammany Hall—all of the same type of gutter and back alley type of breeding and who make the saloon legitimate prey, the dive-keeper is

sure of the devil in the end and has no hope of happiness now. For this reason he presents a pathetic figure. And for none the less reason that he is a favorite subject for the reformers in the legislature and the amateur philanthropists out of it, but represented there, all seeking to legislate him into such civic form and virtue as their limited vision and experience deems sufficient. The business of reforming is like the practice of surgery and medicine and theology—the way to success must be over a road lined with many mistakes and much intelligent labor. And they are astonished that the act of the legislature of the great State of New York has no terrors, either for the workers of evil or their lawyers. Pity the sinner present and pray for his hereafter—if you can pray with faith. Don't waste valuable time if you can't. And it would be well to include in your prayer that even worse than this miserable victim of a system—the one who preys on him and keeps him shackled to his hopeless life.

A Freak Measure.

As an instance of the many legislative measures directed toward the uplift of the saloonkeeper is a bill which has already passed the Assembly and is now up to the Senate which proposes an amendment to the excise laws, which provides:

The applicant may file in lieu of either of the other sureties herein provided a certificate of deposit for an amount equal to the penalty of said bond plus \$200. Said certificate to have been issued by an institution authorized by the State Comptroller as a depositor of State funds. Such certificates shall be drawn to the order of the applicant and be indorsed by him to the State Commissioner of Excise and the said sum so deposited as shown by said certificate shall at all times be applicable in payment of any judgment recovered by the State Commissioner of Excise upon said bond. If after the satisfaction of said judgment, there shall remain any surplus out of said deposit, the said surplus shall be at once returned by the State Excise Commissioner to said applicant.

Should the surety given upon such bond be that of a certificate of deposit as above provided, demand may be made eighteen months or more after the expiration of the license for which said bond was given, by the principal of said bond or his assignee of said certificate of deposit, for the surrender by the State Excise Commissioner of said certificate of deposit. Said certificate shall be surrendered within ninety days after such demand, unless an action for the recovery of the penalties provided for in said bond shall have been begun.

It is said that the bill has the ap-

proval of Excise Commissioner Clement and that Gov. Hughes will sign it if passed. There is something about the bill, as it reads, that puzzles the onlooker of the excise game and suggests looking for the joker and other latent possibilities for the ubiquitous grafter to exercise his nimble and alert accomplishments in the thinking line.

The "Morning Telegraph," a paper published in New York and devoted to prizefighting, racing, the saloon elements, police station reports and doings, and those things of evidently salacious satisfaction to its reading circle, has seized the opportunity to attack the surety companies because of cruelty to the saloonkeepers in charging them for bonds, and then proceeds to apply to them titles and names most familiar in the Tenderloin world of its circulation. There is something about this attack, evidently directed at two or three of the eighteen surety companies, which avoids any discrimination, that is so asinine as to let at once both laughable and pitiable. For instance, it says:

The possibilities for graft under the present conditions are entirely removed by the amended law and in the nature of things the business of the excise bonding companies must become insignificant.

Instead of having to pay a bonding company all the way from \$40 to \$1,800 (\$1,800 being the face value of the bond itself) for writing an excise bond the saloonkeeper may file with the State Commissioner of Excise a certificate of deposit for \$2,000 and the State writes the bond for nothing.

That is a pretty fair specimen of the qualification of this red and yellow journal to publish anything but garbage can news, or opinions. Here is a choice bit of humor:

So long as the saloonkeeper or hotel proprietor continues to preserve the respectability and good order of his place, his money is in the bank drawing interest and cannot be forfeited without legal process.

The splendid work of the Committee of Fourteen, organized for the suppression of immoral places, dives, white slave marts, etc., all allied with and essential to the liquor dealers of the class referred to, is unintentionally recognized in the following:

The introduction of the new bill was followed soon afterward by the resignation of Frederick H. Whitin as secretary of the Committee of Fourteen and his acceptance of the office of deputy superintendent of elections under William O'Leary.

This amendment is the first concession of the great liquor interests of the State since the State excise law went into effect, and New York ceased to consider the protection of those en-

gaged in the traffic. According to those who approve the amendment, it has nothing to do with the liquor traffic as such and will not affect the sale of liquor in any way. It merely relates to a method of bonding and will put out of business the grasping corporations that have charged anything they pleased for the writing of a bond, after consulting the classified black list handed around by the secretary of the Committee of Fourteen.

The same Secretary Whitin has won the respect and confidence of the high-minded Committee of Fourteen, of the surety companies and of the insurance press. Incidentally, he has won the black hand taboo of the criminal liquor elements. To him more than any single individual is due the branding of the thieves in the crusade the Fourteen has fearlessly engineered and the waking up of the legitimate insurance, business and social interests of the city—as well as the State—to the cancerous condition of this member of the body politic. All credit to him for the enemies he has made. Hear one of them, "The Telegraph":

Until young Mr. Whitin bobbed up from beneath the troubled waves of excise as secretary of the Committee of Fourteen, the usual method of securing an excise bond—and this must be obtained before a license can be issued—was to apply to some bonding company, which, after a careful investigation of the client's references and for a nominal fee, would assume the risk on his honesty and integrity.

Such companies give bond for cashiers in offices, treasurers of various concerns and collectors for business houses. The excise bonding business did not begin to assume the pretensions of a gigantic "trust" until Mr. Whitin, secretary of the Committee of Fourteen, began to make out a blacklist of saloons and Raines law hotels that did not come up to his fastidious notions. This he circulated among the bonding companies and they used it as an authoritative rating. The fact that one place might be a little or much worse in moral character than another place made no difference whatever except in the matter of the price charged for the writing of the bond.

The worst place on the blacklist could go right on doing business provided the proprietor would condescend to pay \$500, \$800 or \$1,800 for the writing of a bond for \$1,800.

The bonding companies soon realized that they could cut down expenses very largely by discharging all their clerks and investigators and just relying upon the services of Mr. Whitin.

Now, the saloonkeepers did not know Whitin at first, but they were bound to respect the names of the eminent clergymen, lawyers, financiers and college professors whom he represented in the Committee of Fourteen. But not one of the Committee of Fourteen had any knowledge at first hand of the conditions that prevailed among the "dumps," as the secretary used to call them. Everything in the matter of investigating

and rating saloons, Raines' law hotels and cafes was left in the hands of Whitin. He became virtually the supreme arbiter of the situation.

Now comes another of those naive bits of higher critical wisdom regarding the situation, as uttered by this same hereinbefore referred to deluded advocate and champion of the violators of the excise laws:

There is no provision for the acceptance of cash bonds by the Department of Excise and no provision for the handling of cash in that department. Real estate bonds are acceptable only when the property is absolutely unencumbered, and there are few saloonkeepers who can come forward with a surety owning that kind of real estate.

This is the joker in the bill, which, it is safe to say, is affording only amusement to those who are familiar with the excise bonding proposition:

The new law, if passed by the legislature, will give any man the right to open a saloon providing he can furnish the cash collateral in the amount of \$2,000. All the liquor dealers consider the new amendment the most fair and fortunate that has come their way in a long time.

In other words, if the saloon man is on the list of applicants for bond who have been violating the law and propose to continue doing so—as they all do—and he cannot get a bond from any surety company, all he has to do is to deposit \$2,000 in cash for an \$1,800 bond and the State will go on the bond itself. (What that \$200 extra is for raises a question but of that later.) Then if the law has not been violated during the year of the bond's currency, the man, in a year and a half later may draw down his deposit of \$2,000 (if he has quit business); if he has continued in business, an unlikely presumption, he has, by the time his first \$2,000 is withdrawable, made three deposits, or \$6,000, with the Excise Department, a pretty snug sum for the average dive keeper of to-day to hazard on so perilous an

undertaking as is his. But his money is drawing interest! Just mark the saloonkeeper or Raines law hotel-keeper that proposes to "tie up" \$6,000 in treasure at 2 per cent. interest in some State department, where it is a theory that thieves cannot break through and steal, when he can use it to open another dive or back another den and make—in extra-hazard-

(Continued on Page 16.)

**A General Agency is open
in the State of**

PENNSYLVANIA

**For one of the best Old Line
Companies in America**

Write "B," care of this paper

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS is unsurpassed for net low cost and care of Interests of all members.

**THE PENN MUTUAL
LIFE INSURANCE COMPANY
OF PHILADELPHIA**

On January 1, 1909, rates were reduced and values increased to full 3% reserve.

**UNITED SURETY COMPANY
BALTIMORE, MD.**

HENRY G. PENNIMAN PRES.

JOHN B. MURPHY,

Resident Vice-President.

84 WILLIAM STREET - - NEW YORK

Telephone, John 1770 - 1771.



KANSAS STATE RATING.

Reports from a number of Kansas towns where the agents have been interviewed as to the workings of the State rate regulation law show some interesting developments. As a rule the agents seem very well satisfied with the principle of the law and but little fault is found with its application. Like agents everywhere else, some of those in Kansas see no need for the reduction ordered in preferred rates when nobody was complaining about the old rates. The question of whether rates on the preferred classes bear any reasonable relation to those on other classes does not receive much consideration from the average agent.

The agents who were doing business in a decent way, or endeavoring to do so, welcome a respite from the attacks of their cut-rate competitors. Some of the rate-cutters, however, are disgusted with the new law. Being deprived of their one weapon of warfare they see themselves unable to meet legitimate competition and some of them are quitting the business. Many of the brightest agents are now studying schedules and fire protection as never before. They see that under present conditions the agent who can legitimate reduction for improvement get the assured the lowest rate by stands the best chance to get the business. On the whole, the law, whatever its faults, both in theory and administration, seems to have brought order out of chaos in Kansas and its effect on the agents has been good.

NEW YORK EMPLOYERS LIABILITY BILLS.

Yesterday the General Assembly of New York passed the first bill resulting from its recent investigation of the employers liability insurance, or indemnity conditions, through the work of the commission appointed at its last session and known as the Wainwright-Phillips Employers Liability Commission, in accordance with recommendations made by Governor Hughes.

The bill amends the present employers liability law in many respects. It modifies the so-called "fellow-servant rule" so as to make an employer liable to an employee for injury sustained through the negligence or ignorance of a fellow-employee, and abrogates the "risk rule" by placing on the defendant in any action for damages resulting from injury sustained in the course of employment the burden of proof as to contributory negligence.

The bill also establishes a permis-

sive compensation plan for injuries sustained, under which employers or workmen may enter upon a contract waiving all rights under the employers liability act, in return for benefits according to a fixed schedule of compensation proportioned to the injury sustained and the earning capacity of an employee, regardless of negligence on the part of the injured as a contributory factor in the accident.

FIDELITY INSURANCE IN GREAT BRITAIN.

"The Finance Chronicle" of London thinks that the following ten formal questions addressed to the referees of every person who applies for fidelity insurance in Great Britain, are most extraordinary and offensive:

1. (a) How long have you known Mr.....?
- (b) Are you, or have you been, on intimate terms with him?
2. (a) Are you related to, or connected with, him in any way?
- (b) If so, state in what degree.
3. What has been his business or employment during the time you have known him?
4. Have you any reason to believe that any office has declined to grant or renew an insurance for his fidelity?
5. (a) Has he to your knowledge any private property or income?
- (b) If, so, state roughly your estimate thereof.
6. Is it known to you that he has borrowed money, or is security for any person?
7. (a) Has he at any time been in pecuniary difficulties? If so, when and what was the cause?
- (b) Does he in your opinion live within his means?
8. Have you any reason to believe that he has ever been suspected of or charged with dishonorable or improper conduct?
9. (a) Do you believe that he is of good moral character and integrity and of sober habits?
- (b) Is he addicted to betting or gambling?
10. Is he a person you would yourself trust or recommend your own personal friends to trust with the custody of money?

In addition to this, there is the question relative to the other persons named as referees which "The Finance Chronicle" thinks "will strike a referee on reading, with awe and respect, the form sent him to fill up" as "a direct personal insult to himself."

This question is:

Do you consider the company can place reliance on their replies to questions concerning the character and circumstances of the applicant?

AN INTERNATIONAL ROAST.

The London edition for April, 1910, of the "only international journal in the world," by which modest title "The Insurance Index," of London, makes itself known, contains a five-page roast of the Car and General Assurance Corporation, commencing with the highly original statement:

Some companies are born great: some achieve greatness: and some have greatness thrust upon them. So one old word goes, but if notoriety were exchanged for greatness, the Car and General Assurance Corporation might fill this bill to the far end.

The same sort of bombast is to be found throughout the article and renders it impracticable to determine whether any of the criticisms are meritorious. The article reminds one of similar tirades in the worst period of the history of American insurance journalism.

April saw thirteen children killed and sixteen seriously hurt in the streets of New York. To get the playgrounds idea fully developed is costing high on the books that no municipal board can audit.

NOTEWORTHY ADVANCE.

The BERKSHIRE LIFE Insurance Company,

OF PITTSFIELD, MASSACHUSETTS,

takes an advanced step in the interest of the policyholder by the adoption of the following liberal features in its new policy contract:

Low premium rates.
Large surrender values.
Dividends at the end of each policy year.
Thirty-one days of grace in payment of all premiums after the first year.
Paid-up insurance or cash surrender value or extended insurance after two years' premiums have been paid.
Loans for the full cash surrender value.

Policy payable in one sum or in instalments for terms of years.

Policy has no restrictions upon residence or travel and is incontestable after the first policy year, except for non-payment of premiums.

Right of the insured to change the beneficiary.

Liberal re-instatement privileges.

Every effort has been made to make this new policy the very perfection in a life insurance contract.

For further information apply to
JOHN H. ROBINSON, General Agent
FRANK ALLEN, Associate General Agent
For New York and New Jersey,
Postal Building,
253 Broadway, - - - NEW YORK.

WHAT IS THE STATUS?

"What is the legal status of the obligations of a surety company when it has been signing bonds in a foreign State for several years, and its license is revoked or cancelled by the said State?" This question is presented to "The Chronicle," and is printed here in order to get it before the insurance forum for discussion.

The particular incident which gives rise to the inquiry is that of the United Surety Company, of Maryland, which has executed a large number of bonds in the past few years in the States of Massachusetts, Wisconsin and New York in about every form of suretyship, from guardians, administrators and trustees of estates, liquor licenses, guarantee of notes in bank, collateral for loans, in fact for anything that happened along that promised a premium. Now these States have, through their insurance departments, deported the company by refusing to renew its license.

The query then comes as to the effect of this action on the liability of the company and the duty of the State with reference to the bonds of its own courts and to "the people" which have been signed by the exiled surety. The prudent answer received so far is that it is a far more involved question than appears on the surface. "Of course the courts have discretionary power to demand new sureties," says one, "but this power seems lacking in some of the departments, the contingency apparently never having been anticipated. In addition, it may be said, the demand may be made, but cannot be enforced. The court cannot compel one's signatures to a surety bond. But, that is not the vital point. What protection is afforded in the very large matter of court cases and to the State itself, in, say excise bond cases, when the company has been involuntarily, so to speak, bundled out, neck and crop, and could that not be constructed into a sufficient defence against liability?"

The query is interesting, even if merely academic, but corporate suretyship has acquired a code of decisions so limited and variegated that it really affords slight assistance toward anything like uniformity of practice or judgment.

It will be recalled by the surety people that the Federal authorities in Washington recently made a ruling to the effect that no surety company was authorized to be accepted as surety on any Government bond in a State

where it had not been regularly admitted and licensed by the insurance department of such State. This instantly attracted the attention of the companies to the fact that hundreds of thousands of bonds they had issued, in all the years past at their New York, Washington or home offices, regardless of the location of performance, were thus made null and void, and a quiet smile went around for a few days, finally reaching Attorney General Wickersham, who promptly chloroformed the ruling, substituting one reading "in future."

THE UNITED SURETY.

Monday's press dispatches state that on Sunday Superintendent Hotchkiss refused to renew the license of the United Surety Company, following similar action by Massachusetts and Wisconsin. It is readily supposable that all the States will follow suit.

This Sunday action followed very quickly after "The Chronicle's" issue of the preceding Thursday, pointing out the damaging and dangerous alliance of the company with the criminal liquor trade of this city, and with special reference to the change of political administration which does not promise protection, an asset of office which its predecessors did not overlook.

The result was instant. Superintendent Hotchkiss obtained information that all his public hearings, inquiries, examinations, etc., had not acquired, and the decision to act quick evidently interfered with his pious Sunday meditations.

At this writing it is rumored that the United will continue in business under new control and management, a consummation devoutly to be wished for. Its brief history has been margined with about every kind of misfortune that the mean elements in human nature could inject into it.

Freed from ignorant and stupid advisors there is no reason why the company should not quickly regain its footing and go on to a creditable career.

The Hartford Life Insurance Company has appointed Wakefield, Morley & Co., of Hartford, as its managers for Connecticut and Rhode Island.

LEADING FIRE COMPANY OF THE WORLD**HARTFORD LIFE INSURANCE COMPANY, OF CONN.**

1909 Policies are Participating, or Non-participating, with Lower Rates and Values based on FULL RESERVE.

For Right Contracts,
Address, Second Vice-President,
Home Office, HARTFORD, CONN.

BONDS OF SURETYSHIP.**The Guarantee Company of North America**
HEAD OFFICE, MONTREAL

Edward Rawlings, President.

H. E. Rawlings, Asst. Mgr.

Richard B. Scott, Secretary & Treasurer.

It is the Pioneer Company, was established in 1872, and is conducted under a conservative management of over 55 years experience.

It has recouped to employers over \$2,190,000 for losses sustained by the infidelity of employees and has a surplus of \$1,041,423.23 to credit of shareholders and total resources of \$1,919,892.38 for the security of insured.

Branch Offices:

NEW YORK: 111 Broadway,
D. J. Tompkins, Secretary.
BOSTON: 114 Milk Street,
W. A. Hamilton, Agent and Attorney.
CHICAGO: Room 400, The Temple,
J. R. Pruyn, Resident Sec. and Atty.
PHILADELPHIA: 500 Arcade Bldg.,
W. H. Jackson, Res. Secretary.
PITTSBURG: 1120 Farmers Bank Bldg.,
E. R. Munro, Resident Secretary.
LOUISVILLE: 316 Columbia Bldg.,
P. N. Clarke & Co., Agents.

THE WEST COMING EAST.

President Fred B. Lloyd, of the Pacific Surety, put in a few lively days in Chicago last week. He was on his way to Boston and other Eastern points. Before reaching Chicago he visited the insurance commissioners of Minnesota and Wisconsin and explained to them just what had been going on in the company for the past few months. It will be recalled that Commissioner Beedle of Wisconsin held up renewal of the company's license for a short time owing to the wierd tales of stock selling and high finance which proceeded from the Pacific Coast.

Mr. Lloyd had had his representative, A. William Randall, in Chicago for several days before his arrival, looking over the ground for available general agency or managerial timber. Mr. Lloyd was able in a short time to meet a number of men that Mr. Randall had interviewed, but he did not make any appointment at this visit.

The Pacific Surety has had an unsatisfactory experience in Illinois. Some years ago it entered the State for plate glass business and had a heavy loss ratio. Then it transferred to Conkling, Price & Webb as general agents of its plate glass department. They have made some money for it every year, but its earlier losses have not yet been overcome. Three or four years ago the man who had handled Conkling, Price & Webb's plate glass business went to the Pennsylvania Casualty and took a good part of the business with him at rates which resulted in that company doing a lot of cancelling last year. The small business remaining with Conkling, Price & Webb was scarcely worth the trouble of handling it, so they have resigned the general agency to take effect within a few weeks.

The Pacific Surety has had a surety general agency with Stuart Patterson, a broker, but its premiums have amounted to only a couple of thousand dollars a year.

Will Build on Big Plans.

Mr. Lloyd proposes to make the Pacific Surety a big company. In a short time it will authorize another increase in its capital, this time to \$1,000,000. While the additional stock may not be sold at once there will be no unnecessary delay in its sale as Mr. Lloyd is determined that it shall be a company which can carry a good net liability on bonds.

The unfavorable publicity given the recent affairs of the company does not appear to trouble him. He says that much of what has been done will be regarded in a different way when the insurance public knows more about

it, and how much had to be done as it was done because of exigencies over which he had no control, but which he had to meet. To say the least, a company which six months ago was hardly known outside of the Pacific Coast region, has been brought prominently to the attention of the insurance public.

That the Pacific Surety will henceforth be managed with energy is not to be doubted by anybody who gets into Mr. Lloyd's presence, even for a short time.

GETTING TOGETHER ON CLAIMS.

The International Claim Association will hold its first annual convention at Atlantic City, N. J., in June, and it promises to be the most successful meeting ever held of representatives of the claim departments of the principal companies writing health and accident insurance.

It will be remembered that for several years past, the International Association of Accident Underwriters has had under consideration a plan contemplating a better understanding and more general co-operation of the claim departments of the fifty odd companies represented in that organization.

Last fall in New York a representative meeting was held and the work of organization begun. Since that time the executive committee, composed of Dr. W. L. Gahagan, medical director of the United States Casualty Company; P. B. Eyler, chief adjuster of the Aetna; F. H. Canty, general counsel at Chicago of the London Guarantee and Accident; Harry H. Vaux, manager of the personal accident claim department, General Accident Assurance Corporation, Philadelphia; Dr. Colris M. Taylor, supreme surgeon of the Order of United Commercial Travelers of America, and L. E. Brown, superintendent of claim department, Continental Casualty Company, have been working out the details for the first meeting.

The committee on program has obtained from many of the leading representatives a series of papers, discussing the perplexing problems with which the adjuster is daily confronted and suggesting means of coping with them. It is expected that very interesting discussions will follow the reading of these papers. The subjects to be discussed are limited to those arising under accident and health contracts.

Between thirty-five and forty companies, embracing all the leading health and accident insurance concerns operating in this country will

be represented at Atlantic City. Any company belonging to the International Association of Accident Underwriters is eligible for membership in this organization.

The Federal Life Insurance Company has appointed Charles S. Rannells, of Jacksonville, Ill., agency superintendent. Mr. Rannells was formerly chairman of the Republican State Central Committee of Illinois, and during Governor Tanner's administration was chairman of the State Board of Railroad and Warehouse Commissioners. Mr. Rannells is a popular and forceful man of wide acquaintanceship and the Federal is to be congratulated upon securing his services.

SAFETY FUND INSURANCE

NIAGARA*

Fire Insurance Company

—OF—

NEW YORK

OFFICE:

46 CEDAR STREET, CITY.

FEDERAL LIFE INSURANCE COMPANY CHICAGO

ISAAC MILLER HAMILTON, ; ; President

Admitted assets.....	\$2,447,499.17
Capital stock.....	177,300.00
Surplus apportioned and unapportioned	77,510.61
Excess security to policy holders	254,810.61
1909 insurance in force increased over.....	\$6,300,000.00
Surplus increased over....	100,000.00

HIGH-GRADE MANAGERS AND AGENTS WANTED.
ATTRACTIVE POLICIES.
DESIRABLE CONTRACTS.
WILL ENTER NEW TERRITORY.

Address,

CHARLES M. TURNER,
General Manager,
Marquette Building, CHICAGO, ILL.

WHY NOT?

In view of the experience of the ten years just past, approximate figures of which have been compiled for private reference, it would appear that the time is at hand for the National and State banking laws to make amendments requiring every man, woman and child on the pay roll of a bank to be bonded. At present the law, as a general thing, applies only to cashiers. And for directors to ask the president to give a bond or the president to ask the directors for one, would have resulted immediately in a severance of business relations. But things have changed. The startling number of bank presidents now doing time in both State and Federal prisons, combined with the equally startling number that have committed suicide and those who are now either awaiting trial or have escaped on some pull or technicality, affords ample ground for stockholders and depositors demanding of their institutions adequate indemnity against high official malfeasance or misfeasance. The same argument applies to directors. They should also be bonded in face of the fact that every delinquent president here referred to could not have dishonored himself and ruined the bank or banks over which he exercised control if the directors had been on their job, to use forceful vernacular.

If the amendment suggested could be procured it would result in a tremendous increase in safety to business, protection of bank stockholders and depositors, and an almost entire wiping out of defalcations. It would relieve the possible vestige of personal feeling in the banking circles to have it made statutory for every employe to be bonded. Then the old cry that always ascends from some members of a bank's staff that they handle no money and, therefore, should not be forced, under a hardship, will settle itself and for keeps.

In addition to the experience of the companies writing bank fidelity insurance for the past ten years, as mentioned, their experience in general for double that period is equally interesting. It shows that from the janitor all the way up the line to the president substantial losses have occurred. A janitor found on the floor of the bank a package of \$25,000 which had been dropped by the cashier in returning the counter cash to the vault after closing for the day. Only a few weeks ago a messenger boy "lost" \$110,000 in bonds on the street in New York. A runner was held up and robbed on one of the busiest streets. He is now doing time because the

company that issued the burglary policy against messenger hold-ups got busy. Then some bank officials claim that a bookkeeper cannot steal, a most fallacious idea. One of the biggest steals in the history of banking recently occurred in the financial district of this city, done by a trusted bookkeeper, the opportunity for which arose by reason of his being trusted and in the same manner that directors have trusted the delinquent presidents and cashiers of melancholy memory.

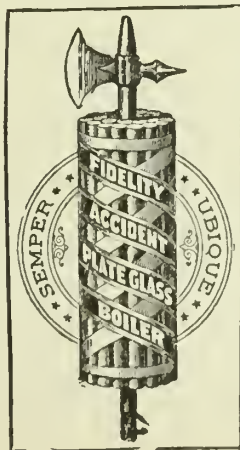
Nothing has ever contributed so much to the elevation of the standard of integrity and business and social character of the banking world inhabitants as has the corporate fidelity bond and the depository surety bond. One has marked out a line of conduct for the individual; the other for the institution. Any extension of the operation of these forces therefore are foreordained to betterment of conditions.

National Banks.

The total number of National banks organized under the National Banking Act since it was first in effect is 9,742, of which 2,619 have discontinued business, leaving in existence 7,123 banks with authorized capital of \$992,997,635, and circulation outstanding secured by bonds \$683,254,858.

The figures of State banks and trust companies are not at hand, but on a rough guess they will probably aggregate double or treble the above volume.

This gives an inkling of the vastness of the field afforded for surety energy and development as suggested herein. It also suggests the query as to why it has been so long neglected and left to grow of its own natural inclination. The surety companies have not, generally speaking, been alert to their opportunities, largely because of inexperienced officials whose brains were not worn in their heads.



THE FIDELITY & CASUALTY COMPANY

97 TO 103 CEDAR ST., NEW YORK CITY.

ASSETS - \$8,598,924.02
Cap. & Surplus \$3,564,229.90
LOSSES PAID \$31,636,503.21
to Jan. 1, 1909.

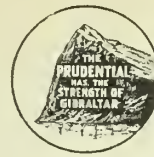
This Company grants Insurances as follows:

Bonds of Suretyship for Persons in Positions of Trust, Fidelity Bonds, Burglary, Plate Glass, Steam Boiler, Fly Wheel, Employers, Public, Teams, Workmen's Collective, Elevator and General Liability; Personal Accident, Health and Physicians' Liability

OFFICERS:

GEORGE F. SEWARD, President.

Robert J. Hillas, V.-P. & Sec'y. Henry Crossley, Ass't Sec'y.
Frank E. Law, 2d Ass't Sec'y. George W. Allen, 3d Ass't Sec'y.

SELL LIFE INSURANCE

If you have latent ability as a salesman we will help you develop it, and you'll make money while learning.

The Prudential Wants Agents. Write Today for Particulars.

THE PRUDENTIAL

Insurance Company of America.

Incorporated as a Stock Company by the State of New Jersey.

JOHN F. DRYDEN, President. Home Office, NEWARK, N. J.

The Connecticut Mutual

That means the best life insurance to have and the best to sell. If you can sell life insurance, you can sell more of it for the CONNECTICUT MUTUAL.

Men of Character and Ability are invited to apply.

Conn. Mutual Life Ins. Co., Hartford, Conn.

Please mention this paper.

Hanover Fire

INSURANCE
COMPANY
of New York



Agencies
in all the Principal Places
in the United States.

CONTINENTAL CASUALTY WINS.

"In an action on a policy that stipulated that if the life of the insured was lost from fighting, rioting, or from injury intentionally inflicted upon the insured by himself or another person, the limit of the company's liability shall be one-tenth the amount which would otherwise be payable under the policy," the evidence showed that insured's death was caused by fighting. Held, that such showing precluded a recovery for any greater sum than the one-tenth named in the policy."—Continental Casualty Company vs. Fleming, Ky. C. A.

This is a decision of interest, not only because it comes from Kentucky, where gentlemen indulge in little personal target practice at times, but never stoop to vulgar fighting, but it is also of note because it indicates a higher judicial purview in interpreting the conditions in a contract of insurance.

POOR DELUDED SINNERS.

(Continued from Page 11.)

ous and expensive joints—1,000 per cent., or ten times that.

Another bit of humor:

The certificate of deposit transferred to the Commissioner of Excise in lieu of a bond does tie up \$2,000 temporarily, but it is taken for granted that the saloonkeeper is in business to make money and to save money. And if he makes money he keeps it in a bank any way and lets it draw interest.

"Temporarily," as used, is two and a half years. But it is time to drop the curtain on this dance of the Devil for the present. The sordid and ignorant elements of humanity must always necessarily be in conflict with the intelligent self interests of such elements. The surety companies, with two or three much chastened and saddened exceptions, have not taken any serious interest in the excise problem in New York for several years past. In the earlier days of the excise law when the "Black Horse Cavalry" of the capitol at Albany were in the saddle the Platt company made a great deal of money out of the excise game because it had protection; later the whirligig of politics went round and the Tammany Hall element got control of the game for a year or two, but being persona non grata at Albany soon dropped it. Then came a New York youngster which simply scalded itself almost to death. Since then it has been an open game and the only profit from it has accrued in

the salaries paid by the Excise Department to its constantly and rapidly increasing pay-rollers, amounting last year to something like \$380,000, all from surety company bond forfeitures.

Hence, the companies so ably served by "young Mr. Whitin" are utterly indifferent to what Albany may do excise-way. They now have a line on the dives, are in thorough accord as to the moral hazard of the excise risks, and are working on intelligent lines. The one or two minor outside companies are of little consequence at this writing, and will probably never get "chesty" again, even if they survive the summer.

For the sake of preserving and increasing the market value of their stocks, getting adequate rates, bring desirable citizens, and turning their backs resolutely on any partnership with vice and law-breaking and destroying elements, "The Chronicle" repeats its oft-made suggestion:

Agree to write no Raines hotel licenses or "Whitin" danger points excise business for two years and things will adjust themselves automatically, if you hang together.

The youngsters coming into the bonding field may well be ignored. Their surplus is in no single instance sufficient to pull them through the game, and if they are reckless and heedless it is best to let them go by the board as soon as possible—the sooner the better.

It is a pretty safe conclusion that if the companies would "stand pat" for a year or so, preserve the organization and write as at present, excluding every liquor selling place that violates the law with or without police or other protection, there would be an excise shake-up that would make Mayor Gaynor's present reform campaign against violations look like a canceled stamp.

C. F. Shallcross, manager of the Royal Insurance Company, has arrived home from the Mediterranean.

OUR

Course of Insurance Education.

Department for Furnishing Prospects.

New "Model Policy"

Will Plough the Field and Assure the Harvest for Good Agents.

Phoenix Mutual Life

INSURANCE COMPANY,

Hartford, Conn.

Write Home Office.

INCORPORATED 1833.

British America
Assurance Company
HEAD OFFICE, TORONTO, CANADA

UNITED STATES BRANCH.

JANUARY 1, 1910.

Assets	\$1,556,740.94
Liabilities	902,438.61
Surplus	\$ 654,302.33

Hon. GEORGE A. COX, President.
JOHN HOSKIN } Vice-Presidents.
W. R. BROCK }
W. B. MEIKLE, General Mgr.

SPECIAL OPPORTUNITIES offered now in Southern States to Representatives of

**CITIZENS
LIFE
INSURANCE
CO.**

W. H. GREGORY,
President.

COMMERCIAL - UNION

ASSURANCE CO.,

(LIMITED)

OF LONDON.

OFFICE;

Cor. Pine & William Sts.

NEW YORK.

Organized 1871

Life Ins. Co. of Virginia

Home Office, Richmond, Virginia.

J. G. WALKER, President.
T. W. PEMBERTON, 1st Vice-President.
W. L. T. ROGERSON, 2d Vice-President.
E. D. HARRIS, Secretary.

The OLDEST Southern Life Insurance Company.

The LARGEST and STRONGEST Southern Life Insurance Company.

The PIONEER Southern Industrial Life Insurance Company.

Its policies are clear and definite in their provisions and their values are absolutely guaranteed.

Assets Dec. 31, 1909.....	\$5,372,691.99
Liabilities Dec. 31, 1909.....	4,312,405.32
Insurance in Force Dec. 31, 1909	68,337,613.00
Total Payments to Policyholders since Organization	9,820,412.49

COMPARATIVE RESERVE TABLES

BY

MILES M. DAWSON

Consulting Actuary.

Containing Mean and Terminal Reserves for the
usual forms of policies and by the
following standards:

American Experience, Select and Ultimate $3\frac{1}{2}$ per cent.
American Experience, Select and Ultimate 3 per cent.
American Experience, Modified Preliminary Term $3\frac{1}{2}$ per cent.
American Experience, Modified Preliminary Term 3 per cent.
American Experience, Select and Ultimate 4 per cent.
Actuaries', Modified Preliminary Term 4 per cent.
American Experience, Committee of Fifteen, $3\frac{1}{2}$ per cent.
American Experience, Illinois and Tennessee, $3\frac{1}{2}$ per cent.
American Experience, Michigan, $3\frac{1}{2}$ per cent.
American Experience, Wisconsin, $3\frac{1}{2}$ per cent.
American Experience, New Jersey, $3\frac{1}{2}$ per cent.
H^M, Canadian Life Officers' Association, $3\frac{1}{2}$ per cent.
O^[M], Select and Ultimate, $3\frac{1}{2}$ per cent.

THIS covers all the standards, other than the net level
premiums, in use in this country. Tables showing
the first year margins set free by each method of valu-
ation are given.

Send all orders to the Publishers,

The Chronicle Co., Ltd.

No. 90 William St.

NEW YORK

WESTERN ASSURANCE Co.

HEAD OFFICE,
TORONTO, - - CANADA.

Incorporated 1851.

Hon. GEORGE A. COX.....President
W. R. BROCK and JOHN
HOSKIN, K. C. LL. D., Vice-Presidents
W. B. MEIKLE.....General Manager

United States Statement, Jan. 1, 1910.
Assets\$2,377,303.37
Surplus in United States..... 839,268.07

OUR BOND—YOUR SECURITY.

T. J. FALVEY, JOHN T. BURNETT,
President. Sec'y & Treasurer.



**Massachusetts
Bonding and
Insurance Co.**

Organized under
the Laws of the
Commonwealth of
Massachusetts.

Home Office, 77-81 State Street, Boston.
Capital\$500,000.00
Surplus\$250,000.00

SURETY BONDS and BURGLARY and
THEFT INSURANCE.

T H E

PROVIDENT

LIFE AND TRUST COMPANY
OF PHILADELPHIA

Insurance in Force, \$214,509,255.00
(Paid for Basis)

Assets \$70,514,350.45
(Market Value, Dec. 31, 1909)

Contingency Reserve . \$9,207,276.38
(Inclusive of Capital Stock, \$1,000,000.)

The Provident has been particularly distinguished for the development of a highly trained force of agents. The systematic instruction which its agents receive has resulted in their being recognized as representatives of exceptional knowledge of the business and of marked efficiency.

THE American Credit-Indemnity Co. OF NEW YORK.

CREDIT INSURANCE ONLY.

Insures Wholesalers and Manufacturers against Excessive Annual Loss through the Insolvency of their Customers.

We can always use a few high-grade solicitors.

ST. LOUIS, MO.

NEW YORK, N. Y.

Offices in All Principal Cities.

A. B. TREAT, General Agent,
302 Broadway, : : : : : New York.

Royal Exchange Assurance OF LONDON.

Incorporated by Royal Charter A.D. 1720.

UNITED STATES OFFICE:

92 William Street New York City

UBERTO C. CROSBY, General Manager.

RICHARD D. HARVEY. Assistant General Manager.

THE HOME LIFE INSURANCE COMPANY OF AMERICA

Incorporated 1899.



THE COMPANY FOR THE AMBITIOUS AGENT who desires to sell "COMMON SENSE" insurance at LOWEST COST, and who seeks, through most liberal first year and guaranteed renewal commissions, to receive just recognition of service. All policies registered, signed and sealed by the Insurance Commissioner of the State of Delaware, making them truly

SAFE AS GOVERNMENT BONDS.

Address Executive Offices, 416-18-20 Walnut Street,
PHILADELPHIA, PA.

JOHN LANGHAM, Jr.,
President.

JOSEPH L. DURKIN,
Secretary.

GEORGE M. NETTLESHIP,
Manager of Agencies.

The Chronicle.

1866

Published by THE CHRONICLE COMPANY, Ltd., 90 William St., New York City.

1910

VOLUME LXXXV.

New York, May 12, 1910.

NUMBER 19

THE Philadelphia Casualty Co.

WALTER LE MAR TALBOT, Pres't.

Our New Accident Policy Is Perfection.

It's the Policy Your Client Wants.
It's the Policy That's Easy to Sell.

Personal Accident, Health, Liability
Automobile, Plate Glass and
Credit Insurance.

Agency Correspondence Solicited.

NATIONAL LIFE Insurance Company, MONTPELIER, VERMONT.

Established in 1850.
Operating in 37 States.

JOSEPH A. DE BOER, President.

FRED A. HOWLAND, Vice-President
JAMES B. ESTEE, 2nd Vice-President
OSMAN D. CLARK, Secretary
H. M. CUTLER, Treasurer
A. B. BISBEE, Medical Director
C. E. MOULTON, Actuary

This Company held January 1, 1910,
and gained during the past decade:

ASSETS . . .	\$47,490,998.98
GAIN, 167 PER CENT.	
LIABILITIES . .	\$41,661,130.12
GAIN, 162 PER CENT.	
SURPLUS . . .	\$5,829,868.86
GAIN, 211 PER CENT.	
INSURANCE .	\$161,423,115.00
GAIN, 79 PER CENT	

**Absolute Security and
Economy of
Management**

Royal Exchange Assurance OF LONDON.

Incorporated by Royal Charter A.D. 1720.

UNITED STATES OFFICE:

92 William Street New York City

UBERTO C. CROSBY, General Manager.

RICHARD D. HARVEY, Assistant General Manager.

CHICAGO'S GREATEST COMPANY

ILLINOIS LIFE INSURANCE CO.

OLDEST IN CHICAGO CHICAGO LARGEST IN ILLINOIS
JAMES W. STEVENS, PRESIDENT

We Guarantee where others Promise

The year 1909 was the most successful in this company's already splendid record of successful years.

**INSURANCE IN FORCE
FIFTY MILLION DOLLARS**

BONDS OF SURETYSHIP.

The Guarantee Company of North America HEAD OFFICE, MONTREAL

Edward Rawlings, President.

H. E. Rawlings, Asst. Mgr.

Richard B. Scott, Secretary & Treasurer.

It is the Pioneer Company, was established in 1872, and is conducted under a conservative management of over 55 years experience.

It has recouped to employers over \$2,190,000 for losses sustained by the infidelity of employees and has a surplus of \$1,041,423.23 to credit of shareholders and total resources of \$1,919,892.38 for the security of insured.

Branch Offices:

NEW YORK: 111 Broadway,
D. J. Tompkins, Secretary.
BOSTON: 114 Milk Street,
W. A. Hamilton, Agent and Attorney.
CHICAGO: Room 400, The Temple.
J. R. Pruyn, Resident Sec. and Atty.
PHILADELPHIA: 500 Arcade Bldg.
W. H. Jackson, Res. Secretary.
PITTSBURG: 1120 Farmers Bank Bldg.
E. R. Munro, Resident Secretary.
LOUISVILLE: 316 Columbia Bldg.
P. N. Clarke & Co., Agents.

EDITION ALMOST EXHAUSTED

SAVES TIME AND LABOR

Various Derived Tables

AMERICAN EXPERIENCE

3 and 3½%

BY

MILES M. DAWSON

TABLE OF CONTENTS.

Single Premiums, Pure Endowment.

Accumulations, Pure Endowment.

Forborne Immediate Annuities.

Accumulated Temporary Insurances.

Accumulated Increasing Insurance.

Single Premiums Endowment Insurance.

Single Premiums Temporary Insurance.

Immediate Temporary Annuities.

Valuation Columns.

SELECT AND ULTIMATE VALUES.

Single Premiums, Whole Life.

Life Annuities.

Terminal Reserves, Life, Limited Payment, Endowment.

Mean Reserves, Life, Limited Payment, Endowment.

LOGARITHMS, SEVEN PLACES.

Forborne Immediate Annuities.

Curtate Summations of D Column.

Immediate Temporary Annuities.

USES.

Computing Annual Term Insurance Premiums:

Divide temporary insurance values by immediate temporary annuities.

Computing Annual Endowment Insurance Premiums:

Divide endowment insurance values by immediate temporary annuities.

Computing Annual Pure Endowment Premiums:

Divide pure endowment values by immediate temporary annuities or take reciprocals of forborne immediate annuities.

By these means, the net extra premium for a special guaranty can be quickly and accurately computed.

Computing Annual Semi or Double Endowment Premiums:

Add temporary insurance and pure endowment values for proper amounts and divide by immediate temporary annuity.

Computing Limited Premiums:

Divide the proper single premiums by immediate temporary annuity.

Computing Surrender Values:

Extended Insurance. Find the temporary insurance value next lower than the sum to purchase extension. This gives even number of years. Apply remainder to pay for additional days according to daily differences in the table.

Extended Insurance with Fractional Paid-up Endowment:

Deduct from purchase money, value of insurance for unexpired term; multiply remainder by accumulation, pure endowment, to get amount of endowment.

Computing Terminal Reserves:

Unvarying Benefits. Multiply net premiums by forborne immediate annuity and deduct accumulated temporary insurance.

Return Premium, Full Reserve. Multiply net premium by forborne immediate annuity and deduct accumulated temporary insurance and accumulated increasing insurance, multiplied by gross premiums to be reduced.

Return Premium, Extra Reserve. Multiply net extra premiums by forborne immediate annuity and deduct accumulated increasing insurance, multiplied by gross premiums to be returned.

Warranted Commissions for New Business.

Surrender Values.

Dividends.

For these purposes the "select and ultimate" will be most useful.

SEND ALL ORDERS TO

THE CHRONICLE CO. (Ltd.)

90 William Street, New York

The Chronicle

VOLUME LXXXV.

NEW YORK, THURSDAY, MAY 12, 1910.

NUMBER 19

ALFRED B. DAWSON, President.
R. B. Dawson, Treasurer. Chas. D. O'Brien, Secretary.
Emil Schwab, Manager New England Department,
178 Devonshire Street, Boston, Mass.

All communications should be addressed to and remittances should be made to The Chronicle Company, Limited.
Entered at the Post Office, New York, N. Y., as Second Class Mail Matter.

PUBLISHED EVERY THURSDAY BY
THE CHRONICLE COMPANY, Limited.
No. 90 WILLIAM ST., NEW YORK.

Phone "567 John." Cable Address, "Chronogram," New York.

Subscription Price:
Three Dollars a Year. Single Copies, Twenty-five Cents.
Postage Prepaid in the United States and Canada.

The New Canadian Insurance Act.

Important Features of the New Law, Enacted at Ottawa.

On the 4th inst., the government or administration bill to regulate insurance in the Dominion of Canada, which has been pending since 1907 and has been often amended, since its introduction on the recommendation of the Royal Commission, became a law. Until almost the last moment, before it passed, the rumor was abroad that it would not be advanced until the right of the Dominion Parliament to regulate insurance, recently decided adversely by a Quebec Judge, should be passed upon by the highest court. But apparently the opinion prevailed that a test could be made as well on the new act as on the old.

In the main the act looks like a rather well-drawn statute of a State of the United States. It is enormously more nearly similar to an American model than to the British act. Indeed, it much resembles the insurance statutes of an ultra-conservative American Commonwealth, such, for instance, as Massachusetts.

Minimum Standard of Life Insurance Reserves.

In it, however, Canada takes issue, sharply, with Massachusetts, as to a minimum standard of valuation of life insurance policies. Under the old law, the Dominion had been the staunchest supporter of the Massachusetts shibboleth, "net level premium reserves." Under the new law, by common consent the following becomes the minimum standard for Canada:

Such valuation shall, as to policies issued on or after the first day of January, one thousand nine hundred, and bonus additions or profits declared in respect thereof, be based

on the British Offices Life Tables, 1893, OM (5), and on a rate of interest of three and one-half per cent. per annum; and as to policies issued prior to the said date, and bonus additions or profits declared in respect thereof, such valuation shall, until the first day of January, one thousand nine hundred and fifteen, be based on the said mortality table, and a rate of interest of four per cent. per annum; and on and after the first day of January, one thousand nine hundred and fifteen, be based on the same mortality table, and a rate of interest of three and one-half per cent. per annum.

It shall be allowable for any Canadian company, in preparing its statement of liabilities, to deduct from the value of its policies, as ascertained in accordance with sub-section 2 of this section, an amount ascertainable in the manner following, namely: in the case of any policy, the net annual premium upon which is not less than the corresponding net annual premium for a whole life insurance with uniform premiums throughout life, the difference between the said whole life premium and the corresponding net premium for a one-year term insurance shall constitute the amount to be deducted as aforesaid in respect of such policy at the date of its issue; such difference, however, to be diminished each year by an equal proportion, so that upon the payment of the fifth annual premium, the value of the policy shall be the value as ascertained in accordance with sub-section 2 of this section.

Every such company, whether it avails itself or not of the provisions of this subsection, shall set forth in its annual statement hereinbefore referred to, the value of its policies as ascertained in accordance with sub-section 2 hereof, the amount allowable by this subsection as a deduction therefrom, and such other information in respect thereto as the superintendent may deem necessary.

An Approximate Select and Ultimate Method.

The method here set forth is the approximation of "select and ulti-

mate," put forward by the Canadian Life Officers' Association and recommended by the Royal Commission. Though similar in form to the approximate "select and ultimate" methods already introduced in France, Denmark and Sweden, it differs in this important particular: It gives no more relief than the business of the previous five years, actually in force at the time of valuation warrants while the European variety permits a certain amount to be offset as "cost of new business," the aggregate to be made good in five equal annual instalments. Heavy lapses have exposed the weakness of this in Denmark and doubtless will do so elsewhere. The Canadian method is much like that adopted in New Jersey.

Limitation of Expenses Eliminated.

Both the limitation of expenses, first year and renewal, and the publicity provisions, measuring the expenses against certain standards, disappeared from the bill before it passed. So far as is discoverable no step is taken toward reform as regards extravagant cost of new business, though the need for such is generally recognized and conditions are worse in that respect than at any time in New York.

The provision, however, that all companies must report what would be the deduction to bring their reserves to the minimum standard, stands. Companies reporting to the New York Department have been sorely complaining about being required to make such a double report. The provision will scarcely avail much to afford a standard for measuring cost of new business unless the department should require the deductions to be separate-

is computed and furnished for each year's business and not merely bunched for five years' business.

Several Royal Commission Specialties Retained.

Though many of the somewhat stringent provisions recommended by the Royal Commission and constituting an aftermath, as it were, of the Armstrong legislation, have been eliminated, others, that were not regarded so objectionable by the companies, are still to be found, as follows:

Annual returns to include movements of securities.

Limitation of maximum reserves to 3 per cent. basis (except that if premiums on a basis of less than $3\frac{1}{2}$ per cent., then $\frac{1}{2}$ per cent. less than rate so employed).

The minimum reserve standard, already mentioned (except that the OM⁽⁵⁾ table is substituted for the HM).

And the following:

No life insurance company licensed under this act, nor any person, firm or corporation on its behalf, shall, in respect of its Canadian business, pay or allow to any agent, broker or other person, firm or corporation for procuring an application for life insurance, for collecting any premium thereon or for any other service performed in connection therewith, any compensation other than that which has been determined in advance.

No such life insurance company, and no person, firm or corporation on its behalf, shall make any loan or advance without adequate security, to any person, firm or corporation soliciting or undertaking to solicit applications for insurance; nevertheless advances may be made to any such person, firm or corporation for travelling expenses or against commissions or other compensation to be earned in respect of premiums, but such advances shall not be allowed as assets in the superintendent's annual report prepared for the Minister.

No salary, compensation or emolument shall be paid to any director of a Canadian life insurance company for his services as such director unless authorized by a vote of the members in the case of a mutual company, and by a vote of the shareholders and other members, if any, in the case of a company having capital stock. No salary, compensation or emolument shall be paid to any officer or trustee of any such company unless authorized by a vote of the directors, nor shall any salary, compensation or emolument amounting in any year to more than five thousand dollars be paid to any agent or employee unless the contract (if made after the passing of this act) under which such amount becomes payable has been approved by the board of directors.

No Canadian life insurance company shall make any agreement with any of its officers or trustees to pay for any services rendered or to be rendered, any salary, compensation or emolument extending beyond a period

of five years from the date of such agreement.

No Canadian life insurance company shall make any contract with any director, trustee, officer, employee or servant of the company, save such agents as are employed to solicit insurance, to pay any compensation or reward whatever by way of commissions in respect of the business of the company or any portion thereof: Provided, however, that this subsection shall not apply to insurance personally solicited and secured outside of office hours by any employee or servant not being a director, trustee or officer of the company.

No officer, agent, employee or servant of such life insurance company nor any person soliciting insurance, whether an agent of the company or not, shall be deemed to be for any purpose whatever the agent of any person insured in respect of any question arising out of the contract of insurance between such person insured and the company.

After the first day of January, one thousand nine hundred and eleven, no such life insurance company, and no officer, director or agent thereof, shall issue or circulate, or cause or permit to be issued, or circulated in Canada any estimate, illustration or statement of the dividends or shares of surplus expected to be received in respect of any policy issued by it.

No such life insurance company shall make or permit any distinction or discrimination in favor of individuals between the insured of the same class and equal expectation of life in the amount of premiums charged, or in the dividends payable on the policy, nor shall any agent of any such company assume to make any contract of insurance, or agreement as to such contract, whether in respect of the premium to be paid or otherwise, other than as plainly expressed in the policy issued; nor shall any such company or any officer, agent, solicitor or representative thereof pay, allow or give, or offer to pay, allow or give, directly or indirectly, as inducement to insure, any rebate of premium payable on the policy, or any special favor or advantage in the dividends or other benefits to accrue thereon, or any advantage by way of local or advisory directorship where actual service is not bona fide performed, or any paid employment or contract for services of any kind, or any inducement whatever intended to be in the nature of a rebate of premium; nor shall any person knowingly receive as such inducement any such rebate of premium or other special favor, advantage, benefit, consideration or inducement; nor shall any such company or any officer, agent, solicitor or representative thereof give, sell or purchase as such inducement, or in connection with such insurance, any stocks, bonds, or other securities of any insurance company or other corporation, association or partnership.

Except for the bona fide purpose of protecting investments previously made by it, and subject to the approval of the treasury board, no such life insurance company shall, nor shall its directors or officers or any of them on its behalf, under color of an investment of the company's funds, or otherwise, directly or indirectly be em-

ployed, concerned or interested in the formation or promotion of any other company: Provided that nothing in this act shall be deemed to prohibit insurance companies investing their funds in securities of a new company as provided in section 59 of this act.

No such life insurance company shall subscribe to or participate in or employ the funds of the company in any underwriting for the purchase or sale of securities or property of any kind, nor shall any director or officer, except for the bona fide purpose of protecting investments already made by the company, enter into any transaction for such purchase or sale on account of said corporation, jointly with any other person, firm or corporation: Provided, that this section shall not be deemed to prohibit the subscription in manner aforesaid for bonds or securities permitted by this act in a bona fide permanent investment on behalf of any such company.

Provisions for "Class Accounting."

The provisions about surplus distribution are as follows:

Except as provided in section 90 of this act every such life insurance company, anything in its special act or elsewhere to the contrary notwithstanding, shall provide in every participating policy issued or delivered within Canada on or after the first day of January one thousand nine hundred and eleven, that the proportion of the surplus accruing upon such policy shall be ascertained and distributed at intervals not greater than quinquennially.

In the event of a company issuing, on and after the first day of January, one thousand nine hundred and eleven, policies which provide for the distribution of surplus or profits at less frequent intervals than quinquennially, and known as deferred dividend policies, such company shall, with respect to such policies, ascertain and apportion at least once in every five years, reckoning from the date of the policies, to each class thereof, the share in such surplus or profits to which such class is equitably entitled, and the total sum of the shares so ascertained and apportioned shall, like the reserve or reinsurance fund, be and constitute a liability of the company, and shall be charged and carried in its accounts accordingly until it has been actually distributed and paid to the policyholders entitled thereto.

Except in the case of a term or an industrial policy, the share of surplus allotted to any participating policy issued on or after the first day of January, one thousand nine hundred and eleven, shall, at the option of the holder of the policy, be payable in cash, or be applicable to the payment of any premium or premiums, or otherwise if the company grants other options, upon said policy or to purchase of a paid-up addition thereto; and, in the case of a term policy shall, at the holder's option, be payable in cash, or be applicable to the payment of premiums: Provided, however, that the option of the holder of a policy once exercised shall, except with the consent of the company, remain in force during the whole of the existence of the policy.

No such company shall, in all cases,

where the insured has not elected in his application or otherwise in writing in which manner the said dividends shall be applied, mail a written notice to him, at his last known residence, of the amount of the said dividends and the options available as aforesaid; and in case the holder fails to notify the company in writing of his election within three months after the date of the mailing of said notice, the surplus shall be applied by the company in the case of a term or industrial policy in payment of any premium or premiums upon the policy, and in the case of other policies to the purchase of a paid-up addition to the sum insured.

Sections 91 and 92 shall not apply to deferred dividend policies.

From and after the first day of January, one thousand nine hundred and eleven, every such company shall, in respect of all participating policies issued and in force in Canada on the said first day of January, one thousand nine hundred and eleven, which provide for the distribution of surplus or profits at less frequent intervals than quinquennially and known as deferred dividend policies, ascertain and contingently apportion at least once in every five years reckoning from the date of the policies, to each class thereof, the share in such surplus or profits to which such class is contingently entitled. The total sum of the shares so ascertained and contingently apportioned shall be carried into the accounts and shall be kept separate and distinct from the undivided or unapportioned surplus and so shown.

Investment Restrictions.

The following are the restrictions upon the investments of life insurance companies, imposed by the act:

Any life insurance company which derives its corporate powers or any of them, from an act of the Parliament of Canada, or which is within the legislative power of the Parliament of Canada, may invest its funds, or any portion thereof, in the purchase of,—

(a) The debentures, bonds, stocks or other securities of or guaranteed by the Government of the Dominion of Canada or of or guaranteed by the government of any province of Canada; or of or guaranteed by the government of the United Kingdom, or of any colony or dependency thereof; or of or guaranteed by the government of any foreign country, or State forming a portion of such foreign country; or of any municipal or school corporation in Canada, or elsewhere where the company is carrying on business; or guaranteed by any municipal corporation in Canada;

(b) (i) The bonds of any company which bonds are secured by a mortgage or hypothec to trustees or a trust corporation or otherwise, upon real estate or other assets, of such company; or,

(ii) The debentures or other evidences of indebtedness of any company, which has been doing business for a term of not less than three years prior to the date of such investment, provided default shall not have been made by such company in the interest payments upon its debentures or other evidences of indebtedness within the

said period of three years prior to such investment; or,

(iii) The preferred stocks of any company which has paid regular dividends upon such stocks or upon its common stocks for not less than five years preceding the purchase of such preferred stocks, or the stocks of any company which are guaranteed by a company which has paid regular dividends upon its preferred or common stocks for not less than five years preceding the purchase of such guaranteed stocks; or,

(iv) The common stocks of any such company upon which regular dividends of at least four per cent. per annum have been paid for the seven years next preceding the purchase of such stocks: Provided that not more than thirty per cent. of the common stocks and not more than thirty per cent. of the total issue of the stocks of any company shall be purchased by any such life insurance company, and that no company shall be permitted to invest in its own shares or in the shares of another life insurance company; or,

(c) Ground rents mortgages or hypothecs on real estate in Canada, or elsewhere where the company is carrying on its business, provided that the amount paid for any such mortgage or hypothec shall in no case exceed sixty per cent. of the value of the real estate covered thereby; or,

(d) Life or endowment policies of contracts issued by the company or by any other life insurance company licensed to transact business in Canada.

2. Any such life insurance company may lend its funds or any portion thereof on the security of—

(a) Any of the bonds, debentures, stocks or other securities mentioned in the preceding subsection; or

(b) real estate or leaseholds for a term or terms of years or other estate or interest therein in Canada or elsewhere where the company is carrying on business; Provided, however, that no such loan shall exceed sixty per cent. of the value of the real estate or interest therein which forms the security for such loan, but this proviso shall not be deemed to prohibit a company from accepting as part payment for real estate sold by it, a mortgage or hypothec thereon for more than sixty per cent. of the sale price of such real estate.

3. The treasury board may authorize the acceptance by a company of

bonds, stocks or debentures not fulfilling the foregoing requirements of this section, (a) in payment or part payment for securities sold by such company, or (b) obtained under a bona fide arrangement for the reorganization of a company whose securities were previously owned by such company, or for the amalgamation with another company of the company whose securities were so owned.

4. No such life insurance company shall loan any of its funds to any director or officer thereof except on the security of the company's own policies.

5. This section shall take effect on the first day of January, one thousand nine hundred and eleven.

Various Provisions.

The act makes comprehensive provisions for amalgamations and reinsurance, provides that life companies may cover disability to the extent of remitting the requirement of premium payment or, if total and permanent, by paying a sum not exceeding the death benefit, provides the New York rule for valuing industrial whole life or endowment at 80 (or over) policies, provides for the regulation of assessment life insurance, fire insurance and other branches of insurance, provides for participating policyhold-

(Continued on Page 6.)

"The Leading Fire Insurance Company of America."



WM. B. CLARK, President.

W. H. KING, Vice-President.

HENRY E. REES, Secretary.

Assistant Secretaries,

A. N. WILLIAMS,

E. S. ALLEN,

E. J. SLOAN,

GUY E. BEARDSLEY.

THE HOME LIFE INSURANCE COMPANY OF AMERICA

Incorporated 1899.



THE COMPANY FOR THE AMBITIOUS AGENT who desires to sell "COMMON SENSE" insurance at LOWEST COST, and who seeks, through most liberal first year and guaranteed renewal commissions, to receive just recognition of service. All policies registered, signed and sealed by the Insurance Commissioner of the State of Delaware, making them truly

SAFE AS GOVERNMENT BONDS.

Address Executive Offices, 416-18-20 Walnut Street, PHILADELPHIA, PA.

JOHN LANGHAM, Jr.,
President.

JOSEPH L. DURKIN,
Secretary.

GEORGE M. NETTLESHIP,
Manager of Agencies.

A NEW INDUSTRIAL COMPANY IN FRANCE.

The "Compagnie Francaise d'Assurances Populaires," that is, the French Industrial Insurance Company, has just been organized with a capital of 4,000,000 francs, or about \$800,000.

There has long been a virtual dearth of industrial insurance in France which is all the more remarkable since it has been popular with the French speaking population of Belgium and the French speaking population of Switzerland, in which latter country indeed one of the French cantons, Neuchâtel, has state industrial insurance, so almost universally patronized has this branch of insurance been there.

In France, the established life insurance companies have not been disposed to add this to their other business. The French life insurance companies are conducted with exemplary economy; and their managers have looked with much disfavor at the necessarily large disbursements for expenses when premiums are collected weekly. One of the companies, "La Phenix," has been doing a small premium business for a franc, or twenty cents, per month; but the premiums have been collected through a large bank at minimum expense. The amount of business, likewise, has not been large.

The new company is expected, it is said, to take up the usual lines of industrial insurance and actively to solicit business. Up to this time but a small volume of industrial insurance has been transacted in France, almost solely by companies of Belgium, Holland and Switzerland.

IN THE CEMETERY.

Chicago, (Special)—The United States Life Endowment Company, of Chicago, got its quietus last Friday, when Mrs. Elizabeth Lumley, of Watseka, Ill., who had a judgment for \$360 against the concern, secured the appointment of a receiver. Mrs. Lumley was beneficiary under a \$5,000 policy, payable in monthly installments, and was unable to obtain satisfaction of the judgment secured when some installments were not paid. The concern has about \$11,000,000 insurance in force and \$200,000 unpaid claims, which is going some for a concern only about five years old.

This was the first of several assessment companies started in Illinois and adjoining States, which proposed, in consideration of the payment of monthly premiums by the assured, to

pay his widow \$100 a month, during her widowhood, and minor heirs a certain sum monthly during their minority, all payments not to exceed \$5,000. The provision for stopping payments to the widow upon her remarriage was cut out several years ago, but the installment plan of paying claims was continued.

Some months ago the insurance department of Illinois sought to have a receiver appointed because the company was insolvent if the present commuted value of these installment claims was charged as a liability as the department demanded that it should be. In this suit the department failed, although the court did give the concern certain instructions about getting its house in order.

More recently the department attacked it again on the score that it was compromising its claims and reporting to the department the payment of larger amounts than actually were paid. Here again the department failed. It was preparing for another attack along different lines, when this receivership intervened. Superintendent Potter and Attorney Ryon of the department have been satisfied for months that the concern was insolvent and rotten, but the Illinois laws governing assessment insurance are so weak that it is very difficult for the department to do anything with such companies. Being unable to wind up by law, the department decided to put it out of business by constant attacks and the publicity that would accompany them, and in this it has largely succeeded, for it was the falling off in premium receipts which did much to make it impossible for the company to meet its losses.

A Political Game.

The United States Life Endowment Company has been a political concern since it started. The first president was former Attorney General James McCartney and the organizer was C. R. Mabry, an examiner in the Illinois insurance department under Yates and Vredenburg. Later the Yates crowd lost control and friends of Governor Deneen got the reins. One of their worst mistakes was in attempting to get the governor to override Superintendent Potter in matters connected with their company.

When the receivership came the directors had called a meeting for next Tuesday to consider a proposal to reinsure in the Western Life Indemnity, which has proved a receptacle for so many assessment concerns in an advanced stage of decomposition. One Eastern company has also been

looking at the remains to see whether there was anything it could take over.

Latest.

It is learned this morning (Monday) that the receivership of the United States Life Endowment was brought about by the officers of the company itself and may, therefore, be regarded as friendly. It puts the company under protection of the court until it can consider the proposition for reinsurance from the Western Life Indemnity and any others that may be offered, and the meeting for this purpose will be held as planned.

The Preferred
ACCIDENT INS. CO. COMPANY
of New York

SUPERIOR POLICIES

KIMBALL C. ATWOOD, President
290-292 Broadway, New York.

T H E PROVIDENT LIFE AND TRUST COMPANY OF PHILADELPHIA

Insurance in Force, \$214,509,255.00
(Paid for Basis)

Assets \$70,514,350.45
(Market Value, Dec. 31, 1909)

Contingency Reserve . \$9,207,276.38
(Inclusive of Capital Stock, \$1,000,000.)

The Provident has been particularly distinguished for the development of a highly trained force of agents. The systematic instruction which its agents receive has resulted in their being recognized as representatives of exceptional knowledge of the business and of marked efficiency.

RESULTS OF AUSTRALIAN AMALGAMATION.

The Mutual Life and Citizens Assurance Company of Sydney, Australia, has just issued its annual report, showing its operations for the year 1909. This report is specially interesting in the United States, because this country represents the consolidation by reinsurance of two Australian companies, resulting in combined assets almost exactly equal to those of the Pittsburgh Life and Trust Company since its absorption of the Washington Life Insurance Company of New York, and also because the amalgamation in Australia was not accomplished without much such a rumpus as attended the reinsurance of the New York company. There is the additional reason, likewise, that the amalgamation of the business and assets of the two Australian companies was effected under a very similar agreement as to "working out" the reinsured business, as was first introduced in the United States in connection with the reinsurance of the Washington Life.

Among other things, the same feature of the limitation of the expense which might be charged against the reinsured business, is notable, the figure being placed in the Australian company at 12½ per cent.

During the year 1909, the combined expense rate of the entire company in its ordinary branch was only 11 per cent., and the expense rate of the reinsured was only 10 per cent.

The report of the managing director says of this: "No office in Australasia conducts its ordinary business at so low an expense rate." This is the more remarkable since the expense rate in the industrial department, 46.9 per cent., is also said to be "the lowest rate at which any office in Australasia conducts its industrial branch."

The company has assets of £4,904,044, or upwards, or \$24,000,000. It is asserted that the actuarial valuation is "on a more stringent basis than that employed in any other Australasia office," the same being "on a strictly pure premium basis," whereas other companies in Australasia are valuing their industrial business on a basis which requires with business to take care of itself.

As a result of the valuation, the actuary recommends that £67,550, or about \$330,000, be apportioned among direct participating policyholders of the combined company and £45,739, or about \$225,000, be distributed among the Mutual Life policyholders who were taken over. It

is asserted by the report of the managing director that "the bonuses paid to policyholders are higher than those paid in any other Australasian life company." They certainly look very good, amounting to 2½ per cent., or \$25 per \$1,000 per annum, added as a reversionary bonus to whole life policies five years in force, and 3 per cent., or \$30 per \$1,000, on policies ten years or more in force. The Mutual Life bonuses are smaller, ranging, however, from \$14 per \$1,000 up to as high as \$20.

Meanwhile the reserves on these policies are being strengthened for the purpose of enabling the company to obtain and maintain the higher rates of bonus.

The several references to "any other Australasian office" has regard especially to the Australian Mutual Provident Society and the New Zealand Government Life Insurance Department; and, in view of the many difficulties which had to be met and overcome, not the least of which was the strong belief in Australia that mutuality necessarily means economy and low cost, it is but natural and excusable that there should be a good deal of rejoicing and even crowing over this unexpectedly favorable result of the year's work. The "Australasian Insurance and Banking Record," however, thinks that there is a deal of perhaps pardonable "buncombe" in the returns; for instance, that the relatively low rate of expenses omits bonuses to shareholders, which brings it up to 16 per cent. for direct policyholders, while the reinsured were charged the full 12½ per cent.; also that the relatively low rate of expenses in the industrial department was due, in part, to "the fact that the company transacts a comparatively small new business," and, in part, to the omission of certain items which would bring the total up to 52.6 per cent.

DECIDES IN FAVOR OF THE FEDERAL.

Judge Windes, of Chicago, has just handed down a decision in the suit brought by the Federal Life Insurance Company to cancel and avoid a "royalty" contract, made at the inception of the company with its organizers. He holds the contract voidable on the broad ground of public policy, the beneficiaries having secured it from themselves in another capacity, i. e., acting as directors of the company.

Concerning the later action of the company in relation to this contract, the court says:

It acted as it should act, fairly and honestly in favor of the real interest of all the stockholders of the corporation, utterly irrespective of whether they were interested in this royalty contract or not.

Royalties up to the time of filing the bill, which is treated as voiding the contract, are allowed by the court in full and final settlement.

New England Mutual Life

Insurance Company

BOSTON, : : : MASS.
Chartered 1835

Assets, January 1, 1910..\$51,316,543.00
Liabilities 47,050,672.15

Surplus \$4,265,870.85

Sixty-six years of honorable dealing with its policyholders has placed the **NEW ENGLAND MUTUAL LIFE INSURANCE COMPANY** in the front rank of Life Insurance Companies of the Country.

FRED D. FOSTER, President.
D. F. APPEL, Vice-President.
J. A. BARBEY, Secretary.
WM. F. DAVIS, Assistant Sec'y.
J. G. WILDMAN, Assist. Sec'y

EDWARD W. ALLEN, Manager,
220 Broadway, New York.
LATHROP BALDWIN, Manager,
141 Broadway New York
CHARLES H. STRAUSS Gen. Ag't.
200 Fifth Ave., New York

THE FRANKFORT

MARINE, ACCIDENT
AND PLATE GLASS INSURANCE CO.
OF FRANKFORT-ON-THE-MAIN - - - - - GERMANY
ESTABLISHED 1865.

United States Department, - - - 100 William Street, New York, N. Y.

TRUSTEES:
RICHARD DELAFIELD, Pres. of National Park Bank
ERNST THALMANN, of Ladenburg, Thalmann & Co.
STUYVESANT FISH, 214 Broadway, New York City.
C. H. FRANKLIN, U. S. Mgr. and Attorney JNO. M. SMITH, Sec. U. S. Branch

INSURANCES TRANSACTED
LIABILITY—
Employers, General, Vessel Owners,
Public, Landlords, Contingent,
• Teams, Elevator, Druggists & Physicians. Burglary
Workmen's Collective
Individual Accident & Health
Industrial Accident & Health

AGENTS WANTED FOR UNOCCUPIED TERRITORY

MONTHLY OPTIONAL POLICIES POPULAR.

The really marvellous strides in popularity made by the Monthly Optional Tables has, if report speaks truly, created a new situation in industrial business. As is well known, the harvesters did not invariably take kindly to these particular tables, the ground of complaint being that the remuneration for working them was inadequate. Hence, a year ago, considerable pains were taken in these columns to show that, strictly from a business point of view, the tables were a real good thing, embodying the fairest of conditions to assured and assurance worker alike. In short, an attempt, which in the result proved fairly successful, was made to overcome prejudice, which it seemed abundantly clear was based on misunderstanding and a very restricted view of the immense opportunities the new tables afforded for adding to the earnings of the workers. At that time a clear understanding seemed to be the most important thing to endeavor to bring about, and the success which attended this operation is strikingly indicated by the new situation alluded to above. For what is the position at this moment? Certainly not one in which indifference to the merits of the monthly tables is a leading element. Rather does it appear that the weekly—the good old weekly as it is affectionately termed by some of the best men in the business—would seem to be in some danger of neglect, now that the attractions of the monthly have become adequately appreciated.—“Commercial World,” London, Eng., April 1, 1910.

The policy here referred to is that which was described something over a year ago in the columns of “The Chronicle” as having been introduced in the Prudential Assurance Company of London, by J. Burn, assistant actuary, the same being modelled upon the “crown policies,” so-called, issued by the Hafnia Life Insurance Company, of Copenhagen, Denmark, with the alteration suggested to Mr. Burn by Miles M. Dawson, consulting actuary of New York, as follows:

As issued by the Hafnia the policy gave the same amount of insurance without regard to age, for the same monthly premium of one crown, the length of term of payment being shorter if one enters at a young age and increasing according to the age at entry until the highest age at which that premium will suffice to purchase the insurance, is attained.

On the same basis the Hafnia offers policies maturing as endowments at ages 75, 70, 65, 60, etc., the premiums being the same, but the amount of insurance less, though the same without regard to age, the variation still being in the term of payment.

Mr. Dawson's suggestion was that all of these be combined in one policy so that the insured, by paying a little longer on a policy payable

only at death, may have it become an endowment maturing at age 75, a little longer and have it become an endowment maturing at age 70, etc.

The remarkable thing about the success of this policy in London is that it is the first success with insurance on the monthly payment plan, as distinguished from weekly payments. Many attempts have previously been made in Great Britain, in this country and in other countries; and, in all cases where it has been necessary to collect the premiums, they have been uniformly unsuccessful, or attended with a very small measure of success. The success of the Hafnia plan, also, has not been especially gratifying. It appears, however, that, with the additional attractions, it is making its way so well that it is now necessary to make special efforts to keep up the amount of business previously transacted on the weekly plan.

It is not known whether a similar experience has been had by the Metropolitan Life Insurance Company in this country, which company upon the suggestion of Dr. Lee K. Frankel, now its assistant secretary, introduced a similar plan shortly after the Prudential, of London, had brought it forward. The plan, as operated by the Metropolitan, is necessarily upon weekly payments, because industrial insurance has been defined by the departmental rules and certain statutory provisions as weekly payments. The company would have been free to write monthly payments in its ordinary department; but, had it done so, all the business so transacted would have come under the limitation of section 96. In consequence, its policies of this type have been issued on weekly payments, though at a reduced rate of commission. It is known that a large business has been transacted, and that most of the smaller companies throughout the country have felt compelled to adopt similar plans in order to meet the competition.

THE NEW CANADIAN INSURANCE ACT.

(Continued from Page 3.)

ers voting at all elections in life companies, and makes the following conservative but rational provision as to fire insurance reserves:

Rational Fire Insurance Reserves.

For the purposes of the annual statement required to be furnished to the superintendent under this act by any such company transacting fire or inland marine insurance, or both, the liability of the company if a Canadian company in respect of all its out-

standing unmatured policies, or if a company other than a Canadian company in respect of its outstanding unmatured policies in Canada, shall be eighty per cent. of the unearned premiums computed pro rata as at the date of such statement: Provided, however, that for the purposes of section 19 and subsection 2 of section 20 of this act reinsurance value of the outstanding unmatured Canadian policies of a company other than a Canadian company shall be the full unearned premiums computed pro rata as aforesaid.

2. In the case of any such company which transact a nonhazardous three year business on the premium note system or partly on the cash system and partly on the said premium note system, the liability of such company, for the purposes of such statement, in respect of its premium note business shall be eighty per cent. of the unearned portion of the cash received upon and of the balance usually collectable in respect of all outstanding premium notes held by the company computed pro rata as at the date of such statement, and the amount of such premium notes in excess of the amount so usually collectable thereon shall be regarded as a contingent asset only.

Protection for Legal Reserve Members.

The act also affords the following protection to the holders of legal reserve policies in reorganized assessment societies:

The reserves or assets applicable to the policies issued by such company after the date mentioned in the said notice shall not be available in any way for any liability of such company arising out of any policy issued by it on the assessment plan.

The Louisiana bankers will hold their annual convention May 12 and 13 at Alexandria, with headquarters at the Hotel Bentley. Among those who will make addresses is George E. Roberts, president of the Commercial National Bank, of Chicago. His subject will be “A Central Bank of Issuance.” Credit insurance and fire and life insurance as a basis of credit will also be discussed.

1860 50th YEAR 1910

HOME LIFE

Insurance Company of New York.

GEORGE E. IDE, President.

Assets	\$23,626,018.63
Liabilities	21,858,691.52
(Including Deferred Dividend Fund)	
Dividend Endowment Fund	
(Deferred Dividends)	2,119,044.00
Net Surplus	1,767,327.00
Insurance in Force	92,532,583.00

The record for 1909 shows the following GAINS:

Insurance in Force	\$4,164,239.00
Assets	1,917,117.00
Deferred Dividend Reserve	148,581.00
Contingency Reserve (Surplus)	655,149.17

MISSOURI TAKING A LOOK.

The declaration of Superintendent Blake, of Missouri, in favor of authority somewhere to determine the equities in disputed cases on rates between the companies and the assured has created some interest in the West. If the German Alliance and its associates should win a sweeping victory in the Federal courts in the case involving the validity of the Kansas rate regulation law, so that it should be made clear that States have no right to regulate rates, the present tendency in that direction would be checked; but with the present uncertainty as to the prerogatives of States and the belief current in many quarters that the States have the necessary power, every official pronouncement is of interest in so far as it gives an indication of the direction legislation may take.

That some sort of rate legislation will be attempted in Missouri at the next legislative session is practically certain. The local agents last year got through both houses a bill giving local boards certain rating powers, and the companies secured the veto of the bill. The local agents are just as strongly in favor of some measure of the sort now as they were last year, and expect to be more successful next time. In view of this sentiment Superintendent Blake's declaration may turn the agents' discontent in a new direction and add Missouri to the States where rates are regulated or reviewed by a power higher than the companies.

Local rate conditions are bad at many points in Missouri, especially at St. Louis and St. Joseph. This fact is not likely to convert to opponents of rate regulations those companies which now look with considerable favor upon it. This division of sentiment among the companies makes the chances for a rate regulation measure better in Missouri than in any of the other States.

WESTERN FIRE LOSSES SERIOUS.

The chief topic of conversation among Western managers at present is losses. The first third of the year was extremely unsatisfactory to many companies. Some will show a profit on the period, but reduced from that of last year, and some state that their companies have made practically nothing in the West so far this year. There do not appear to have been the heavy windstorm losses in the late winter and very early spring that occurred last year, but within a few weeks some heavy ones have come in. Managers seem more inclined to dis-

cuss the suspicious character of the fire losses than any other one phase. One of them, who has had a long experience as a fire underwriter, says that fire insurance is generally a fair index of general business conditions, and that if such is the case now the condition of the fire business shows that the vaunted prosperity of the country is largely a dream. Another expresses the belief that some of the companies that are not well established in the West will be unable to stand present conditions indefinitely, and that there will be a clean-up.

Some of the increase in loss ratio can readily be accounted for in the lowering of the rate level. Superintendent Blake, of Missouri, in his preliminary report, points out that the average rate in that State was reduced 6 cents last year, and this followed a much more marked reduction in 1908. In Wisconsin also the insurance in force has increased and the premiums decreased. Of course, some of this reduction in average rates results from reduction in the hazards, but, especially in Missouri, it comes largely from straight reductions and rate cutting. How long some of the companies that have but small banking profits to help them out can continue to do business in the less profitable Western States is a question for the States that give big profits are growing fewer every year now.

The next hearing of the Illinois fire insurance commission will be held at the Hotel La Salle, next Tuesday.

RETIRES IN GOOD ORDER.

On Tuesday the Cosmopolitan Fire Insurance Company, of this city, capital \$300,000, having reinsured all its risks, and realizing that there was no hope of recouping its losses, petitioned the Supreme Court for an order of dissolution which will no doubt be granted.

It has transacted no business since December 31, 1908.

The petition for dissolution recites that the company has lost money in the last few years and impaired its surplus. The principal shareholders are Jules S. Bache, 100 shares; Leo A. Loeb, 640 shares; Max H. Schultze, 50 shares; estate of Adolf Scheftels, 100 shares, and Charles P. Sanderson, 100 shares.

201ST YEAR.

SUN

Insurance Office OF LONDON.

FOUNDED 1710.

UNITED STATES BRANCH:
54 PINE STREET, NEW YORK.
WESTERN DEPARTMENT:
171 LA SALLE ST., CHICAGO.
PACIFIC DEPARTMENT:

Sansome & Sacramento Sts.,
SAN FRANCISCO, CAL.

AGENTS WANTED
AT UNREPRESENTED POINTS.

1894

1910

The State Life Insurance Company

INDIANAPOLIS

UNEQUALLED IN SOLID ACHIEVEMENT

Assets, Dec. 31, 1909...\$8,580,830.58 Surplus, 1909.....\$1,174,606.34

GROWTH UNPARALLELED

	Gain in Admitted Assets	Gain in Surplus
1907.....	\$1,001,409.00	\$ 27,775.00
1908.....	1,023,700.00	153,161.00
1909.....	1,201,977.14	314,044.74

**EIGHT MILLION DOLLARS IN SECURITIES
DEPOSITED WITH THE STATE OF INDIANA**
This is **\$848,861** more than is required by law

Most Attractive Agency Contract
Our Own Idea Every Contract Direct with the Company
Scores of Good Men Have Joined the State Life Field Force Since Jan. 1, 1910.

On All Agency Matters Address
CHAS. F. COFFIN, Second Vice Pres., 1231 State Life Bldg.

THE FIRE EXPENSE QUESTION.

George C. Gill and O. B. Ryon, of the Illinois Fire Insurance Commission, were in Chicago last week looking up some of the witnesses who will appear before the commission at its last public hearing which will be held soon. The Policyholders Union of Chicago desires to be heard further, the Association of Commerce and the Illinois Manufacturers Association will also have speakers present. It is also the intention of the commission to hear from a few experts in order to bring out light on certain points which have not yet been illuminated.

The commission is not obliged to have its report ready until next winter, and it is not likely to begin the hard work of its preparation for some little time yet. From the trend the hearings have taken and Attorney Ryon's remarks before the insurance commissioners who are investigating fire insurance expense, there is no reason to expect anything radical in the report of the committee. So far, it has not apparently learned anything on which to base recommendations that the State undertake the control of rates. There is reason to expect, however, that the commission will have something to say on preferred rates and their inequalities in Illinois, which will be unpleasant reading for those who like the present rates on dwellings in Cook county, which are both out of proportion to those in other large cities and also to those in the little Illinois towns outside of Cook county.

Trust Lines and Brokers.

A. W. Neale, of Cleveland, O., chairman of the joint conference committee, proposes to present, among other questions, the one of "Trust Lines and Brokers," which was referred to it by the mid-year conference. According to a newspaper article given out by him Mr. Neale asserts that hundreds of thousands of dollars in premiums are being lost by agency companies and their agents each year to surplus line companies and brokers because of irregular practices.

"In the opinion of many of our profession," he says, "the time has arrived when insurance men should be divided into two camps—the regular agency companies and agents and such brokers as are willing to abide by good practices on one side, and brokerage companies, non-tariff companies and Lloyds and their brokers on the other side. This enormous loss of premiums

is of as much importance to agency companies as it is to their agents. The question before us is, 'What can be done to stem tide and reclaim the business that has been lost to us by unfair means?'"

One suggestion made by the committee is the establishment of an information bureau, with headquarters in New York and Chicago, to furnish agents with information on trust and syndicate lines which are now placed by the brokers through their affiliations. There are many difficulties, however, in the way of making such a bureau self-supporting, and preventing conflicts between the various agents to whom it might furnish information. Another suggestion is that stricter surplus line laws be passed, or that property owners placing business in unauthorized companies be compelled to pay a tax at least equal to the charges of all kinds imposed by the States upon the admitted companies.

THE BUSY EAGLE.

The following item appears in the week's associated daily press news:

Albany, May 9.—The Fire Companies Building Corporation of New York City was incorporated to-day to maintain a general real estate and brokerage agency.

The capital is \$1,500,000, and the directors are: Henry Evans, Charles Altschul, Henry K. Pomroy, Walter P. Bliss and James N. Wallace, all of New York.

There is ground for speculation as to just where and when and how the new realty concern will exercise its activities in the "real estate" and insurance "brokerage" line, assuming that it does not contemplate becoming a Wall Street "broker." On the face it looks nominal and the impression is that it means a model skyscraper insurance office building that will make all the others in this heart of the insurance district perk up and do some spring cleaning.

CENTERING AT CHICAGO.

Chicago, (Special)—The opening of the "Western Department" of the North America at Chicago last week was of more than passing importance. Had the company made this move two or three years ago, it would have signified little more than one more Western department at Chicago, but coming at the same time as the increase in capital and surplus, accompanied by the announcement that practically all lines up to \$10,000 will be doubled, and following the company's advent into the automobile and floater field, the change of headquarters and of managers means that the North America is going to be a much larger factor in the business of the West from this time forward.

This move by the North America leaves the Western department of the Phoenix of Hartford at Cincinnati about the only Western department outside of Chicago. The Philadelphia Underwriters still has its Western department at Erie; the Liverpool & London & Globe has a general agency for a few States at Cincinnati and the Aetna has its Northwestern department at Omaha. It is very likely that all these companies will handle their entire Western business from Chicago after the close of the administration of the present general agents.

COMMERCIAL - UNION

ASSURANCE CO.,

(LIMITED)

OF LONDON.

OFFICE;

Cor. Pine & William Sts.

NEW YORK.

COME AND PROSPER

Among the 15 largest American companies (excluding industrials) this is our 1909 ranking:

First place in percentage of gain in insurance in force; *third place* in gain over 1908 in amount of paid-for new business.

New business first quarter of 1910 far in excess of first quarter of 1909. Our agents are busy and prosperous—and are not driven by the Home Office.

New York Agency: 1401 Empire Building, 71 Broadway.

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY,

Springfield, Mass.

Incorporated 1851

PROPOSED FIRE INSURANCE MONOPOLY IN FRANCE.

Two members of the French Parliament have brought forward a proposition for creating a State monopoly of fire insurance in France; and a committee has recently reported upon this matter, with special reference as to whether, if State insurance is established, it shall be on the basis of free competition with the existing fire insurance companies, on the basis of taking over the entire business with indemnifying private companies or on the basis of taking over the business under arrangements which provide for their indemnification.

The principal argument against attempting it on a competing basis is the small business transacted by the state life insurance and annuity department, and by the State department of insurance against industrial accidents. As to both of these, it has been found that the necessity for the applicant taking the initiative and going through a great deal of red tape, the duties of the State employees being very perfunctorily performed, has prevented much of anything being accomplished.

The proposal to take over the business without indemnifying the private companies, while it is supported by many, is repugnant to French notions of justice and fairness. These companies have built up their business by strenuous efforts, and frequently by means of large expenditures; and there is little doubt that their business is very valuable. Of course, the argument is made that its value consists in the privilege to overcharge the insured; but this argument, in view of the narrow margins enjoyed by the companies, seems to have little basis of fact.

It is estimated that about 500,000,000 francs, or in other words, \$100,000,000, would be necessary in order to indemnify the companies and that if this large sum were invested by the State, it would not be possible, even on a compulsory basis and much less on any sort of a voluntary basis, for the State to supply fire insurance at materially lower cost than at present, if it took into account a sinking fund, such as would be necessary to replace this investment.

An extremely important question in connection with it, likewise, is what would become of those who are now acting as agents of these companies. It is estimated that there are more than 200,000 fire insurance agents in France. They are paid, to be sure, for obtaining insurance for their respective companies; but everybody knows that the fire insurance agent

performs most important service over and above the mere solicitation for business. Thus, for instance, he is nearly everywhere relied upon to attend to the renewal, without its being necessary for the insured to watch the same. He usually estimates the values or assists in doing so, at the time the insurance is taken, gives useful advice as to many matters and especially when a loss occurs is of great assistance in getting matters in shape for making claim. Aside, therefore, from the social question as to the other branches of business activity into which these men would be forced, there remains the direct question as to whether, under such a new system, services now actually performed by them would be performed at all, and, if so, whether so well or at so low a cost.

It does not, at the present moment, look as if the scheme would be likely to go into effect in the immediate future.

GREAT DOINGS AT ALBANY.

The hearings on the department's insurance bills at Albany last Tuesday were decidedly lively and eventful.

Fire insurance men were there in force to oppose many features of the proposed amendments affecting them. They were surprised and delighted to have the bill withdrawn by the superintendent, who remarked that the matters would be given further consideration, for legislation, next session.

Representatives of the Associated Fraternities of America made an onslaught upon the bill putting them under the discretionary control of the superintendent, and that bill may also lie over until next year.

The "standard accident policy" bill is on its passage, with an amendment making the superintendent's decision reviewable by the courts.

SPECIAL OPPORTUNITIES offered now in Southern States to Representatives of

CITIZENS LIFE INSURANCE CO.

W. H. GREGORY,
President.

WESTERN ASSURANCE Co.

HEAD OFFICE,
TORONTO, - - CANADA.

Incorporated 1851.

Hon. GEORGE A. COX.....President
W. R. BROCK and JOHN
HOSKIN, K. C. LL. D., Vice-Presidents
W. B. MEIKLE.....General Manager

United States Statement, Jan. 1, 1910.

Assets\$2,377,303.37
Surplus in United States..... 839,268.07

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS is unsurpassed for net low cost and care of interests of all members.

THE PENN MUTUAL LIFE INSURANCE COMPANY OF PHILADELPHIA

On January 1, 1909, rates were reduced and values increased to full 3% reserve.

BONDS--CASUALTY

AGENTS
IF
YOU

{ Can Command Bond or Casualty business
{ Are seeking an Agency connection
{ Are not representing another like Company

ADDRESS, AGENCY DEPARTMENT,

The Empire State Surety Co.
NEW YORK

IN NEW ENGLAND

London Guarantee Writing Credit Insurance in New England.

Boston, May 11, (Special.)—The London Guarantee and Accident was to-day admitted to do a credit insurance business in Massachusetts, after having made an additional deposit of \$200,000 at Albany, in accordance with the requirements of Bay State law for the transaction of such business in the Commonwealth. This has increased the United States deposit of the London Guarantee to \$500,000.

J. R. Hammer is appointed general agent of the London Guarantee's credit branch for Massachusetts, Rhode Island, Connecticut, Maine, New Hampshire and Vermont. Associated with him are H. L. Boardman and W. J. Kershaw, special agents for Boston and vicinity; H. C. Gaines, for Connecticut; C. D. Oliphant, for Maine, and P. M. Taylor, for Rhode Island. Mr. Hammer and his lieutenants are all experienced credit insurance men, and start with flattering prospects for their underwriting specialty in the Northeastern corner of this country.

An Ally for Mr. Kingsley.

It is easily conceivable that Darwin P. Kingsley, president of the New York Life Insurance Company, may find in Curtis Guild, former governor of Massachusetts, a powerful ally in his project of securing Federal control of insurance corporations. Mr. Guild, as recently reported by the Boston "Journal," came out strong for the substitution of Federal regulation in place of the diversified and oftentimes petty harrassments imposed by the "proud man clad with a little brief authority," who holds down a State job. Although the Guild doctrine was not specifically directed toward the healing of underwriting woes—in fact, alludes to about everything else but these—certain of his arguments bear such a strong family resemblance to what has been said by the protagonists of insurance freedom that it may safely be assumed that his sympathies are with them, or would not be appealed to in vain in their behalf. "The Chronicle" will leave to its readers, by reprinting annexed extracts from Mr. Guild's statement, the question of deciding if they do not think so, too:

We are to some extent controlling corporations, but chiefly by all kinds of local legislation whose constantly varying form makes the profitable field of investment of to-day a desert of deficit to-morrow. Fair play and the

protection of the public demand the establishment of a uniform system of corporation control by expert advisors under the supervision of the National Government, applying one law to all States and enforcing the same law from one end of the country to the other.

Need Uniform Law.

Why stop at regulation? Why would it not lend greater stability and uniformity to business if the United States used the common sense of other countries and adopted a single system of incorporation, with a national commissioner, for the sake of convenience, in each State?

Every nation in the world except ours has a single law of incorporation applicable uniformly to every one in the nation. We have half a hundred systems, hampering business for business men as well as sequestering square dealing from the public.

It is absurd that there should be half a hundred ways of incorporating a company in the United States. Is it not ridiculous that it should be possible for a company doing business in one State to evade even the spirit of its laws by taking out a charter in another State? Isn't it wrong that because one single State encourages stock watering and issues corporation charters permitting it that the people of many States, possibly of every State, shall forever be condemned to pay in freight rates and passenger fares, gas rates and electric charges, telephone and telegraph rates, or the retail price of commodities in general use, dividends on capital never invested, rewards for risks never taken?

National law compels a corporation when it fails in business and ends its affairs to liquidate on the same basis in every State in the Union. Logic and common sense alike demand that not only when it goes out of business, but when it goes into business, it should be granted fair play and the same terms of organization, no more, no less, in Maine as in Washington, in Louisiana as in Michigan.

Almost unconsciously the American people are being welded together in a spirit of nationality and union which even the loyal North of Lincoln scarcely knew. * * * * * In war we pull together under a national military law, applying to every one of us, not as citizens of any State, but as Americans. May we not quietly, sanely, but unflinchingly, as common citizens of one nation, work also in peace under a greater measure of national civil law for the more perfect union that results from equality before the same law, equality of opportunity for all, everywhere throughout our entire nation?

Robens' Agents Assemble.

Last Thursday was a gala time for the Connecticut agents of the New England Mutual Life, who assembled at Hartford to celebrate the completion of the first year of the incumbency of Lee C. Robens as the company's general agent for the State. Mr. Robens has made a fine record, both as to production and organization, and the occasion was quite in the order of the fitness of things. The

proceedings began with a luncheon at the Hartford Golf Club, which was followed by interesting and forceful addresses by Dr. Edwin W. Dwight, medical examiner of the company, and Glover S. Hastings, superintendent of agencies. Then came a helpful discussion of subjects of general interest.

Adjournment was then taken to the Hartford Club, where dinner was served in the evening. The after dinner speaking enlisted the able efforts of Vice-President Appel, Assistant Superintendent of Agencies Frank T. Partridge and others. The promise of giving those in attendance good value for every moment of their time was amply fulfilled, and the benefit derived therefrom will doubtless appear in the showing of the Robens general agency for the current year.

The Exchange.

The New England Insurance Exchange last Saturday adopted the following: "For the purpose of determining the minimum rate which shall apply to private dwelling and private barns, it will be considered that where all four walls are of brick, hollow tile, stone or reinforced concrete, the risk shall be classed as "brick"; where any of the walls are wholly or partly frame, cement block or cement plaster, brick veneered or iron clad, the risk shall be classed as "frame." A rule was also adopted allowing permission without charge for the keeping of automobiles owned by a municipality in buildings owned by such municipality, with the standard form of automobile permit. A stamp clerk office was established for New Bedford, Mass., in charge of H. M. Slade, stamp clerk of the New Bedford office.

The Board.

The Boston Board of Fire Underwriters on Tuesday abrogated the rule whereby no return is made to the insured changing his tenancy to a better risk, when the amount of such return is less than one dollar on a policy. J. H. Eddy, Anton Bruns and A. S. Lovett were designated to serve on the rating committee for three months.

Legislative.

Following the report of the Massachusetts Old Age Pension Commission, bills have been reported: to authorize employers and employes to establish co-operative retirement, annuity or pension systems; to authorize cities and towns to establish retirement systems for their employes; to provide for compulsory instruction in thrift in the public schools of the Commonwealth.

Reference to the next General Court

has been reported on the act to establish the Massachusetts Commission on old age insurance and pensions.

The Senate has killed House bill 1554 relative to classes and capitals of insurance companies, in substance a part of House bill 6.

The bill relative to the duties of referees in fire insurance has been enacted.

New England Brevities.

Availing itself of the provisions of a law enacted this session the Massachusetts Accident Company, a stock organization, has reinsured the business of the Bay State Casualty Company, which was operated on the assessment basis. The newly acquired business will be known as the Bay State branch of the Massachusetts Accident, and will be managed by H. G. Hinkley and H. A. Harding, president and secretary, respectively, before its absorption. The business of the branch, hitherto restricted to Massachusetts and Rhode Island, will now be extended to the entire field covered by the Massachusetts Accident.

President Holcombe, of the Phoenix Mutual Life, after two years' service in the Hartford Board of Finance, is succeeded in that capacity by President Dunham, of the Travelers. Hartford is fortunate in obtaining the gratuitous services of leading underwriters in the management of its civic affairs.

Francis Peabody, in its day president of the American Insurance Company, of Boston, died recently at his home in Danvers, Mass.

Captain W. B. Sears, popular broker and agreeable gentleman, has taken desk room in the Martin L. Cate office, Boston.

W. B. Medlicott, of the Atlas, has again been selected as lecturer on fire insurance at the business school of Harvard University.

J. A. Kelsey, United States manager of the Aachen & Munich, and his brother, manager at Chicago of the Sun, with their wives, sailed from Boston on the Canopic Wednesday, the 4th inst., for a tour in Europe.

Following the admission to Massachusetts of the Teutonic of Pittsburg, Kaler, Carney and Liffler have been appointed agents for Boston and vicinity for the Pittsburg Underwriters, comprising the National, Teutonia, Allemannia, Ben Franklin and Humboldt fire insurance companies of

Pittsburg. Policies issued in Massachusetts are headed "Insurance Underwriters' Policy of the National of Pittsburg."

In a "Comet-ose" Mood.

The esteemed Boston "Transcript" offers the "actuality" annexed herewith:

PAYABLE IN ASBESTOS MONEY.

"This is an insurance office?"

"Yes, sir. Do you wish to take out a policy?"

"I do. I would like a policy covering the damage in case we collide with that cussed comet."

Report hath it that the Union and Fenix Espanol, reinsurance company of Madrid, intends entering the United States, and, in that event, depositing \$200,000 with the Connecticut Insurance Department, under the management of Ralph Folsom, formerly with Dickson & Tweeddale.

The removal of the Boston fire insurance brokerage firms conducted respectively by Richard B. Perrin and Henry A. Gordon & Co., from the former premises of A. M. Bullard & Co., to 30 Kilby street, the offices of Cyrus Brewer & Co., with whom A. M. Bullard & Co. have combined, is announced.

A smoke talk, the second of this season, has been set for Friday night, May 20, by the Boston Life Underwriters' Association, at which "Partnership and Business Insurance" is to be the topic of discussion. This subject had been assigned for the first smoker, but was deferred to make time for the splendid address by John W. Whittington, president of the National Association, of which an abridgment was presented in these columns at the time.

The agency for Boston and vicinity of the Teutonia of Pittsburg has been conferred on Rothery, Emery & Perkins.

Ide & Sewall, of Boston, who conduct a flourishing fire and casualty general agency, are now settled in a new and comfortable quarters on the fifth floor of the Oliver building.

Subject to certain amendments, Governor Hughes has approved the Calan automobile bill, which will bring about \$1,500,000 additional revenue to the State each year. Registration fees for cars will depend upon their horse power.

FIRE PROTECTION MEETING.

President Guenther, of the National Association of Local Fire Insurance Agents, has appointed the following to represent the organization at the annual three days' meeting of the National Fire Protection Association at Chicago next Tuesday: E. B. Case, Chicago; Henry H. Hickok, Burlington, Vt.; Ralph W. Lee, Washington, D. C.; George D. Markham, St. Louis, and E. C. Roth, Buffalo.

The National Association of Local Fire Insurance Agents is an active member of the Fire Protection Association. The delegates appointed are also associate members of that organization.

The Auto Subject.

The question of whether the appointment of another agency to write automobile insurance constitutes a departure from sole agency principles, referred to the Connecticut Association of Local Fire Insurance Agents by one of its members, has been handed up to the grievance committee of the National Association for consideration. The committee has decided that the question is a new one and should be referred to the coming convention. This will afford an opportunity to discuss the reasons governing the mighty intelligences presiding over some insurance departments in ruling that fire insurance companies may write casualty insurances and prohibits a casualty company reciprocal rights.

The celebration of the twenty-fifth anniversary of Manager Guile's control of the United States branch of the Sun Insurance office received appropriate recognition from the agents and brokers on May 11 in a complimentary premium shower, the favors coming from all over the country. The tremendous mail, the flowers and silver vase from the office staff, and the splendid salad bowl, fork and spoon from a few close friends, made Mr. Guile feel that the day was altogether worth while.

HARTFORD LIFE

INSURANCE COMPANY, OF CONN.

1909 Policies are Participating, or Non-participating, with Lower Rates and Values based on FULL RESERVE.

For Right Contracts,
Address, Second Vice-President,
Home Office, HARTFORD, CONN.

UNCLE SAM'S SURETIES.

Away back in the now dim past when Uncle Sam first began business he followed the old rule of the English common law and its origin—the Mediterranean merchants system of "cautionment" of the sixth, and, perhaps, earlier century—in requiring a guarantee of contracts entered into, the original basis of credit, and credit evolutions, such as the present system of bank checks, and loans on commercial undertakings.

As a general rule the guaranties—(or bonds, so-called)—were never recoverable, owing to personal or political influences which shelved all complaints and claims. There were frequent cases of politicians "trading" in this form of trouble, and the big public knew of the conditions existing only as rumors and political gossip reached it. Ever unreliable this form of evidence afforded no reliable basis for the people to act and the grafter was in clover.

Conditions became so intolerable that finally Uncle Sam thought to install some modern methods in the conduct of his business and his Congress passed what is now known as the "Act of August 13, 1894," which authorized the acceptance of corporations as surety on bonds and guaranties and from that day to this politics and methods of grafting have been undergoing a rapid change. They have not been entirely reformed by it, but one of the meanest and most morally subversive avenues has been closed. So great has been the work of the corporate sureties on this line, and so much antagonism have they aroused on the part of the "politician for pecuniary profit" that they have been made the subject of about every imaginable form of grafting attack. Even the highest Federal officials have been persuaded to hinder the good work of these companies. It emphasizes the condition formerly existing, already referred to. In the old days any politician's brother—or son-in-law, or his cousin, uncle, or aunt—could rob, riot or rampage at pleasure, fully assured of immunity from punishment for deviations. With the advent of the corporate surety has come a change of conditions, the present results of which are shown in two distinct forms:

First: The rush of politicians to organize or become allied with surety companies. This was the first development.

Second: The "strike" bills aimed at the companies by the "statesmen" in both Congress and the State legis-

latures. This is the latest development, and it has been so persistently forced upon official circles that there is great perplexity existing on the part of those who are anxious to perform their full oath of office to the letter, but are puzzled by the clamor of the chair-warming office seekers. Thanks to the sound judgment of most of them they are realizing that the surety companies have rendered to the Federal and State public official service, in an economic and moral upbuilding sense, about what life insurance has done for the great body of the people generally in the prevention of the necessity for more almshouses, jails and orphanages. There is a great public economic principle involved which escapes the notice of the casual reader. For this reason alone the pending legislation at Washington and half-a-dozen or so of the States, is deserving of the calmest deliberation and consideration.

One Cobweb Brushed Away.

As an evidence of the awakening at Washington on the subject, the antiquated ruling of a century ago has been amended in the ease of postmasters. The earliest law required of these appointees two or more resident sureties who could each qualify in a sum double the penalty of the bond. In those days coonskins and wolf pelts were a common medium of exchange. When the act of August 13, 1894, became effective it was ruled by some wise (or otherwise) Solon in official position at Washington that it did not apply to postmasters, because the law governing the postal department made it incumbent on the sureties, in case of the death or default of the principal, to be responsible for the performance of the duties required by law and nominated in the bond until such time as a successor was appointed in due course.

The new act was too new to be actually comprehended, and it has taken sixteen years of its operation for the idea to percolate through red-tape Washington that it is really in force and effective, accounting largely for the present political "strikes" at surety companies. That very keen and alert Postmaster General, Hitchcock, who is now presiding over our postage stamps in Washington, is one of those forceful men who realize that conditions have changed from a century ago, and he gets into modern times by issuing yesterday a new ruling to the effect that a surety company may now be accepted as sole surety on bonds of postmasters.

Merely a straw, but it indicates progress.

CONTRACT BONDING DULL IN CHICAGO.

Considerable disappointment exists in some of the Chicago surety offices that there has been no greater revival of contract bonding. During the unusually severe and steady winter, it was stated that few contracts were being awarded because operations could not be commenced under them in such weather, but it was generally believed that the business would take quite a boom as soon as it became warmer. This boom has not materialized, at any rate not as far as some of the offices can see. But few large buildings are in course of erection downtown now and but few are in immediate prospect. One prominent office claims that even the usual demand for small contract bonds has fallen off.

The legal preliminaries to the increase in capital of the Illinois Surety have been almost completed. Written consents have been received from more than the required number of stockholders. The consents of all the directors have not been secured yet, as a few of them are not at their usual places of business and have not answered the company's request for their consent.

JOHN C. PAIGE & CO.

INSURANCE

65 KILBY STREET

BOSTON

The Connecticut Mutual

That means the best life insurance to have and the best to sell. If you can sell life insurance, you can sell more of it for the CONNECTICUT MUTUAL.

Men of Character and Ability are invited to apply.

**Conn. Mutual Life Ins. Co.,
Hartford, Conn.**

Please mention this paper.

DON'T ROCK THE BOAT.

The latest "bulletin" from the insurance hospital is to the effect that the United Surety Company of Baltimore is convalescing from its recent severe halving operation for an acute attack of appendicitis. This bulletin is issued by Insurance Commissioner Crouse, of Maryland, in charge, in response to inquiries as to the company's present status in view of the action of New York and some other important States canceling its license. These inquiries were based upon the common knowledge of the scandals and seemingly endless chain of incompetents in control which shadowed the company's progress.

This "bulletin" of Commissioner Crouse is in the form of an open letter to Thomas H. Bowles, who acquired and represents the new controlling interest of the company, and who expects to rescue it from the wreckers' ditch into which it was driven and nearly murdered, and reads assuringly:

The report of examination made by examiners of this department as of February 28 showed that the capital of the company (\$500,000) had become impaired to the extent of \$94,018.85, after setting aside claim reserve and reserve for unearned premiums and all other liabilities. The reduction of the capital to \$250,000 gets rid of the impairment, and provides a surplus over all liabilities of \$155,981.15, and, including the reduced capital, a surplus to policyholders of \$405,981.15.

I, therefore, feel justified in saying that, in my opinion, the United Surety Company is now on a sound financial basis, well able to protect all outstanding contracts entered into by it, and that its condition leaves no ground for any reasonable doubt as to its entire solvency.

President Penniman writes "The Chronicle" that "the matter of shaping the affairs of the United Surety Company is being earnestly worked upon and at the earliest possible moment you will be fully advised of the results," a consummation devoutly to be wished. But there must be a re-organization that differs from the last one—so-called—which was merely a shifting of the same surety "talent," if public confidence is to be anticipated.

ACCIDENT INSURANCE OF SERVANTS.

According to the "Insurance Record," of London, two things are taking place relative to this insurance of domestic and other servants under the Workmen's Compensation Act of 1906.

First, the volume of business is showing a strong tendency to fall off.

At the outset the very cheap premium rates, ranging from 2 shillings to 2 shillings 6 pence, or from 50 cents to 62½ cents per annum, together with a dread of the possibility of being held for a lifelong pension to a servant injured by accident, caused a great boom in this business; but it is said that in the households, where there have been no accidents, now that the novelty of the provisions of the act has worn off, many householders cease to appreciate the necessity for this precaution. Thus, notwithstanding that for servants working at average wages, it is estimated that in event of total and permanent disability caused by accident occurring while at work, the employer would be under obligation to pay \$100 a year throughout life.

The second disturbing fact is that, although the business has been large, there has been little, if any, profit in the "tariff companies," that is the companies which agreed upon rates of premium and have maintained the same. It is said that £2,030,230 have been received in premiums by these offices and that the average net profit on the business has been but 2 per cent. The companies which have not been bound by the agreement have collected £521,788, with an average net loss of 9.73 per cent. On the total premiums of all these companies, amounting to £2,552,012, there has been a net loss of 4/10 of 1 per cent.—that is, on a premium income of about \$12,500,000. The companies on the whole have made no money at all.

If there is so much money in fire insurance as the Indianapolis business men declare, why don't they start a lot of companies and get their share of these alleged "profits"?—"Insurance Post."

SELL LIFE INSURANCE

If you have latent ability as a salesman we will help you develop it, and you'll make money while learning.

The Prudential Wants Agents. Write Today for Particulars.

THE PRUDENTIAL

Insurance Company of America.

Incorporated as a Stock Company by the State of New Jersey.

JOHN F. DRYDEN,
President.

Home Office,
NEWARK, N. J.

Germania Fire

INSURANCE CO.,

NEW YORK.

ORGANIZED 1859.

Cash Capital.....	\$1,000,000.00
Assets	\$6,562,329.14
Net Surplus.....	\$2,008,419.02
Surplus for Policyholders,	\$3,008,419.02

HEAD OFFICE:

Cor. William and Cedar Streets.

**OLDEST
IN
AMERICA**

**STRONGEST
IN THE
WORLD**

THE MUTUAL LIFE

Insurance Company of New York

**Mutual Life Agents Make Most Money
Because Mutual Life Policies Sell Most Freely**

For terms to producing agents, address

GEORGE T. DEXTER

2nd Vice-President

34 Nassau Street

New York, N. Y.

ANOTHER PROMOTION FIASCO.

That is a suggestive situation of promoter Hardy's Empire Casualty Company, of West Virginia (domiciled presently at Philadelphia, Pa.), proposition which is now on Gossip Street, America. Two weeks ago "The Chronicle" published a part of the prospectus of the Columbus Securities Company of New Jersey, organized to finance and "hold" struggling young casualty and other insurance companies, two of which, including the Empire, it was stated, had already passed to its control. Now a receivership for the Empire is impending.

It seems that the West Virginia concern combined with another weakling, chartered out in Ohio, and another one in Pennsylvania, as a sort of last resort of the promoters to pull them all into the same dry dock and articulate the ossified remains. This receivership proposal puts a crimp in the promoters' schemes, and it is quite probable that the peripatetic promoter will have to devise some new ones or go to work to earn an honest and respectable living. As one first step upward from their present work and toward decency these light-fingered gentry might try porch-climbing or pan-handling, and graduate on to the police force, and later to the Pittsburg City Council or the Illinois Legislature.

OPPOSES REFORM BILLS.

One of the greatest obstacles encountered by the Insurance Department in an attempt to suppress wild-cat fire insurance operations is clearly outlined in the action yesterday of the New York Board of Trade and Transportation in adopting a resolution requesting that Senate bills 1158 and 1394, prohibiting solicitation, acceptance or placing of insurance in companies not authorized to do business in this State should not become a law.

The reasons for this action, as set forth in the text of the resolution, were that the provisions of the bill in certain instances appear to infringe on the right of contract by imposing restrictions upon the procurement of insurance upon property when located in any other State than New York, which would operate to the injury of business interests in this State by hampering the procurement of insurance.

The logical outcome of an inadequate supply of insurance, which enables the "outside" companies to write in this State, would seem to be the opening up of an opportunity for cap-

ital to organize more companies. The Board of Trade seems to be opposing its own best interests in defending present rank conditions by opposing well-directed efforts at reform.

A PUZZLER.

It is announced that the Texas Surety and Insurance Company, which has been organizing at San Antonio, has a capital of \$200,000 paid in and a surplus of \$50,000, with which it will begin writing a general surety business. The officers are: I. T. Pryor, president; J. O. Terrell, first vice-president and treasurer; J. M. Kincaid, third vice-president; John H. Bickett, fourth vice-president and manager; Thomas G. Leighton, secretary.

Just how far that small surplus will carry the concern is a puzzler. Again, how the company can hope to get ahead is another. All the surety business in the State of Texas, if it were possible for one company to corral it, would not be supporting. Then the deposit law of Texas operates in a retaliatory way, and bars the company from other States. All things considered there seems some rather rocky sledging ahead for the young one.

A LUCKY TURN.

The marine underwriters are rejoicing over yesterday's cable news that the big American liner Minnehaha had been successfully floated off the rocks of the Scilly Islands, where she struck in a fog April 18, and has been held fast in a clutch that has never before been known to relinquish a victim. This is the remarkable feature of the case, and is said to be due entirely to the fact that nature held in leash all the elements of wind and water for nearly a month in what is one of the most dangerous parts of the Atlantic. There seems something in the incident, from the insurance viewpoint, that is calculated to make the superstitious stronger in a conviction that there is something just a little more than luck in it.

I notice that a number of agents are making changes from the Companies they were formerly with to other Companies. Also, that none of these agents have been in correspondence with the Philadelphia Life. Perhaps it is due to the fact that they do not read our advertisements, and I think that it would pay the agents, whether they are working for this company or not, to read these advertisements, as many a time there appear in the advertisements little arguments that would help them to secure business. For instances:—How many agents to-day are using the argument that they are insuring income, which is really what you do on every policy that you have caused to be issued by a Life Insurance Company? Now why don't you get in touch with the new up-to-date income policy of the Philadelphia Life that is different in all details from that issued by any other Life Insurance Company? Write Perry to-day.

ACCIDENT INSURANCE.

The National Association of Employing Lithographers announces that it is going to put into operation, through an insurance company, a plan furnishing employees insurance against sickness, accident and death, the premiums for the same being paid in whole or in part by the members of the association. Some years ago this association fought to a finish the labor unions among its employees; and it is believed that the present proposal to give an eight hour day, commencing January 1 next, is for the purpose of preventing the members from again organizing.

The **Columbian National Life** INSURANCE COMPANY OF BOSTON, MASS.

**LIFE, ACCIDENT AND HEALTH
INSURANCE.**

The Only Massachusetts
Non-Participating Company

The New Columbian Policies (Sept. '09)
are Unexcelled in Clearness and Liberality.

Good Contracts and Territory for
Good Producers.

ARTHUR E. CHILDS, President.

LEADING FIRE COMPANY OF THE WORLD



[of Liverpool,

England.]

WHEN THE BRAIN GETS BUSY.

Improved methods of construction, protection and rating are dealt with by Arthur Hawkshurst, insurance manager for the big corporation of Marshall Field & Co., of Chicago, in testimony just given before the Illinois Fire Insurance Commission, of recent birth. Mr. Hawkshurst has made insurance in its varied forms, as applied to his corporation's commercial credits a specialty, therefore what he says has particular value.

On the subject of improved construction and better protection he furnishes a statement of the reductions made for improved construction and protection under schedule rating. In his testimony before the commission of reductions for sprinkler equipments, he said:

No information I can give you will answer your question half so well as the rates themselves. (The 25 per cent. advance on all non-sprinklered and non-fireproof risks is still in force.) The rates given are for \$100 of insurance:

Wholesale department mill construction:

	Without Automatic Sprinklers.	With Automatic Sprinklers.
Sections 1 and 3, building	\$1.40	\$0.31
Sections 1 and 3, stock	1.71	0.42
Section 2, building	1.87	0.37
Section 2, stock	2.25	0.48
Fireproof warehouses:		
Buildings	0.39	0.11
Stock	0.83	0.21
Mill construction warehouses:		
Buildings	1.01	0.12
Stock	1.21	0.21
Retail department:		
Buildings	0.71	0.28
Stock	1.61	0.53
Zion City lace factory:		
Building and contents	1.12	0.15

From these figures you can see that there is no argument to be used against adopting these very efficient protectors against fire, not to speak of the saving in insurance cost.

What the sprinkler equipment has done so far for us, is evidenced by the fact that our wholesale building has been saved three times from serious loss by the prompt working of the sprinklers. We have had one or two light fires in the retail, which one head promptly put out. The warehouses, up to the present time, have had no accidents. I am a firm believer in schedule ratings and proper allowances for all improvements installed. They will all pay for themselves in a short time and do more than anything else to reduce the awful loss.

AETNA LOSES.

At Hartford, Conn., on Monday the Superior Court rendered judgment for \$4,708 against the Aetna Indemnity Company, of that city, in favor of a plaintiff from Minneapolis, Minn. The very singular feature of the case was that the plaintiff was compelled to come from Minnesota to Connecticut to enter suit and that the judgment

was even then obtained through failure of the defendant to appear—"judgment by default," termed legally. The suit was on a building contract bond, on which the defendant was surety for Robert Wilson, of Boston, for work in Minneapolis.

This is a rather good argument in favor of Federal control of inter-state insurance matters, even if national control is left out of the question for the present.

FOR BETTER FIRE PROTECTION.

The Merchants Association of New York, the one civic organization that has done more than any other to agitate insurance discussions (and with more or less good or bad effect) is now out through its insurance committee—Frank R. Chambers, Sr., chairman—with a demand for modern fire appliances in all office buildings, department houses, business buildings,

spect the buildings to see how the fire regulations are obeyed."

"We do," said Chief Croker.

"If you inspect mine I never hear of it," said Mr. Chambers.

"But we do," said the chief.

The outcome of the interview is not known.

The final elimination of Andrew Freedman from the slightest connection with the Casualty Company of America last week marks the opening of an era for the company that promises to keep it free from the pall and stench of Tammany politicians that has so long retarded its progress and has made it a target for opposing and equally vicious political elements.

Insurance Commissioner Beedle, of Wisconsin, has dismissed the charges of rebating made against Walter and Christ Shroeder, of Milwaukee, representing the American Fidelity Fire. Charges were made by the Aetna that the defendants had lifted three policies of the Beals Torrey Shoe Company.

TO WIN IN COMPETITION

Represent the Company whose agents have the strongest fighting material and the most telling arguments. Everyone knows the superiority in low cost to policyholders, (due to high interest earnings, low death and expense rate) of

THE
Union Central Life
Insurance Co. of Cincinnati.

Assets, \$74,523,966.28
Liabilities, \$72,324,302.92

JESSE R. CLARK, President.
ALLAN WATERS, Sup't of Agents.

"THE COMPANY WITH THE PYRAMID"

40 CONSECUTIVE YEARS OF PYRAMIDAL PROGRESS

NEW HAMPSHIRE FIRE INSURANCE CO.

2,937,319.76 840,940.17
3,163,880.05 946,783.34

3,779,569.67 1,154,810.10
3,871,445.70 1,154,810.10
3,963,321.73 1,154,810.10
4,055,197.76 1,154,810.10
4,147,073.79 1,154,810.10
4,238,949.82 1,154,810.10
4,330,825.85 1,154,810.10
4,422,701.88 1,154,810.10
4,514,577.91 1,154,810.10
4,606,453.94 1,154,810.10
4,698,329.97 1,154,810.10
4,790,205.99 1,154,810.10
4,882,082.02 1,154,810.10
4,973,958.05 1,154,810.10
5,065,834.08 1,154,810.10
5,157,710.11 1,154,810.10
5,249,586.14 1,154,810.10
5,341,462.17 1,154,810.10
5,433,338.20 1,154,810.10
5,525,214.23 1,154,810.10
5,617,090.26 1,154,810.10
5,708,966.29 1,154,810.10
5,800,842.32 1,154,810.10
5,892,718.35 1,154,810.10
5,984,594.38 1,154,810.10
6,076,470.41 1,154,810.10
6,168,346.44 1,154,810.10
6,260,222.47 1,154,810.10
6,352,098.50 1,154,810.10
6,443,974.53 1,154,810.10
6,535,850.56 1,154,810.10
6,627,726.59 1,154,810.10
6,719,602.62 1,154,810.10
6,811,478.65 1,154,810.10
6,903,354.68 1,154,810.10
6,995,230.71 1,154,810.10
7,087,106.74 1,154,810.10
7,178,982.77 1,154,810.10
7,270,858.80 1,154,810.10
7,362,734.83 1,154,810.10
7,454,610.86 1,154,810.10
7,546,486.89 1,154,810.10
7,638,362.92 1,154,810.10
7,730,238.95 1,154,810.10
7,822,114.98 1,154,810.10
7,913,991.01 1,154,810.10
8,005,867.04 1,154,810.10
8,097,743.07 1,154,810.10
8,189,619.10 1,154,810.10
8,281,495.13 1,154,810.10
8,373,371.16 1,154,810.10
8,465,247.19 1,154,810.10
8,557,123.22 1,154,810.10
8,648,999.25 1,154,810.10
8,740,875.28 1,154,810.10
8,832,751.31 1,154,810.10
8,924,627.34 1,154,810.10
9,016,503.37 1,154,810.10
9,108,379.40 1,154,810.10
9,200,255.43 1,154,810.10
9,292,131.46 1,154,810.10
9,384,007.49 1,154,810.10
9,475,883.52 1,154,810.10
9,567,759.55 1,154,810.10
9,659,635.58 1,154,810.10
9,751,511.61 1,154,810.10
9,843,387.64 1,154,810.10
9,935,263.67 1,154,810.10
10,027,139.70 1,154,810.10
10,119,015.73 1,154,810.10
10,210,891.76 1,154,810.10
10,302,767.79 1,154,810.10
10,394,643.82 1,154,810.10
10,486,519.85 1,154,810.10
10,578,395.88 1,154,810.10
10,670,271.91 1,154,810.10
10,762,147.94 1,154,810.10
10,854,023.97 1,154,810.10
10,945,900.00 1,154,810.10
11,037,776.03 1,154,810.10
11,129,652.06 1,154,810.10
11,221,528.09 1,154,810.10
11,313,404.12 1,154,810.10
11,405,280.15 1,154,810.10
11,497,156.18 1,154,810.10
11,589,032.21 1,154,810.10
11,680,908.24 1,154,810.10
11,772,784.27 1,154,810.10
11,864,660.30 1,154,810.10
11,956,536.33 1,154,810.10
12,048,412.36 1,154,810.10
12,140,288.39 1,154,810.10
12,232,164.42 1,154,810.10
12,324,040.45 1,154,810.10
12,415,916.48 1,154,810.10
12,507,792.51 1,154,810.10
12,599,668.54 1,154,810.10
12,691,544.57 1,154,810.10
12,783,420.60 1,154,810.10
12,875,296.63 1,154,810.10
12,967,172.66 1,154,810.10
13,059,048.69 1,154,810.10
13,150,924.72 1,154,810.10
13,242,800.75 1,154,810.10
13,334,676.78 1,154,810.10
13,426,552.81 1,154,810.10
13,518,428.84 1,154,810.10
13,610,304.87 1,154,810.10
13,702,180.90 1,154,810.10
13,794,056.93 1,154,810.10
13,885,932.96 1,154,810.10
13,977,809.00 1,154,810.10
14,069,685.03 1,154,810.10
14,161,561.06 1,154,810.10
14,253,437.09 1,154,810.10
14,345,313.12 1,154,810.10
14,437,189.15 1,154,810.10
14,529,065.18 1,154,810.10
14,620,941.21 1,154,810.10
14,712,817.24 1,154,810.10
14,804,693.27 1,154,810.10
14,896,569.30 1,154,810.10
14,988,445.33 1,154,810.10
15,080,321.36 1,154,810.10
15,172,197.39 1,154,810.10
15,264,073.42 1,154,810.10
15,355,949.45 1,154,810.10
15,447,825.48 1,154,810.10
15,539,701.51 1,154,810.10
15,631,577.54 1,154,810.10
15,723,453.57 1,154,810.10
15,815,329.60 1,154,810.10
15,907,205.63 1,154,810.10
16,000,081.66 1,154,810.10
16,091,957.69 1,154,810.10
16,183,833.72 1,154,810.10
16,275,709.75 1,154,810.10
16,367,585.78 1,154,810.10
16,459,461.81 1,154,810.10
16,551,337.84 1,154,810.10
16,643,213.87 1,154,810.10
16,735,089.90 1,154,810.10
16,826,965.93 1,154,810.10
16,918,841.96 1,154,810.10
17,010,718.00 1,154,810.10
17,102,594.03 1,154,810.10
17,194,470.06 1,154,810.10
17,286,346.09 1,154,810.10
17,378,222.12 1,154,810.10
17,470,098.15 1,154,810.10
17,561,974.18 1,154,810.10
17,653,850.21 1,154,810.10
17,745,726.24 1,154,810.10
17,837,602.27 1,154,810.10
17,929,478.30 1,154,810.10
18,021,354.33 1,154,810.10
18,113,230.36 1,154,810.10
18,205,106.39 1,154,810.10
18,296,982.42 1,154,810.10
18,388,858.45 1,154,810.10
18,480,734.48 1,154,810.10
18,572,610.51 1,154,810.10
18,664,486.54 1,154,810.10
18,756,362.57 1,154,810.10
18,848,238.60 1,154,810.10
18,940,114.63 1,154,810.10
19,031,990.66 1,154,810.10
19,123,866.69 1,154,810.10
19,215,742.72 1,154,810.10
19,307,618.75 1,154,810.10
19,399,494.78 1,154,810.10
19,491,370.81 1,154,810.10
19,583,246.84 1,154,810.10
19,675,122.87 1,154,810.10
19,766,998.90 1,154,810.10
19,858,874.93 1,154,810.10
19,950,750.96 1,154,810.10
20,042,627.00 1,154,810.10
20,134,503.03 1,154,810.10
20,226,379.06 1,154,810.10
20,318,255.09 1,154,810.10
20,410,131.12 1,154,810.10
20,502,007.15 1,154,810.10
20,593,883.18 1,154,810.10
20,685,759.21 1,154,810.10
20,777,635.24 1,154,810.10
20,869,511.27 1,154,810.10
20,961,387.30 1,154,810.10
21,053,263.33 1,154,810.10
21,145,139.36 1,154,810.10
21,237,015.39 1,154,810.10
21,328,891.42 1,154,810.10
21,420,767.45 1,154,810.10
21,512,643.48 1,154,810.10
21,604,519.51 1,154,810.10
21,696,395.54 1,154,810.10
21,788,271.57 1,154,810.10
21,880,147.60 1,154,810.10
21,972,023.63 1,154,810.10
22,063,900.66 1,154,810.10
22,155,776.69 1,154,810.10
22,247,652.72 1,154,810.10
22,339,528.75 1,154,810.10
22,431,404.78 1,154,810.10
22,523,280.81 1,154,810.10
22,615,156.84 1,154,810.10
22,707,032.87 1,154,810.10
22,798,908.90 1,154,810.10
22,890,784.93 1,154,810.10
22,982,660.96 1,154,810.10
23,074,537.00 1,154,810.10
23,166,413.03 1,154,810.10
23,258,289.06 1,154,810.10
23,350,165.09 1,154,810.10
23,442,041.12 1,154,810.10
23,533,917.15 1,154,810.10
23,625,793.18 1,154,810.10
23,717,669.21 1,154,810.10
23,809,545.24 1,154,810.10
23,901,421.27 1,154,810.10
24,000,000.00 1,154,810.10

TOTAL LIABILITIES \$2,585,953.23
POLICY-HOLDERS SURPLUS \$2,610,064.23

FEDERAL LIFE INSURANCE COMPANY CHICAGO

ISAAC MILLER HAMILTON, : : President

Admitted assets.....\$2,447,499.17
Capital stock..... 177,300.00
Surplus apportioned and
unapportioned 77,510.61
Excess security to policy
holders 254,810.61
1909 insurance in force in-
creased over.....\$6,300,000.00
Surplus increased over.... 100,000.00

HIGH-GRADE MANAGERS AND
AGENTS WANTED.

ATTRACTIVE POLICIES.

DESIRABLE CONTRACTS.

WILL ENTER NEW TERRITORY.

Address,

CHARLES M. TURNER,
General Manager,

Marquette Building, CHICAGO, ILL.

INCORPORATED 1833.

British America Assurance Company

HEAD OFFICE, TORONTO, CANADA

UNITED STATES BRANCH.

JANUARY 1, 1910.

Assets\$1,556,740.94
Liabilities 902,438.61
Surplus\$ 654,302.33

Hon. GEORGE A. COX, President.
JOHN HOSKIN } Vice-Presidents.
W. R. BROCK }
W. B. MEIKLE, General Mgr.

MEN OF ENERGY ARE OFFERED WORK OF MOMENT

in desirable localities representing a sixty-year old institution, with modern, liberal, law-conforming policies, and helpful Home office co-operation. Much good territory available. Many opportunities for advantageous positions. Inquire NOW.

UNION MUTUAL LIFE INSURANCE COMPANY PORTLAND, MAINE

FRED E. RICHARDS, President.

Address
either:

ALBERT E. AWDE,
Supt., 396 Congress St.,
Portland, Maine.
THORNTON CHASE,
Supt., 405 Exch. Bldg.,
Los Angeles, Cal.

Liability
Boiler
Plate Glass
Automobile Liability and Defence
Employers' Compensation
Insurance



Accident
Disability
Fly Wheel

Casualty Company of America

HOME OFFICE KUHN-LOES BUILDING 52-54 WILLIAM STREET NEW YORK

THE NATIONAL LIFE U. S. A. Wants Good Producers for District and General Agents

A SPLENDID CHANCE

to grow with a Western Company more than forty
years old, operating in thirty States and Territories.

WORK FOR YOURSELF!

We have a Special Proposition for 1910. Why not write us?
CHICAGO'S OLDEST AND STRONGEST COMPANY

Robert D. Lay, Secretary, 159 La Salle Street, Chicago.

The Employers' Liability Assurance Corporation, Ltd.

LIABILITY, STEAM BOILER,
ACCIDENT, HEALTH, FIDELITY
and BURGLARY INSURANCE.

UNITED STATES BRANCH.

SAMUEL APPLETON, United States

Manager,

Employers' Liability Building,

33 BROAD STREET, BOSTON, MASS.

EDMUND DWIGHT,

Resident Manager for New York State
56 MAIDEN LANE, NEW YORK.

AGENTS WANTED.

Organized 1871

Life Ins. Co. of Virginia

Home Office, Richmond, Virginia.

J. G. WALKER, President.
T. W. PEMBERTON, 1st Vice-President.
W. L. T. ROGERSON, 2d Vice-President.
E. D. HARRIS, Secretary.

The OLDEST Southern Life Insurance
Company.

The LARGEST and STRONGEST South-
ern Life Insurance Company.

The PIONEER Southern Industrial Life
Insurance Company.

Its policies are clear and definite in
their provisions and their values are ab-
solutely guaranteed.

Assets Dec. 31, 1909..... \$5,372,691.99
Liabilities Dec. 31, 1909..... 4,312,405.32
Insurance in Force Dec. 31,
1909 68,337,613.00
Total Payments to Policy-
holders since Organization 9,820,412.49

COMPARATIVE RESERVE TABLES

BY

MILES M. DAWSON

Consulting Actuary.

Containing Mean and Terminal Reserves for the
usual forms of policies and by the
following standards:

American Experience, Select and Ultimate $3\frac{1}{2}$ per cent.
American Experience, Select and Ultimate 3 per cent.
American Experience, Modified Preliminary Term $3\frac{1}{2}$ per cent.
American Experience, Modified Preliminary Term 3 per cent.
American Experience, Select and Ultimate 4 per cent.
Actuaries', Modified Preliminary Term 4 per cent.
American Experience, Committee of Fifteen, $3\frac{1}{2}$ per cent.
American Experience, Illinois and Tennessee, $3\frac{1}{2}$ per cent.
American Experience, Michigan, $3\frac{1}{2}$ per cent.
American Experience, Wisconsin, $3\frac{1}{2}$ per cent.
American Experience, New Jersey, $3\frac{1}{2}$ per cent.
H^M, Canadian Life Officers' Association, $3\frac{1}{2}$ per cent.
O^[M], Select and Ultimate, $3\frac{1}{2}$ per cent.

THIS covers all the standards, other than the net level premiums, in use in this country. Tables showing the first year margins set free by each method of valuation are given.

Send all orders to the Publishers,

The Chronicle Co., Ltd.

No. 90 William St.

NEW YORK

FOUNDED 1792

118th ANNUAL STATEMENT

INSURANCE COMPANY OF NORTH AMERICA.

OF PHILADELPHIA, PA.

ASSETS.

Real Estate	January 1, 1910.	
First Mortgages on Real Estate	\$ 364,410.00	
Philadelphia, New York, Boston and other City and State Loans	373,803.48	
Pennsylvania, Philadelphia and Erie, Lehigh Valley and other Companies' Bonds and Stocks	1,134,390.00	
Cash in Bank and Bankers' hands	8,909,150.32	
Notes Receivable and Unsettled Marine Premiums....	1,134,635.88	
Net Cash Fire Premiums in course of Transmission....	347,440.69	
Accrued Interest, and all other property	1,069,510.62	
	52,160.57	

Total Assets\$13,385,501.56

LIABILITIES.

Capital Stock	\$ 3,000,000.00	
Reserve for Re-Insurance ..	6,813,862.47	
Reserve for Losses	877,250.00	
All other Liabilities	104,982.45	
Surplus over all Liabilities..	2,589,406.64	

\$13,385,501.56

Surplus to Policyholders.....	\$5,589,406.64	
Increase in Reinsurance Reserve	349,934.71	
Increase in Net Surplus.....	838,500.93	
Increase in Assets.....	1,371,438.93	

Eugene L. Ellison.....President
Benjamin Rush.....Vice-President
T. Houard Wright.....Secretary
Henry W. Farnum.....Assistant Secretary
John O. Platt.....Assistant Secretary

Agencies in all Prominent Cities & Towns.

THE American Credit-Indemnity Co. OF NEW YORK.

CREDIT INSURANCE ONLY.

Insures Wholesalers and Manufacturers against Excessive Annual Loss through the Insolvency of their Customers.

We can always use a few high-grade solicitors.

ST. LOUIS, MO.

NEW YORK, N. Y.

Offices in All Principal Cities.

A. B. TREAT, General Agent,

302 Broadway, : : : : : New York.

HOME OFFICE OF THE

Metropolitan Life Insurance Co.

(INCORPORATED BY THE STATE OF NEW YORK, STOCK COMPANY)

The Company OF the People, BY the People, FOR the People

PROOF OF PUBLIC CONFIDENCE

This company has more premium paying business in force in the United States than any other Company, and for each of the last 16 years has had more New Insurance accepted and issued in America than any other Company.

The number of Policies in force is greater than that of any other Company in America, greater than all the Regular Life Insurance Companies put together (less one), and can only be appreciated by comparison. It is a greater number than the Combined Population of Greater New York, Chicago, Philadelphia, Boston, St. Louis, Cleveland, Cincinnati, San Francisco, Pittsburg, Baltimore, New Orleans and Buffalo.

ASSETS.

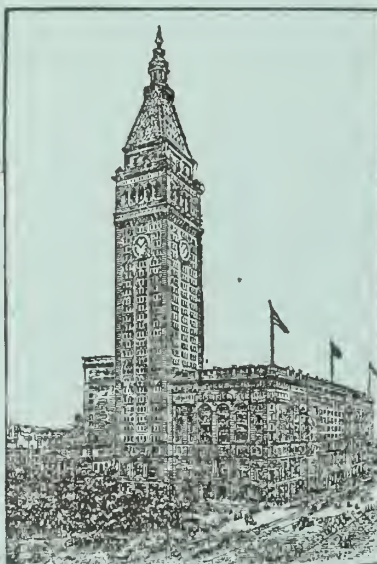
Municipal and R. R. Bonds and Stocks	\$123,346,161.39	
Bonds and Mortgages	105,183,172.02	
Real Estate	23,311,215.73	
Cash	5,420,643.42	
Demand Loans on Collateral....	172,930.00	
Loans to Policyholders.....	11,193,245.61	
Prem. deferred and in course of collection (net)	5,190,283.45	
Accrued Int., Rents, etc.....	3,290,211.85	

Total\$277,107,868.48

LIABILITIES.

Reinsurance Fund and Special Reserves	237,213,384.00	
All other Liabilities	9,992,264.48	
Capital and Surplus.....	29,902,219.98	

Total\$277,107,868.48



Largest Office Building in the World—Madison Avenue, Fourth Avenue, 23d Street and 24th Street, New York City.

THE DAILY AVERAGE OF THE COMPANY'S BUSINESS DURING 1909 WAS:
456 per day in number of Claims paid.
6,535 per day in number of Policies placed and paid for.
11,463,756 per day in New Insurance placed and paid for.
\$183,403.75 per day in Payments to Policyholders and addition to Reserve.
\$132,172.72 per day in Increase of Assets.

OFFICERS

JOHN R. HEGEMAN.....	President
HALEY FISKD	Vice-President
GEORGE H. GASTON.....	2d Vice President
GEORGE B. WOODWARD.....	3d Vice President
FRANK O. AYERS.....	4th Vice President
F. F. TAYLOR.....	5th Vice President
JAMES M. CRAIG.....	Actuary
STEWART L. WOODFORD.....	Counsel
WM. J. TULLY.....	General Solicitor
FRED'K. H. ECKER.....	Treasurer
WALTER STABLER.....	Comptroller
JAMES S. ROBERTS.....	Secretary
JOHN R. HEGEMAN, JR.....	Asst. Secretary
J. J. THOMPSON.....	Asst. Secretary
T. R. RICHARDSON.....	Asst. Secretary
GEO. B. SCOTT.....	Asst. Secretary
FRED'K. A. BETTS.....	Asst. Secretary
GEORGE C. PENHALLOW.....	Asst. Secretary
THOMAS H. WILLARD, M. D.....	Med. Dir.
AUGUSTUS S. KNIGHT, M. D.....	Med. Dir.
E. M. HOLDEN, M. D.....	Asst. Med. Director
W. S. MANNERS, M. D.....	Asst. Med. Director
J. BERGEN OGDEN, M. D.....	Asst. Med. Dir.
D. M. GEDGE, M. D.....	Asst. Med. Director
I. J. CAHEN.....	Manager Ordinary Dept.
LEE H. FRANKEL, Ph. D.....	Mgr. Indus. Dep.
JACOB CHADWAYNE.....	Mgr. Intermediate Br.
CHAS. G. REITER.....	Asst. Actuary
JAMES C. BROWN.....	Asst. Actuary
JAMES D. CRAIG.....	Asst. Actuary
RAYMOND V. CARPENTER.....	Asst. Actuary

Paid to Policyholders since Organization, plus the Amount now Invested for their Security, \$537,223,523.83.
Number of Policies, 1 Force, December 31, 1909, \$10,621,673. Total Outstanding Insurance Placed and Paid for, December 31, 1909, \$2,041,951,700.00.

In its Ordinary Department policies are issued for from \$1,000 to \$1,000,000 on individual lives, premiums payable annually, semi-annually and quarterly. In its Industrial Department policies are issued on all the insurable members of the family for weekly premiums. Full particulars regarding the plans of the Metropolitan may be obtained at its Home Office, 1 Madison Avenue, New York City, or its Agents in all the principal cities of the United States and Canada.

The Chronicle.

1866

Published by THE CHRONICLE COMPANY, Ltd., 90 William St., New York City.

1910

VOLUME LXXXV.

New York, May 19, 1910.

NUMBER 20

The Columbian National Life INSURANCE COMPANY OF BOSTON, MASS.

LIFE, ACCIDENT AND HEALTH
INSURANCE.

The Only Massachusetts
Non-Participating Company

The New Columbian Policies (Sept. '09)
are Unexcelled in Clearness and Liberality.

Good Contracts and Territory for
Good Producers.

ARTHUR E. CHILDS, President.

FOUNDED 1792

118th ANNUAL STATEMENT

INSURANCE COMPANY OF NORTH AMERICA. OF PHILADELPHIA, PA.

ASSETS.

Real Estate	January 1, 1910.	\$ 364,416.00
First Mortgages on Real Es- tate		373,803.43
Philadelphia, New York, Bos- ton and other City and State Loans		1,134,390.00
Pennsylvania, Philadelphia and Erie, Lehigh Valley and other Companies' Bonds and Stocks		8,909,150.32
Cash in Bank and Bankers' hands		1,134,635.88
Notes Receivable and Unset- tled Marine Premiums....		347,440.69
Net Cash Fire Premiums in course of Transmission....		1,069,510.62
Accrued Interest, and all other property		52,160.57

Total Assets\$13,385,501.56

LIABILITIES.

Capital Stock	\$ 3,000,000.00
Reserve for Re-Insurance ..	6,813,862.47
Reserve for Losses	877,250.00
All other Liabilities	104,982.45
Surplus over all Liabilities..	2,589,406.64

\$13,385,501.56

Surplus to Policyholders.....	\$5,589,406.64
Increase in Reinsurance Re- serve	349,934.71
Increase in Net Surplus.....	838,500.93
Increase in Assets.....	1,371,438.93

Eugene L. Ellison.....President
Benjamin Rush.....Vice-President
T. Howard Wright.....Secretary
Henry W. Farnum.....Assistant Secretary
John O. Platt.....Assistant Secretary

Agencies in all Prominent Cities & Towns.

THE American Credit-Indemnity Co. OF NEW YORK.

CREDIT INSURANCE ONLY.

Insures Wholesalers and Manufacturers against Excessive Annual
Loss through the Insolvency of their Customers.

We can always use a few high-grade solicitors.

ST. LOUIS, MO.

NEW YORK, N. Y.

Offices in All Principal Cities.

A. B. TREAT, General Agent,

302 Broadway, : : : : : New York.

OLDEST
IN
AMERICA

STRONGEST
IN THE
WORLD

THE MUTUAL LIFE Insurance Company of New York

Mutual Life Agents Make Most Money
Because Mutual Life Policies Sell Most Freely

For terms to producing agents, address

GEORGE T. DEXTER

2nd Vice-President

34 Nassau Street

New York, N. Y.

EDITION ALMOST EXHAUSTED

SAVES TIME AND LABOR

Various Derived Tables

AMERICAN EXPERIENCE

3 and 3½%

BY

MILES M. DAWSON

TABLE OF CONTENTS.

Single Premiums, Pure Endowment.

Accumulations, Pure Endowment.

Forborne Immediate Annuities.

Accumulated Temporary Insurances.

Accumulated Increasing Insurance.

Single Premiums Endowment Insurance.

Single Premiums Temporary Insurance.

Immediate Temporary Annuities.

Valuation Columns.

SELECT AND ULTIMATE VALUES.

Single Premiums, Whole Life.

Life Annuities.

Terminal Reserves, Life, Limited Payment, Endowment.

Mean Reserves, Life, Limited Payment, Endowment.

LOGARITHMS, SEVEN PLACES.

Forborne Immediate Annuities.

Curtate Summations of D Column.

Immediate Temporary Annuities.

USES.

Computing Annual Term Insurance Premiums:
Divide temporary insurance values by immediate temporary annuities.

Computing Annual Endowment Insurance Premiums:
Divide endowment insurance values by immediate temporary annuities.

Computing Annual Pure Endowment Premiums:
Divide pure endowment values by immediate temporary annuities or take reciprocals of forborne immediate annuities.
By these means, the net extra premium for a special guaranty can be quickly and accurately computed.

Computing Annual Semi or Double Endowment Premiums:
Add temporary insurance and pure endowment values for proper amounts and divide by immediate temporary annuity.

Computing Limited Premiums:
Divide the proper single premiums by immediate temporary annuity.

Computing Surrender Values:
Extended Insurance. Find the temporary insurance value next lower than the sum to purchase extension. This gives even number of years. Apply remainder to pay for additional days according to daily differences in the table.

Extended Insurance with Fractional Paid-up Endowment:
Deduct from purchase money, value of insurance for unexpired term; multiply remainder by accumulation, pure endowment, to get amount of endowment.

Computing Terminal Reserves:
Unvarying Benefits. Multiply net premiums by forborne immediate annuity and deduct accumulated temporary insurance.
Return Premium, Full Reserve. Multiply net premium by forborne immediate annuity and deduct accumulated temporary insurance and accumulated increasing insurance, multiplied by gross premiums to be reduced.
Return Premium, Extra Reserve. Multiply net extra premiums by forborne immediate annuity and deduct accumulated increasing insurance, multiplied by gross premiums to be returned.

Warranted Commissions for New Business.

Surrender Values.

Dividends.
For these purposes the "select and ultimate" will be most useful.

SEND ALL ORDERS TO

THE CHRONICLE CO. (Ltd.)

90 William Street, New York

The Chronicle

VOLUME LXXXV.

NEW YORK, THURSDAY, MAY 19, 1910.

NUMBER 20

MILES M. DAWSON, President.
R. B. Dawson, Treasurer. Chas. D. O'Brien, Secretary.
Emil Schwab, Manager New England Department,
178 Devonshire Street, Boston, Mass.

All communications should be addressed to and remittances should be made to The Chronicle Company, Limited.
Entered at the Post Office, New York, N. Y., as Second Class Mail Matter.

PUBLISHED EVERY THURSDAY BY
THE CHRONICLE COMPANY, Limited.
No. 90 WILLIAM ST., NEW YORK.
Phone "567 John." Cable Address, "Chronogram," New York.

Subscription Price:
Three Dollars a Year. Single Copies, Twenty-five Cents.
Postage Prepaid in the United States and Canada.

The Equitable In Employers' Liability?

Also a Report of Manufacturers' Association Committee.

At the meeting of the National Association of Manufacturers at the Waldorf-Astoria on Tuesday, the 17th inst., Henry L. Rosenfeld, insurance assistant to President Morton, of the Equitable Life Assurance Society, delivered an interesting address entitled "Co-operation and Compensation vs. Compulsion and Compromise in Employers' Liability."

In his address he took a position in opposition to the present method of dealing with consequences of industrial accidents, and stated it as his opinion that the employer "would infinitely prefer to employ a system based upon principles of humanitarianism." He also thought that employers' liability insurance is unsatisfactory, in view of the fact that the premiums "have gone in relatively small proportion as direct benefits to the injured or his dependents." Accordingly, he favored the adoption of a "system of fair and adequate compensation for injury, combined with indemnity for wage-losses incurred by illness, and with an adequate provision for old age and death benefits," which in his opinion, "would do much to bring about and maintain harmonious relations between employer and employee."

Workmen's Compensation Acts Unsatisfactory.

Mr. Rosenfeld is of the opinion that the various workmen's compensation acts are unsatisfactory, and that they would be yet more unsatisfactory in this country, both because of the State

lines and also because of other embarrassments here, such as the necessity for using a jury system for making awards. Accordingly, he offers the following as a better solution:

Surely it is the part of wisdom that the manufacturer should select some plan of his own volition which would leave him free to meet the liabilities incident to accident, in his own way, by the adoption of some rational system sufficiently broad to be comprehensive and sufficiently liberal to forestall coercion. The responsibility rests with manufacturers and other employes of labor to adopt a system of compensation based upon fair, just and humane principles, voluntarily applied and susceptible of so satisfactory operation by reason of its equities and advantages that it will accomplish more than merely adjusting financial differences. Compensation by agreement with employes without necessity for resort to existing laws and without recourse to courts, will tend to establish a feeling of satisfaction which will be a powerful factor in minimizing wage difficulties and settling other differences of opinion which are inseparably associated with the transaction of large enterprise.

Practical Plans.

In connection with this he mentions the plans recently adopted by the United States Steel Corporation and the International Harvester Corporation, which he deems practicable by reason of their business resources and great numbers of employes, but he says of this that "the average manufacturer has neither the time nor the inclination, nor as a general proposition, a sufficient number of employes nor the capital to establish his own insurance company."

In his opinion "the ideal insurance scheme should provide (and that it can, is evidenced by the German system) contributory payments by the

employe in proper and fair proportion."

He says that "existing institutions, in the main, have been tried and found wanting," and that "it can fairly be said that there has been a disproportionate return in benefits to the injured employe for the premiums paid by the employer," and he cites the fact that the total amount paid in adjustments was in 1909 only about 54 per cent. of the premiums received by the liability insurance companies reporting to the department of New York; he contrasts this with the 10.2 per cent. of the receipts, which is used for management expenses in the mutual associations of employers under the German system.

Mutual Associations Not a Success.

Mr. Rosenfeld does not think there is any reasonable prospect of relief by the organization of mutual companies. Concerning this he says in part:

Any mutual organization in insurance is necessarily experimental until it has survived the earlier vicissitudes of the business and by a period of probation has established its own equation in business life. The hazards of inexperience and of ignorance are the two great dangers confronting all new business ventures, especially insurance of any kind. A mutual employers' liability company organized for the purpose of protecting only manufacturers against certain contingencies cannot hope for the large measure of usefulness nor to accomplish what can be done by a corporate, co-operative organization founded upon broader lines and controlling other branches of profitable business. Further, it is doubtful whether purely mutual indemnity organization can be effected under the laws of many States, the requirements of a cash capital and surplus in the more important States being essential. Nor must it be forgotten

that policyholders in mutual organizations are liable for all losses incurred and must themselves pay the price of incompetent, extravagant or ignorant administration.

The Equitable Considering Entering the Field.

Quite the most surprising portion, however, of his address was its close, in which, after describing the "system of mutual or participating insurance to be conducted by a company with capital stock and which would charge fixed premiums, he said:

The president of the society with which I have the honor of being associated in an official capacity, is deeply interested in this subject and has given it much thought recognizing as a business man and as a former large employer of labor its growing importance. He has a keen desire, if it can be done and if it meets the approval of his board of directors, to place the services of his company at the disposal of the manufacturers and others, in performing this important public function, feeling that by so doing one of the great American life insurance companies can in largest measure fulfill its usefulness and render the greatest service. The matter is receiving the earnest and serious consideration of the society, and while at the present moment it is not possible to state definitely whether it will be found practicable and feasible for our institution to take up this branch of insurance, yet inquiry is being directed toward this end. Thorough investigation will be made here and abroad with a view to getting accurate and reliable data upon which to construct plans for the purpose of supplying this protection in adequate form and at proper cost.

This gives rise to the interesting surmise: "Was it for this that J. Pierpont Morgan acquired the control of the stock of the Equitable?"

Professor Hutton and Miles M. Dawson Also Heard.

In addition to Mr. Rosenfeld, Professor Hutton, of the American Museum of Safety, delivered an illustrated address upon the "Prevention of Accidents," which was well received; and the last address of the day upon these subjects was by Miles M. Dawson, consulting actuary, on the topic "True Economy in Compensating for Industrial Accidents," in which Mr. Dawson took a position strongly favoring in the main the suggestions of the committee on industrial indemnity insurance which was at the same session presented to the association.

Report of Association's Committee.

This report states among other things, that 25,000 communications were sent to employers, together with a proposed preliminary report describing the systems in use in different countries and 10,000 replies were received. Of the members of the Na-

tional Association of Manufacturers more than 80 per cent. answered.

Through the replies received it was found that "90 per cent. are dissatisfied with the working of the present employers' liability laws, and present employers liability insurance."

It was also found that "the large majority of our members favored a modified form of the German system"; but in the opinion of the committee "whatever the advantages of the various European systems may be, none of them can be transplanted to this country as a whole."

The report contains many quotations from various authorities setting forth various views upon the subject, and expresses the following views, among others, for itself:

"It is not unreasonable to think that the 87½% of our members who now carry liability insurance might be able to carry contributory indemnity insurance in a mutual company to much greater satisfaction all around, and at little or no greater cost than their present liability insurance"; also that "we believe that a good bill should contain provisions for indemnity insurance on the contributory plan, that is, to be paid partly by the employer and partly by the employee." In addition, the committee recommends the following as an immediate program: "Let us have sound legislation as soon as practicable, but meanwhile let us push voluntary relief measures with all our might."

Favors a Contributory Plan.

In favor of the contributory system the committee cites the following:

The New York Commission favors the contributory system, but thinks it cannot be made compulsory under our constitution. The Minnesota Commission favors the contributory system. Without a single exception all the experienced and prominent men with whom we have corresponded favor the contributory system. More than 95 per cent. of our members, as well as outside manufacturers, who are co-operating with us in this matter, favor the contributory system, and we recommend it.

The general recommendations are as follows:

First—The prompt establishment of a complete and elastic insurance proposition. A system based on mutuality, which will insure at reasonable rates one or all of the risks which are now worrying employer and employee, that is, employers' liability, accident, sickness and old age indemnity. It is not reasonable to expect that a perfect insurance system can be immediately established, but it is possible and important that the immediate scheme is at least part mutual and contributory, that it is financially sound, headed by men whose reputation is unquestioned, executed by ex-

perts, and that no financial obligation rests upon the National Association of Manufacturers.

Second—The immediate organization of an industrial accident prevention and statistical department directly or indirectly under the control of the National Association of Manufacturers. The work of the department should embrace general advice and investigation for members, investigation and exhibition of approved safety devices, inspection of all members' shops, and such other action as will in any way promote prevention of accidents and provide statistics as to the cause, prevention and remedy for accidents and occupational diseases.

Offers of prizes for the best prevention apparatus and safety devices should be part of the work of this department.

Third—Continued and increased interest in legislation. Co-operation with legislators, legislative committees, State or national commissions, to the end of furthering constructive laws which, by permission or compulsion, provide for equitable compensation insurance based on mutuality and the contributory principle. Co-operative opposition to radical and unjust legislation would naturally be part of the work.

Fourth—Continued and increased activity in the direction of investigation of the whole subject through a new committee and through all other available channels. Our association, to serve as a clearing house for matters pertaining to industrial liability and indemnity, must gather, through a new committee, additional information, especially as to the workings of European laws and systems, and provide for a much more general and thorough understanding of the whole subject so that it may serve as a leader in bringing the position of the United States in this matter on equality with that of the best industrial nations.

Among the resolutions offered by the committee are the following:

That an equitable mutually contributory, indemnity system, automatically providing indemnity for victims of industrial accidents, and their dependents, is required to reduce waste, litigation and friction, and to meet other requirements of an enlightened industrial nation.

That, regardless of legislative action, we inaugurate, with the least possible delay, a system of mutual con-

SELL LIFE INSURANCE



What are your prospects? Are you better off now than you were a year ago? Get into a business that means profit and promotion.

The Prudential Wants Agents. Write Today for Particulars.

THE PRUDENTIAL
Insurance Company of America.

Incorporated as a Stock Company
by the State of New Jersey.

JOHN F. DRYDEN,
President.

Home Office,
NEWARK, N. J.

tributory industrial accident indemnity insurance, this system to be elastic enough to provide for voluntary contributory sickness, old age and death insurance if later deemed advisable.

Opposes Compulsory Sickness, Invalidity and Old Age Insurance.

The committee also makes a report especially upon sickness, invalidity and old age insurance, in which it expresses the opinion that compulsory provisions "would be a departure from accepted doctrines, contrary to American ideas and detrimental to thrift and economy," and, therefore, disapproves the same and "approves voluntary sickness and old age relief in private employment and authorizes its officers to encourage it by all reasonable means."

Memorial Services for Chairman of Committee.

The committee which rendered the report was headed by ex-President James W. Van Cleave of St. Louis, who died just before the convening of the association, and whose funeral took place in St. Louis while the association was in session on Tuesday afternoon, and just prior to the reading of the report. Accordingly, at the exact time when the funeral services were conducted in St. Louis the association took a recess from its labors and held impressive memorial services in honor of its former president, whose last life work was embodied in the report under discussion.

CANADIAN VIEW OF THE CANADIAN ACT.

"Office and Field," of Toronto, in its issue of May 5, says of the new insurance act:

As it now goes on the book the act is almost what the insurance men would have advised at the first. It makes all necessary concessions to public interests, while conserving some rights of the companies and fieldmen.

Wherever the act is discussed, except among the fire insurance companies, there is an opinion that it is about all right. And that's more than can be said of the acts of most governments.

"The Chronicle," of Montreal, says of it:

In the end what was evil was cast out and good was added, so that the act in its final shape is a reasonable and acceptable piece of legislation. Some may not be entirely satisfied, but on the other hand no one is outraged. The fairness and impartiality of the Government stands on record in this bill.

"The Chronicle" Agrees in the Main.

With all of which good opinion of the act, "The Chronicle," of New York, finds itself in general agree-

ment. The Canadian act is free from the limitations and restrictions which marred much of the recent legislation in this country, however admirable the same has sometimes been in other regards.

The one serious defect of the Canadian act is that it does nothing worth while, either by publicity or otherwise, toward exposing agency extravagance and waste, or toward aiding in establishing a standard for measuring cost of new business which has long been excessive in Canadian companies. The superintendent of insurance may be able to accomplish this, however, through proper exercise of his powers of inquisition. The chief requisites are: Publicity as to scales of dividends, as required in Great Britain for many years since and in the United States in recent years. Publicity as to the aggregate of the maximum allowed margins under the new Canadian minimum standard law, upon the new business of the year, for each company, whether so valuing or not. Publicity as to aggregate cost of new business.

Enforcement Asked For.

"Office and Field" is calling for enforcement of the new law, which, of course, in turn calls for a final decision as to the powers of the Dominion under the British North America Act. The following is from the editorial in "Office and Field," already referred to:

First of all comes the imperative demand that the Government attends to the enforcing of its provisions. It should be unnecessary to say anything about this feature of the aftermath. If a law is made it should be mere redundancy to add that the forces of the land should be behind the enforcement.

But, unfortunately, there is necessity for drawing the attention of the Government to this part of law making. For years we have had an insurance act that has made fair reading—but has stopped there. For some unexplainable reason the Government has candidly announced that the enforcement of that law did not rest

with it. Upon whom it did rest has not been made known intelligibly up to the time of writing. Presumably the Government was leaving it to private prosecution. There are two or three reasons that could be advanced for the indifference of the Federal authorities to the manner in which the insurance act was observed; but none of them need be given here.

Probably the prospect of the new act has deterred the iron hand of the Government ever since 1906. At any rate the act has been openly broken, and even protests to the department have met with no official recognition in the way of attending to a neglected duty. Now everyone concerned should see that the Government enforces the act it has placed on the statute books.

IN CARRION COMPANY.

The interest that a few life insurance companies are showing in the remains of the United States Life Endowment Company of Chicago is a strong reminder of the action of buzzards when a dead horse has lain unburied for an appreciable length of time. That concern was rotten. Some of its business was written at a rate of \$1 a month for \$5,000 insurance. Its medical selection is spoken of as a farce. In one of the suits brought against it by Superintendent Potter of Illinois, Attorney Ryon charged in court that the company had been looted by certain of its officers. Its business consists in part of what it took over from three or four defunct concerns of similar character. Yet there are known to be at least one assessment company and two legal reserve companies that have seriously considered taking over its business. If the job is done in the usual way there will be a rake-off for somebody's benefit, and it will not be the claimants for about \$200,000 of death losses. It certainly is a savory mess to be added to the membership of any company, and especially of a legal reserve company, not so large as to be able to take on such an amount of that kind of business without feeling it.

COME AND PROSPER

Among the 15 largest American companies (excluding industrials) this is our 1909 ranking:

First place in percentage of gain in insurance in force; *third place* in gain over 1908 in amount of paid-for new business.

New business first quarter of 1910 far in excess of first quarter of 1909. Our agents are busy and prosperous—and are not driven by the Home Office.

New York Agency: 1401 Empire Building, 71 Broadway.

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY,
Springfield, Mass.

Incorporated 1851

Amalgamation of Insurance Companies.

Wise Provision of British and Canadian Laws.

There are virtually no provisions in the insurance laws of any State of the United States, for the amalgamation of insurance companies. Reinsurance of one company in the other and the dissolution of the reinsured company—always a humiliating thing and, in view of the deposit laws, of diversity of domicile and other complications, sometimes a difficult or even impossible undertaking—constitute the only practicable course here. That, to the average mind, spells failure; these reinsured companies are often referred to as "busted." Moreover, there is often great loss of insurance in force, due to the disturbance, caused by the transfer.

It is singular that the lesson should not have been learned here. Even the crash of companies in the 70s, when reinsurances proved no solution for the problems, failed to cause legislatures to give the matter serious attention; although the earlier wreck of companies in Great Britain had resulted in a merger or amalgamation act, among other remedies. Since that act passed, there has been no recurrence of the disasters of former days.

The New British Act.

The British law has recently been amended in some particulars and re-enacted as a part of the new Assurance Companies' Act, 1910. It reads as follows:

Section 13.—(i) Where it is intended to amalgamate two or more assurance companies, or to transfer the assurance business of any class from one assurance company to another company, the directors of any one or more of such companies may apply to the court, by petition, to sanction the proposed arrangement.

(ii) The court, after hearing the directors and other persons whom it considers entitled to be heard upon the petition, may sanction the arrangement if it is satisfied that no sufficient objection to the arrangement has been established.

(iii) Before any such application is made to the court—

(a) Notice of the intention to make the application shall be published in the "Gazette"; and

(b) a statement of the nature of the amalgamation or transfer, as the case may be, together with an abstract containing the material facts embodied in the agreement or deed under which the amalgamation or transfer is proposed to be effected, and copies of the actuarial or other reports upon which the agreement or deed is founded, including a report by an independent act-

uary, shall, unless the court otherwise directs, be transmitted to each policyholder of each company in manner provided by section 136 of the Companies Clauses Consolidation Act, 1845, for the transmission to shareholders of notices not requiring to be served personally: Provided that it shall not be necessary to transmit such statement and other documents to policyholders other than life, endowment, sinking fund, or bond investment policyholders, nor in the case of a transfer to such policyholders if the business transferred is not life assurance business or bond investment business; and

(c) the agreement or deed under which the amalgamation or transfer is effected shall be open for the inspection of the policyholders and shareholders at the offices of the companies for a period of fifteen days after the publication of the notice in the "Gazette."

(iv) No assurance company shall amalgamate with another, or transfer its business to another, unless the amalgamation or transfer is sanctioned by the court in accordance with this section.

Section 14.—Where an amalgamation takes place between any assurance companies, or where any assurance business of one such company is transferred to another company, the combined company or the purchasing company, as the case may be, shall, within ten days from the date of the completion of the amalgamation or transfer, deposit with the Board of Trade—

(a) certified copies of statements of the assets and liabilities of the companies concerned in such amalgamation or transfer, together with a statement of the nature and terms of the amalgamation or transfer; and

(b) a certified copy of the agreement or deed under which the amalgamation or transfer is effected; and

(c) certified copies of the actuarial or other reports upon which that agreement or deed is founded; and

(d) a declaration under the hand of the chairman of each company, and the principal officer of each company, that to the best of their belief every payment made or to be made to any person whatsoever on account of the amalgamation or transfer is therein fully set forth, and that no other payments beyond those set forth have been made or are to be made either in money, policies, bonds, valuable securities, or other property by or with the knowledge of any parties to the amalgamation or transfer.

In Canada, a yet more developed,

though not more comprehensive, provision for amalgamation has been made in the insurance act, adopted May 4, liberal extracts from which were published in last week's "Chronicle." This, being the first thoroughgoing provision for merger of insurance companies ever made on this continent, well deserves reproduction in these columns. It is as follows:

Amalgamation and Transfer.

52. Any life insurance company which is within the legislative power of the Parliament of Canada may amalgamate its property and business with those of any other such life insurance company or may transfer all or any portion of its policies to or reinsure the same in any other such company, and may transfer its property and business or any part thereof to any other such company, or may reinsure the policies or any portion thereof of any other such company, or may purchase and take over the business and property or any portion thereof of any other such company, and such companies are hereby authorized to enter into all contracts and agreements necessary to such amalgamation, transfer or reinsurance upon compliance with the conditions hereinafter in this section set forth.

2. Any life insurance company which is within the legislative power of the said Parliament is hereby authorized to enter into an agreement or agreements with any other life insurance company which has power to make the same; to reinsure the policies or any portion thereof of such other company; or to purchase and take over the business or property or any portion thereof of such other company.

3. When an agreement for any such amalgamation, transfer or reinsurance has been entered into, the directors of the companies which are parties to such agreement may apply by petition to the Treasury Board to sanction and confirm the same, and the Treasury Board, after hearing the directors and other persons whom it considers entitled to be heard upon the petition, or giving them an opportunity to be so heard, may confirm the same if it

1860 50th YEAR 1910

HOME LIFE

Insurance Company of New York.

GEORGE E. IDE, President.

Assets	\$23,626,018.63
Liabilities	21,858,691.52
(Including Deferred Dividend Fund)	
Dividend Endowment Fund	2,119,044.00
(Deferred Dividends)	1,917,117.00
Net Surplus	1,767,327.00
Insurance in Force	92,532,583.00

The record for 1909 shows the following GAINS:

Insurance in Force	\$4,164,239.00
Assets	1,917,117.00
Deferred Dividend Reserve	148,581.00
Contingency Reserve (Surplus)	655,149.17

is satisfied that no sufficient objection to the arrangement has been established.

4. Before any such application is made to the treasury board notice thereof together with—

(a) a statement of the nature and terms of the amalgamation, transfer or reinsurance as the case may be; and,

(b) an abstract containing the material facts embodied in the agreement under which such amalgamation, transfer or reinsurance is proposed to be effected; and,

(c) copies of the actuarial or other reports upon which such agreement is founded, including a report by an independent actuary; shall be served on the shareholders and on the holders of all policies in Canada other than industrial policies of each company: Provided, however, that the superintendent may dispense with the service of such documents on the policyholders of the reinsuring company.

Such notice and documents shall be served by being transmitted through the postoffice directed to the registered or other known address of each such shareholder and policyholder, and within such period that they may be delivered in due course of delivery thirty days at least before the day appointed for the hearing of the application.

The agreement under which such amalgamation, transfer or reinsurance is proposed to be effected shall be open to the inspection of the policyholders and shareholders at the principal office of the company or companies for a period of thirty days after the issue of the abstract herein provided for.

5. A copy of such notice shall also be published in "The Canada Gazette" at least thirty days before the application is made; but this subsection shall not apply to any company which issues industrial insurance.

6. The Treasury Board shall not sanction any amalgamation, transfer or reinsurance in any case in which it appears to the board that the policyholders representing one-fifth or more of the total amount assured in any company which it is proposed to amalgamate, or in any company, the business of which it is proposed to transfer or reinsure, dissent from such amalgamation, transfer or reinsurance.

7. No company shall be permitted to amalgamate its business with, transfer its business to, or reinsure its business in any other company, if the capital of the combined companies after such amalgamation, or of the continuing company, after such transfer or reinsurance, shall be impaired, the policy and annuity liabilities of the combined or continuing company being calculated on the basis prescribed in subsections 2, 4 and 6, respectively, of section 42 of this act.

8. When an amalgamation takes place between any companies, or when the business of one company is transferred to or reinsured in another company, the combined company or the continuing company, as the case may be, shall within ten days from the date of the completion of the amalgamation, transfer or reinsurance, de-

posit with the superintendent the following documents, that is to say:

(a) Certified copies of the statement of the assets and liabilities of the companies concerned in such amalgamation, transfer or reinsurance; and,

(b) A statement of the nature and terms of the amalgamation, transfer or reinsurance; and

(c) A certified copy of the agreement under which such amalgamation, transfer or reinsurance is effected; and,

(d) Certified copies of the actuarial or other reports upon which such agreement is founded; and,

(e) A declaration under the hands of the president and manager of each company that to the best of their knowledge and belief every payment made or to be made to any person whatsoever on account of the said amalgamation, transfer or reinsurance is therein fully set forth, and that no other payments beyond those set forth have been made or are to be made either in money, policies, bonds, valuable securities or other property, by or with the knowledge of any of the parties to the amalgamation, transfer or reinsurance.

9. No company shall amalgamate with another company, transfer its business to or reinsure its business in another company, unless such amalgamation, transfer or reinsurance is sanctioned by the Treasury Board in accordance with this section: Provided, however, that this section shall not apply to the contracts of reinsurance made by companies in the ordinary course of their business.

10. Subsections 4, 5 and 6 of this section shall not apply to the reinsurance of a Canadian company of the business of a company which is not and never has been licensed to transact business in Canada.

53. No life insurance company licensed under this act, nor any person, firm or corporation on its behalf, shall, in respect of its Canadian business, pay or allow to any agent, broker or other person, firm or corporation for procuring an application for life insurance, for collecting any premium thereon or for any other service performed in connection therewith, any compensation other than that which has been determined in advance.

54. No such life insurance company, and no person, firm or corporation on its behalf, shall make any loan or advance without adequate security, to any person, firm or corporation soliciting or undertaking to solicit applications for insurance; nevertheless advances may be made to any such person, firm or corporation for travelling expenses or against commissions or other compensation to be earned in respect of premiums, but such advances shall not be allowed as assets in the superintendent's annual report prepared for the Minister.

55. No salary, compensation or emolument shall be paid to any director of a Canadian life insurance company for his services as such director unless authorized by a vote of the members in the case of a mutual company, and by a vote of the shareholders and other members, if any, in

(Continued on Page 10.)

AN ANNOUNCEMENT.

Mr. Alfred B. Dawson has disposed of his interest in The Chronicle Company, Limited, publishers of this paper, and has resigned as president of the company to engage in other business. He departs with the best wishes of all connected with "The Chronicle." Mr. Miles M. Dawson, who has been interested in the company since 1903, and who was president from 1903 to 1907, inclusive, has been elected president.

SUITABLY COMMEMORATED.

The 34th anniversary of the birth of P. D. Gold, vice-president and manager of the Jefferson Standard Life Insurance Company, of Raleigh, N. C., which took place on the 15th inst., was suitably commemorated by the agents under his supervision securing and forwarding applications for \$146,500 new business, each application endorsed:

May 15, 1910. Birthday of Vice-President and General Manager P. D. Gold, Jr.

The Commercial Casualty Company of Newark, N. J., has been admitted to the State of Pennsylvania.

T H E PROVIDENT LIFE AND TRUST COMPANY OF PHILADELPHIA

Insurance in Force, \$214,509,255.00
(Paid for Basis)

Assets \$70,514,350.45
(Market Value, Dec. 31, 1909)

Contingency Reserve . \$9,207,276.38
(Inclusive of Capital Stock, \$1,000,000.)

The Provident has been particularly distinguished for the development of a highly trained force of agents. The systematic instruction which its agents receive has resulted in their being recognized as representatives of exceptional knowledge of the business and of marked efficiency.

NEW JERSEY ALTERNATIVE THREATENED?

Significant Remarks at Home Life Semi-Centennial.

At the banquet to celebrate the fiftieth anniversary of the Home Life Insurance Company, which took place at the Plaza, Tuesday evening of last week, Hon. Wm. H. Hotchkiss, Superintendent of Insurance for New York, is reported to have made the following statement:

It is interesting to note how the same things look from different points of view. Some of the misunderstandings which have occurred between the State Department and the insurance companies are due to our different points of view, and some to a different trend of mind.

Some look on supervision as a necessary evil; some look on it with arrogance, and some are thankful for it, as it, they think, gives the seal of the State to the work of the companies. This is wise, because the great public, of which we all are part, demand that the Government should supervise.

I believe in a supervision that supervises. We are passing through an era in which we must choose between a supervision which supervises or a supervision which puts a representative of the department in every directors' meeting. I hope and pray that this may never come. I am here to express one thought that the supervisor and supervised shall work together for the common good.

President Ide, on the contrary, made a plea for the removal of restrictions which he deemed unnecessary, superserviceable and oppression and for relief from over-supervision, in part as follows:

Perhaps 98 per cent. of the men with whom we do business are honest. It is not the business of a great State to curtail the usefulness of 98 per cent. of its citizens in order to check the evil doings of the other 2 per cent. Were the Government to talk of limiting hospitals, schools or churches, what righteous indignation there would be! Yet we have heard of dishonesty, extravagance and bad management in such institutions.

Modern legislation does not attempt to make men better in intention but simply to raise barriers so that men may do the least possible harm. The business man is compelled to ask whether his acts are legal, whereas he should ask whether they are right, just and fair. My plan is for simple comprehensible publicity and reasonable freedom as the panacea for all evils.

FROM THE TOMB.

The Metropolitan Life has successfully resisted a policy loss claim under unusual conditions. Last July a man was found hanging to a tree in Weehawken. On hearing of the incident the wife of a man who had disappeared shortly before went to the

Morgue and as soon as she caught sight of the dead man's face she fainted. When she revived she identified the body as that of her husband. She was too poor to take charge of the body and it was buried in Potter's Field at the county's expense.

Soon afterward she tried to collect a policy on her husband's life issued by the Metropolitan, but the company refused to pay on the ground that the identification of the dead man had been insufficient.

A suit resulted in her being awarded \$500, but the company took an appeal, which is still pending.

While she and her eight children were eating dinner Tuesday the husband walked in.

JAMES A. WHITLOCK.

James A. Whitlock, who died on Monday, was born in New York city, where he spent his business life, in 1831. He started in business with the law firm of Moore & Havens, and Mr. Havens at his death named him as one of the trustees of his fortune. In 1855 he entered into partnership with Walter R. T. Jones, under the firm name of Jones & Whitlock, which continues as New York agents of the Insurance Company of North America, of Philadelphia. For many years he was secretary of the New York Board of Marine Underwriters.

MISSOURI SUPERINTENDENT ON PROMOTION LIES.

Superintendent Blake, of Missouri, in his annual report, announces the following as his program in relation to new companies, promoted by means of misrepresentations as to the use to be made of the surplus paid in:

My authority to dictate the method to be pursued in the organization of an insurance company has been challenged, and it has been said that until a license to do an insurance business is applied for the insurance superintendent has no jurisdiction over the company. I think not only is it my right but my duty to protect the citizens of Missouri, as far as I can do so, against any sort of deception practiced by insurance companies.

If the citizen has been misled into believing that all of the surplus moneys paid in by him will be on hand when the company begins an insurance business, I think I have the right also to assume that the money is intact, and feel that I would be justified in refusing to grant the company a license if an examination disclosed the fact that more than a reasonable sum had been paid out to promote the corporation without the consent of the stockholders. The question is both novel and interesting, and will, in all probability, receive a judicial determination during the coming year.

LIFE EXCHANGE IN A WRANGLE.

From present prospects the Insurance Exchange will come in for considerable discussion at the annual meeting of the American Life Convention at Des Moines, Iowa, in September. The executive committee of the convention has wrestled with the question and is still so far from an agreement that it is not unlikely there will be a majority and minority report presented at the meeting of the organization.

The Insurance Exchange is an organization of medical directors of a number of life companies, largely Western and Southern, whose purpose it is to exchange information among members. It was organized before the American Life Convention and one of its rules is that a company cannot become a member until it has at least \$2,000,000 of insurance in force. When the American Life Convention was organized, all the members of the Insurance Exchange with three or four exceptions became members of the new organization. A number of companies are members of the American Life Convention, which are too small to be eligible to membership in the medical organization under its rules, but which desire to become members. A number of the members of the convention would like to have the rules of the exchange amended so as to let in these small companies, but there are some that do not. The three or four companies which are in the exchange but not in the convention are also understood to be opposed to such a change in the rules. They desire that the two organizations be kept entirely distinct.

One man who is in a position to know expresses the opinion that if the exchange does not let in the smaller convention companies a new medical organization will be formed, to which these small companies will be eligible.

THE BANKERS LIFE ASSOCIATION

DES MOINES, IOWA.

ERNEST E. CLARK, President.

Exceptional Record During twenty-nine years for

**LOW RATE OF MORTALITY
ECONOMY OF MANAGEMENT
PROMPT PAYMENT OF CLAIMS
SECURITY OF ITS FUNDS**

and satisfactory results for its policyholders.

UNDER SECTION 97.

"Best's Life Insurance News," for May, prints a table, showing the "Cost of Obtaining Business in 1909 and Expense Limitations Under Section 97," from which the following, as regards cost of new business, is extracted:

NAME OF COMPANY.	Total Loadings on First Year's (1909) Premiums.	Mortality Gains by the Select and Ultimate Method as per Section 84 of New York Insurance Law, pres- ent Value of.	Total Margins Allowed by Section 97 of New York Insurance Law. (New business.)	Total Expenses Chargeable to the Procurement of NEW BUSINESS as Spec- ified in Section 97 of New York Insurance Law.	Aggregate amount of Actual Loadings upon Total Pre- miums Received in 1909 (excess over net premiums by standards adopted by the company under Sec. 84).	Per Cent. of Total Provision Expended for New Busi- ness.
Aetna	\$201,387	\$329,246	\$530,632	\$460,552	\$1,768,251	87%
Bankers, N. Y....	7,734	9,545	17,279	16,230	.....	94%
Berkshire	32,531	42,409	74,939	64,510	545,106	86%
Colonial, N. J....	6,220	15,833	22,053	21,525	.....	97%
Columbian Nat'l ..	27,293	80,195	107,488	105,896	.....	98%
Conn. General....	32,109	79,898	112,007	95,018	230,054	85%
Conn. Mutual....	128,678	177,513	306,191	252,838	1,129,824	83%
Equitable, N. Y..	1,084,674	1,140,561	2,225,235	2,090,684	11,765,776	94%
Fidelity Mutual...	132,334	168,443	300,778	298,265	906,136	99%
Germania	121,229	115,711	236,940	222,794	1,099,036	94%
Home	78,304	116,214	194,518	161,023	782,361	82%
John Hancock ..	245,098	370,453	615,551	585,428	1,977,754	95%
Massachusetts ...	237,869	357,399	595,268	473,694	2,084,283	79%
Metropolitan	630,303	1,382,222	2,012,525	1,716,996	.....	65%
Mutual Benefit...	505,119	683,968	1,189,087	967,515	3,508,725	81%
Mutual, N. Y....	1,026,634	1,186,457	2,213,090	1,910,485	11,483,905	86%
National, Vt....	130,824	198,585	329,409	256,881	1,182,942	78%
New England....	188,365	266,772	455,137	384,202	1,568,102	84%
New York.....	1,668,133	1,764,464	3,432,597	3,002,199	16,350,443	87%
Northw'n Mutual	888,893	1,363,140	2,252,933	1,805,222	7,747,360	80%
Penn Mutual....	457,950	776,199	1,234,149	1,021,402	3,751,069	83%
Phoenix Mutnal..	146,483	170,441	316,924	289,126	890,345	91%
Postal	70,342	6,121	16,463	.....	38,075	..%
Provident L. & T.	147,515	286,680	434,196	326,133	1,475,793	75%
Prudential	576,663	1,577,995	2,154,658	1,975,109	.....	92%
State Mut., Mass.	115,256	160,405	275,661	232,158	1,051,731	84%
Travelers	129,093	313,126	442,219	412,686	.....	93%
Union Central....	257,300	362,746	620,947	508,545	2,008,617	82%
Union Mutual....	30,658	38,661	69,319	58,631	488,309	81%

The figures of the United States, Security Mutual, Manhattan and Liberty were not obtainable.

A GOOD MODEL FOR AMERICAN DEPARTMENTS.

Reports on examinations and investigations are filed with the president of the "Beirat" and kept strictly confidential. If any methods are discovered of which the department disapproves, the companies are ordered to change them. Reference may be made to these methods in the next annual report of the department, no mention being made of the name of the companies involved. The attitude of the department seems to be that so long as a company is permitted to continue in business, nothing would be gained by publishing anything which would, by impairing public confidence, make it difficult and more expensive for the company to do business.—From report of Messrs. Hughes and Woodward of New York Department on Supervision in Europe.

The adoption of a similar system of discreet silence in the United

States might result in the abolition of self-advertising tactics, which have so marked insurance and very especially life insurance examinations in this country. But that it would not be un-American and that it would be

DISCRETION THE BETTER PART OF VALOR?

Superintendent Hotchkiss, by yielding the point that the National Protective Legion may continue its five year dividend business and by abandoning the proposed amendment which would have prohibited it, has avoided further effectual opposition on the part of fraternal societies to the omnibus bill which brings them under closer supervision. The bill is now expected to pass.

CUR

Course of Insurance Education.
Department for Furnishing Prospects.

New "Model Policy"

Will Plough the Field and Assure the Harvest for Good Agents.

Phoenix Mutual Life
INSURANCE COMPANY,
Hartford, Conn.

Write Home Office.

INCORPORATED 1833.

British America
Assurance Company
HEAD OFFICE, TORONTO, CANADA

UNITED STATES BRANCH.

JANUARY 1, 1910.

Assets\$1,556,740.94
Liabilities 902,438.61
Surplus\$ 654,302.33

Hon. GEORGE A. COX, President.
JOHN HOSKIN } Vice-Presidents.
W. R. BROCK }
W. B. MEIKLE, General Mgr.

THE HOME LIFE INSURANCE COMPANY OF AMERICA

Incorporated 1899.



THE COMPANY FOR THE AMBITIOUS AGENT who desires to sell "COMMON SENSE" insurance at LOWEST COST, and who seeks, through most liberal first year and guaranteed renewal commissions, to receive just recognition of service. All policies registered, signed and sealed by the Insurance Commissioner of the State of Delaware, making them truly

SAFE AS GOVERNMENT BONDS.

Address Executive Offices, 416-18-20 Walnut Street, PHILADELPHIA, PA.

JOHN LANGHAM, Jr.,
President.

JOSEPH L. DURKIN,
Secretary.

GEORGE M. NETTLESHIP,
Manager of Agencies.

IN NEW ENGLAND

INDEPENDENCE DAY.

Dr. D. D. Scannell, chairman of the "Saner Fourth" Committee of the Boston 1915 movement, has prepared a pamphlet, entitled "Our Annual Sacrifice," from which we extract the following particulars:

Loss of life from lockjaw, 1903-1909, 6 years.....	901
(Seventy-five per cent. resulted from blank cartridge wounds.)	
Loss of life from other Fourth of July causes	630
Total	1,531
From Fourth of July injuries—	
Loss of sight.....	115
Loss of one eye.....	518
Loss of legs, arms or hands..	406
Loss of fingers, one or more..	1,427
Other injuries	30,606
Total, non-fatal injuries.....	33,073
Total, dead or injured.....	34,603
As causes of above injuries—	
Blank cartridges	6,374
Fire crackers	10,781
Cannon crackers	2,880
Firearms	2,902
Powder and fireworks.....	10,540

The movement to celebrate the Fourth in a civilized manner has already yielded practical results in cities like Cleveland, Springfield and others, and as a big committee has taken hold of the matter of commemorating the day in Boston as it ought to be commemorated, the outlook is decidedly good for an improvement there. Also a bill to abolish the use of the toy pistol, the blank cartridge, the dynamite cracker and the other most dangerous playthings of Independence Day and other patriotic anniversaries, has made splendid progress in the legislature, and is practically certain of enactment.

Calls for Bonding of Subordinates.

In his annual report Elmer A. Stevens, State Treasurer and Receiver General of Massachusetts, calls attention to the fact that while he gives a bond of \$100,000, the condition of which is that all persons employed in his department shall faithfully discharge their duties, he has no authority to compel bonds from his subordinates. He recommends bonding his force, the expense to be borne by the State. Another point made by Mr. Stevens is that fraternal beneficiary corporations deposit with the State Treasurer the emergency fund in the form of securities, among them mortgages, but there is no authority to pass upon the value of these securities. The treasurer recommends that he Insurance Commissioner be empowered to

examine and certify to the value of the mortgages annually.

About New England Field Men.

H. B. Sly, special agent of the Continental and Fidelity Underwriters for Connecticut and Rhode Island, will become special agent for Eastern Massachusetts on June 1, succeeding Walter Adlard.

By the way, Friday, the 13th, has no terrors for Walter, as his formal election to the secretaryship of the Massachusetts Fire and Marine took place on that date, this month.

H. C. Buck, of Hartford, special agent of the Norwich Union, is slated for the position soon to be relinquished by Mr. Sly, as above.

H. H. Clutia, of Boston, special agent of the Dixie, has been appointed examiner at the home office of the Continental, assuming that position on July 1.

Enlarges Its Scope.

The New England Casualty Company, with \$200,000 paid up capital stock, has received its revised charter and now has the right to transact all forms of liability insurance, including automobile liability and automobile property damage. The New England Casualty is, therefore, the only casualty company incorporated under Massachusetts laws doing this class of business.

Webster B. Evans, for some years with the Employers Liability, has been appointed cashier at the home office of the New England Casualty.

New England Brevities.

No the Massachusetts Senate did not kill House bill 1554. In so stating last week the writer fell into grievous error, based on misinformation, and craves the indulgence of the readers of this column. On the contrary, the bill, which amends sections 32 and 34 of the insurance law in some important particulars and relates to the purposes for which insurance companies may be organized, has been signed by Governor Draper, and is a law on the statute books.

The smoke talk of the Boston Life Underwriters Association is to take place at the City Club, Friday afternoon, May 20, and "Business and Partnership Insurance" is to be the subject of discussion.

The Massachusetts legislative committee has voted to report next General Court on the incorporation of the New England Order of Owls. This follows quite a rumpus between the Massachusetts adherents of the order and the home nest at South Bend,

Ind., during which charges and re-crimination were freely banded. Hoot, mon!

"The Field Man's Greatest Opportunity" is the topic of an address which W. B. Medlicott, New England general agent of the Atlas, is scheduled to make before Insurance Society of New York next Tuesday.

At a meeting of the Boston Chamber of Commerce, Wednesday of last week, considerable criticism of the employers liability law was indulged in, and the enactment of a workmen's compensation act, to take its place, was favored.

Holyoke, Mass., business men are talking the project of organizing a mutual fire insurance company, because rates are too high. This, somehow, has a familiar sound, and you may notice that there seems to be no intention of risking any stock in what ought to be a profitable business "if rates are too high."

The Preferred
ACCIDENT INSURANCE COMPANY
of New York
SUPERIOR POLICIES
KIMBALL C. ATWOOD, President
290-292 Broadway, New York.

New England Mutual Life
Insurance Company
BOSTON, : : : MASS.
chartered 1835

Assets, January 1, 1910..\$51,316,543.00
Liabilities

Surplus

Sixty-six years of honorable dealing with its policyholders has placed the **NEW ENGLAND MUTUAL LIFE INSURANCE COMPANY** in the front rank of Life Insurance Companies of the Country.

FRED D. FOSTER, President.
D.F. APPEL, Vice-President.
J. A. BARBEY, Secretary.
WM. F. DAVIS, Assistant Sec'y.
J. G. WILDMAN, Assist. Sec'y

EDWARD W. ALLEN, Manager,
220 Broadway, New York.
LATHROP BALDWIN, Manager,
141 Broadway New York
CHARLES H. STRAUSS Gen. Ag't.
200 Fifth Ave., New York.

ANOTHER GOOD OPENING.

Frequent mention has been made of the scarcity of good field material in the West. At the present time the North America, Commonwealth, Liverpool & London & Globe and North British & Mercantile are each looking for from one to three field men for Western States, to say nothing of a dozen or so other vacancies, some of them just as desirable. Managers confess their inability fully to explain the situation or to deal with it satisfactorily. They hate to take the chances of trying out green men and they do not want to take on old men who they fear may soon become superannuated. Some of the union managers are fearful of taking men of non-union training lest they find they are unable to get business otherwise than by buying it with excess commissions. They state that some of the men who are qualified for field work object to traveling, and others have positions in city offices which are satisfactory to them.

It is probable that another difficulty arises through the change in the nature of field work which has taken place in the West in the past few years. The veterans can still hold most of their business and often increase it by the old methods, because they have a strong personal hold on the agents, but the young men have to adopt other methods. The day when a special agent can be a great success by being a good fellow and giving his agents a jolly is passing rapidly. The men who are making the records now are the ones who help their agents capture lines by knowing how to apply the schedules and secure lower rates for improvements. Comparatively few field men are in any sense masters of the schedules. Some count it beneath their dignity to help agents solicit business and some are lazy. Once they might have compensated for these disadvantages by being good fellows and taking the agents to dinner or a ball game, but those methods fail to deliver the goods now when competition is fierce and others have better methods and work fourteen hours a day, if necessary, to get their work done.

Most of the local agents who have proved their abilities as business getters have built up agencies which pay them more than their field positions would or give them independence and the privilege of staying at home. Most of the men with knowledge of the schedules are already in field positions or in the inspection bureaus, and the inspectors cannot always be secured or are not available for some reason. This leaves the bulk of the material

offering itself consisting of daily report examiners, many of whom are sent to the field, and not over successful local agents, whom the companies do not want in the field.

AN OPEN FIELD.

The Hartford Fire has left the ranks of the sole agency companies in Chicago by appointing Shipman & Wayne agents to write outside of the congested district. This action does not mark the Hartford as doing anything unusual, for it is only one of many that have gone upon a dual or multiple agency basis in the city. The pressure on managers to follow this course is severe. There are many active young offices in the city which have to broker a large amount of business through want of facilities to write it themselves. They have scoured the country for additional companies and apparently have induced all to enter Illinois that can be influenced, but the demand still continues far ahead of the supply.

DECIDES FOR NATIONAL OF CHICAGO.

Judge McPherson, of the Circuit Court of the United States for the Southern District of Iowa, has held for the company in the case of Watson vs. National Life of U. S. A. Watson attacked the reinsurance of the National Life and Trust, of Des Moines, in the National Life of U. S. A. The company, in its answer, denied all his allegations, which threw any discredit whatever on either company, or questioned the validity of the transfer.

Judge McPherson sustains the company in every contention and dismisses the case.

Ralph Bane, city treasurer of Santa Monica, Cal., is missing, with an unexplained shortage of \$17,000 in the city's funds. The Aetna Indemnity is on his bond for \$25,000.

SAFETY FUND INSURANCE

NIAGARA ✱**Fire Insurance Company**

—OF—

NEW YORK

OFFICE:

46 CEDAR STREET, CITY.

A General Agency is open
in the State of

PENNSYLVANIA

For one of the best Old Line
Companies in America

==

Write "B," care of this paper

HARTFORD LIFE

INSURANCE COMPANY,
OF CONN.

1909 Policies are Participating, or
Non-participating, with Lower Rates
and Values based on FULL RE-
SERVE.

For Right Contracts,
Address, Second Vice-President.
Home Office, HARTFORD, CONN.

BONDS OF SURETYSHIP.

The Guarantee Company of North America
HEAD OFFICE, MONTREAL

Edward Rawlings, President.

H. E. Rawlings, Asst. Mgr.

Richard B. Scott, Secretary & Treasurer.

It is the Pioneer Company, was established in 1872, and is conducted under a conservative management of over 55 years experience.

It has recouped to employers over \$2,190,000 for losses sustained by the infidelity of employees and has a surplus of \$1,041,423.23 to credit of shareholders and total resources of \$1,919,892.38 for the security of insured.

Branch Offices:

NEW YORK: 111 Broadway,
D. J. Tompkins, Secretary.
BOSTON: 114 Milk Street,
W. A. Hamilton, Agent and Attorney.
CHICAGO: Room 400, The Temple,
J. R. Pruyn, Resident Sec. and Atty.
PHILADELPHIA: 500 Arcade Bldg.,
W. H. Jackson, Res. Secretary.
PITTSBURG: 1120 Farmers Bank Bldg.,
E. R. Munro, Resident Secretary.
LOUISVILLE: 316 Columbia Bldg.,
P. N. Clarko & Co., Agents.

AMALGAMATION OF INSURANCE COMPANIES.

(Continued from Page 5.)

the case of a company having capital stock. No salary, compensation or emolument shall be paid to any officer or trustee of any such company unless authorized by a vote of the directors, nor shall any salary, compensation or emolument amounting in any year to more than five thousand dollars be paid to any agent or employee unless the contract (if made after the passing of this act) under which such amount becomes payable has been approved by the board of directors.

56. No Canadian life insurance company shall make any agreement with any of its officers or trustees, to pay for any services, rendered or to be rendered, any salary, compensation or emolument extending beyond a period of five years from the date of such agreement.

57. No Canadian life insurance company shall make any contract with any director, trustee, officer, employee or servant of the company, save such agents as are employed to solicit insurance, to pay any compensation or reward whatever by way of commissions in respect of the business of the company or any portion thereof: Provided, however, that this subsection shall not apply to insurance personally solicited and secured outside of office hours by any employee or servant not being a director, trustee or officer of the company.

2. For the purpose of conducting the affairs of the company in the most efficient manner in the interests of the policyholders and shareholders, the directors may make by-laws providing for the creation of a staff pension fund, but such by-laws shall before becoming effective be submitted to and be approved of at an annual meeting of the company or at a special general meeting of the members thereof, notice of the intention to consider such by-laws having been in either case duly given.

Why No Merger Law Here?

In New York, notwithstanding that for nearly a score of years past the desirability of certain mergers has been apparent to everybody familiar with the conditions, the situation is very unsatisfactory.

In the first place, reinsurance and so-called transfer of risks is the only course which is open. This calls for the retirement of one of the companies, a complete loss of its identity and the general acceptance of the notion that it has failed. Nothing could be more galling nor more effectually block negotiations usually than this consideration.

Moreover, if as may be on other grounds desirable, or, indeed, unavoidable, the transfer is made from a larger to a smaller company, it may shake the business to pieces and certainly will cause heavier lapses. Few

people understand that the assets go with the business and make the smaller company larger by so much; whereas all would readily understand it, if it were an amalgamation or merger.

In New York, there is also the further hurdle that section 103, prohibiting the issuance by the same domestic company of both new participating and new non-participating policies, has been twice interpreted, once by the Attorney General to prohibit the reinsurance of policies which the company would have no right to issue and once by the counsel of the department the other way. It is said now that the superintendent would probably follow the opinion of the Attorney General—a serious matter since nearly every life company has in force policies of both kinds.

In the way of an amalgamation or merger statute, which would be genuinely effectual for all purposes, of course lies the ever-present difficulty that there are fifty or more States and Territories. But, subject to the approval of the superintendents of both States, interstate amalgamation could as well be countenanced, as interstate reinsurance.

AN EXCELLENT WORK.

Oscar Schmidt, assistant secretary of the German Fire, has prepared a manual on fire insurance practice, published by the Rough Notes Company, Indianapolis.

Out of his experience of years as instructor for agents, he has written this little guide for the agent not thoroughly skilled in the theory and practice of local agency work.

The author has made no attempt to present anything but a simple statement of working principles and elementary rules which should guide all local agents. Successively he has treated the problems of the agent as they arise in the routine of the ordinary fire insurance office.

No better book could be in the hands of the man who has not learned from experience the elementary principles of fire insurance—and much of the matter could be read with profit by those who have been in the business for many years. It will serve to guide the agent in the right way to guard the interests of his patrons without conflicting with the interests of the company—and this is always a delicate duty, because the agent acts both as trustee for the policyholder and as legal representative of the company.

"The fire losses in Minnesota for March were \$210,000, as compared with \$90,000 in 1909. The losses in the United States amounted to \$16,444,000 as compared with \$12,356,000 in March, 1909."—Commissioner Hartigan.

WESTERN ASSURANCE CO.

HEAD OFFICE,
TORONTO, - - CANADA.

Incorporated 1851.

Hon. GEORGE A. COX.....President
W. R. BROCK and JOHN
HOSKIN, K. C. LL. D., Vice-Presidents
W. B. MEIKLE.....General Manager

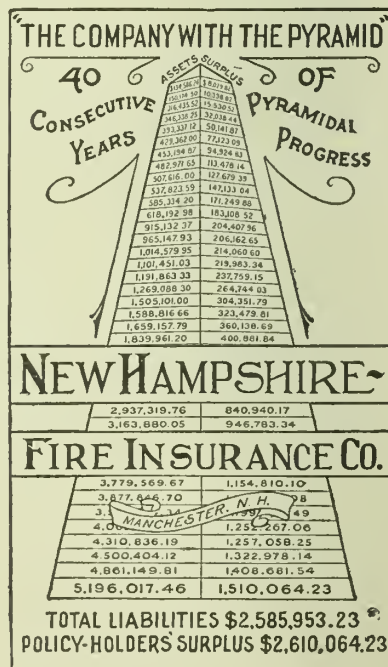
United States Statement, Jan. 1, 1910.

Assets\$2,377,303.37
Surplus in United States..... 839,268.07

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS is unsurpassed for net low cost and care of interests of all members.

THE PENN MUTUAL LIFE INSURANCE COMPANY OF PHILADELPHIA

On January 1, 1909, rates were reduced and values increased to full 3% reserve.



A GREAT MEETING.

At the opening of the fifteenth annual convention of the National Association of Manufacturers, at the Waldorf-Astoria in this city on Monday, the subject of fire prevention was taken up, and American Manager Charles L. Case, of the London Assurance, made some remarks which are worthy of note, among which he said, concerning fire prevention:

Rates are now made on the so-called schedule plan, by which each risk is charged for its defects and credited with its good points. Every improvement in structure, equipment, fire extinguishing appliances, or occupancy that decreases the probability of a fire originating in the premises insured, or reducing the probability of a fire spreading, is duly credited in the making of the rate of premium. Any general improvement such as the recent high pressure system of water supply here in New York and Brooklyn is always followed by an equitable reduction in rates. One effective means of fire prevention the National Board has assisted at an expense of \$80,000 is sending 387 incendiaries to the penitentiaries of different States. By reducing the fire loss, we insurance companies can make more money for our shareholders—who require good dividends to leave their money in our risky business, and we can build up our reserves that we shall surely need to meet the next Baltimore or San Francisco incident—for these incidents recur, and must be provided for as much in the policyholders interest as in the shareholders. The increasing area of buildings, the increased height of buildings, the introduction of dangerous processes, the inadequately controlled electric hazard, and the fact that cities outgrow their fire protection, are operating to increase fire waste. Our loss ratio is still several times higher per person than that of any other country.

We desire to deal fairly with the public, not only to meet legal obligations, but to do all we can to safeguard property, and incidentally lives, against this preventable fire peril.

A NEW MOVE FOR "A MODEL BILL."

The following resolution was offered by Senator Gallinger at Washington on the 16th inst.:

Resolved, That the Committee on the District of Columbia be, and hereby is, authorized and directed, by subcommittee or otherwise, to prepare a code of laws for the regulation and control of insurance companies doing business within the District of Columbia; and for this purpose they are authorized to sit, by subcommittee or otherwise, during the session or recess of the Senate, to employ experts administer oaths, take testimony, send for persons and papers, employ a stenographer to report its hearings, and to have such hearings printed. Said committee shall

report the code prepared by them to the Senate. And all necessary expenses to carry out the provisions of this resolution shall be paid from the contingent fund of the Senate.

Meanwhile, what has become of the commission which was to have been appointed to study this subject?

N. Y. FIRE BOARD ELECTION.

The one most influential fire underwriting organization in America, the New York Board of Fire Underwriters, held its annual meeting on Monday and elected all the regular nominees of its committee, as follows:

President—William N. Kremer.

Vice-President—Henry W. Eaton.

Secretary and Treasurer—A. M. Thorburn.

Assistant Secretary—Curtis C. Wayland.

Assistant Treasurer—Wilbur F. Bingham.

Committees.

Finance—F. O. Affeld, Marshall S. Driggs, Charles A. Hull, John H. Kelly, Thomas A. Ralston, John M. Whiton, A. H. Wray.

Fire Patrol—George B. Edwards, M. J. Ennis, Howard Hampton, J. G. Illiard, E. E. Pearce, Charles H. Post, E. G. Snow.

Laws and Legislation—M. O. Brown, George W. Burchell, E. H. A. Correa, U. C. Crosby, Henry Evans, Harold Herrick, C. G. Smith.

Losses and Adjustments—Louis P. Bayard, Charles L. Case, J. Montgomery Hare, Harold Herrick, George W. Hoyt, Joseph McCord, W. L. Perrin, Wallace Reid, John M. Talbot, S. R. Weed, A. H. Wray.

Surveys—Frederick H. Crum, Howard Hampton, J. F. Hastings, Frank Lock, W. L. Perrin, C. F. Shallcross, F. H. Way.

Electricity—James A. Alexander, N. S. Bartow, R. C. Christopher, H. E. Hess, A. D. Irving, Jr., Joseph McCord, S. R. Weed.

LEADING FIRE COMPANY OF THE WORLD



[of Liverpool,

England.]

If you can choose your company,
Why not represent

"The
GREATEST
Health and Accident
INSURANCE
Company in the World?"

CONTINENTAL
CASUALTY COMPANY
CHICAGO

H. G. B. ALEXANDER,
President.

"Every time the clock ticks,
Every Working hour,
IT PAYS

A Dime to Somebody, Somewhere,
Who is
Sick or HURT."

Most Liberal Contracts to Agents.
Most Liberal Policies—Prompt Pay.

The Best, Safest, Most Liberal and Most Equitable Forms of Policy Contracts
are issued by the



ROLAND O. LAMB, President.

WALTON L. CROCKER, Secretary.

Issues the Most Perfect Forms of Life, Endowment, Instalment and Term
Policies Greatest Sellers in the Market.

LIBERAL CONTRACTS TO THE RIGHT MEN.
ROBERT K. EATON, Supt. of Agencies, Boston.

WILLIAM N. COMPTON, General Agent, Metropolitan District,
St. Paul Building,

220 Broadway, New York.

THAT EXPENSE QUESTION.

Western managers of fire insurance companies are doing a lot of thinking on the question of expense these days, but they do not appear to succeed in reaching any conclusion with which they are satisfied. The Illinois Fire Insurance Commission held this week what will probably be its last public hearing, and part of its duties was to examine into the expense question. Only a few weeks ago the committee of insurance commissioners appointed for the same purpose held a meeting and hearing in Chicago. With these evidences of public interest in the question, come the probable dissolution of the Eastern Union and an increase in commissions in the East, and a prospect of increase in Southeastern Underwriters Association territory and announcement that the Pacific board has increased commissions on term business in cities of 200,000 population or over. This looks like a scorn of public opinion that is likely to be visited by vengeance.

One man whose field is large has been thinking on this question very seriously and endeavoring to reach a conclusion as to whether it is possible to reduce expenses through the instrumentality of a company organization. He can get no light. In the first place it is impossible to get all the companies together on anything, and if it were possible they would not stay together and all play fair for six months. The Western Union is probably the strongest and best of the organizations, yet nobody believes that all its members are even making a decent pretense of living up to its commission rules. There are managers outside of the union who have refused to join it ostensibly because its commission scale was higher than they approved, who yet are paying more than the graded scale when competition seems to make it necessary.

Men who have watched this game for years and who probably are sincere in their desire for lower commissions have practically no hope that a reduction will ever be brought about by the companies themselves. They see nothing for it but to worry along until the States take this question up and at least endeavor to settle it by legislation whether they succeed or not.

President Goddard Talks.

Of particular interest in connection with this subject is the talk contained in the address of President C. M. Goddard before the National Fire Protection Association at its fourteenth annual convention in Chicago yesterday, in which he quoted at length from the recent report of the United States

Geological Survey on the subject of fire prevention, and urged that laws be enacted requiring better construction and greater care on the part of property owners and said:

It hardly seems as though a year had elapsed since I had the pleasure of greeting you at our last meeting in New York city, but such is the case, and it now becomes my very pleasant duty to extend to you all in the name of the National Fire Protection Association a most cordial welcome and at the same time to express my earnest hope that you will join with us, not only in whatever work we may have before us at this our fourteenth annual meeting, but that we may have the benefit of your co-operation and effort throughout the days that intervene between our yearly gatherings. If we confine our interest and work to the two or three days we are assembled together and then when we separate cease our endeavors and forget our association for the remaining 362 days of the year, we shall accomplish but very little.

Work for the Future.

What we have done in the past has become a matter of record, and as the reports of our executive committee and secretary will bring to your attention the details of our work during the year now finished, it is my purpose in the few words I may say to you to look ahead and consider the vastness of the work which lies in the future; not that you may be discouraged by its immensity, but that rather you may be encouraged by the certainty of the results that will surely follow well-directed efforts, results which will not only benefit us but also those that come after us. Believing as I do that if the startling figures which portray our annual fire waste are kept prominently before the public the time will come when the lesson will strike home and produce results, I shall incorporate a few such figures in this address, even at the risk of repeating some facts mentioned last year.

Extracts from the recent Government Bulletin, entitled "The Fire Tax and Waste of Structural Materials in the United States," were read by Mr. Goddard, who added:

The results to the individual of this enormous fire waste are usually modified by insurance, so that the loss is spread over the whole country, but the loss is there just the same, and we are all paying our portion of it. Were it not for this equalization of loss through insurance we can hardly imagine the results of a conflagration like that of San Francisco, Baltimore or Chelsea to the immediate losers. Modern business could not be conducted along the present lines were it not for insurance, and it is worth our while to see that insurance does not become too dear to buy or too scarce to go around.

What the State Might Do.

The State might properly take steps to compel people to realize more fully that they owe as a duty to society and to each other the exercise of more care to prevent the occurrence of fires on their premises which always destroy property and frequently imperil

the lives and property of others. We are forbidden to expectorate in public places for fear of possible injury to others. Is it a far step to forbid by law the use of the parlor match, to which it is estimated that 600 lives are annually sacrificed, for fear that it may, as it frequently does, cause a fire that will destroy others' property and possibly their lives, or to enact other legislation which while it may interfere with some one's individual comfort or convenience, yet will prove beneficial to mankind as a whole and tend to conserve our created resources, thus relieving the country to some extent from the enormous drain of our fire waste?

No Marked Falling Off Expected.

We must not expect to see a marked falling off in our fire loss this year, nor next, and perhaps not for many years; the law of cause and effect is unchangeable, and we must yet pay the penalty of our past indifference and neglect. I do, however, firmly believe that our purpose is a worthy one, and that success in that purpose will be achieved just as soon as the people as a whole begin to comprehend the real facts and appreciate that it lies with them to apply the remedy. It seems to me that no better endorsement of the course pursued by this association in its efforts to reduce the fire waste can be secured than the conclusions given in the United States Government Bulletin, from which I have quoted. This report gives the following three an-

Germania Fire

INSURANCE CO.,

NEW YORK.

ORGANIZED 1859.

Cash Capital.....	\$1,000,000.00
Assets	\$6,562,329.14
Net Surplus.....	\$2,008,419.02
Surplus for Policyholders,	\$3,008,419.02

HEAD OFFICE:

Cor. William and Cedar Streets.

SPECIAL OPPORTUNITIES offered now in Southern States to Representatives of

**CITIZENS
LIFE
INSURANCE
CO.**

W. H. GREGORY,
President.

swers to the question "How to reduce fire losses":

First—"By tests and investigations made to determine the relative fire resistance of building materials * * * and by the development of systems of construction which will offer maximum resistance to fire."

This association has certainly, in conjunction with the Underwriters Laboratories, with which we are so closely connected, done a large amount of work along these very lines in the way of tests, and also through its various committees in the compilation of standards and requirements.

Second—"By the dissemination of information regarding the more non-inflammable building materials."

The hundreds of thousands of pamphlets distributed through the courtesy of one of the active members, the National Board of Fire Underwriters, containing information of the above character compiled by this association, show that we have always been extremely active along these lines, and, of course, one branch of our campaign of education work has been in the same direction.

Third—"By the enactment and enforcement of building codes with a view to insuring more fire-resistant and more nearly fireproof construction."

Here again we find that we have been following a similar course in giving publicity through the daily press to the question of fire protection and fire prevention, also in our contact with business men's associations and municipal governments, urging just such action as is recommended by the United States Government.

As the Credit Men View It.

Probably in no State at the present time are there so many business men discussing fire insurance problems as in Texas. Lately rates have gone high there because of excessive losses and men are beginning to see that cheaper rates can only come through lessened losses. Secretary McGown is endeavoring to take advantage of this general interest in the subject to get the members of the Fort Worth association to distribute among the retail trade the six leaflets entitled "Burning Subjects," prepared by the National Association so that the smaller as well as the larger business interests of the State will get an adequate idea of their fire problems.

* * * * *

When the business men of the country take a broad interest in the reduction of its enormous and disgraceful fire waste then, and not before, will appreciable progress be made. Our fire waste, itself a great economic problem, has to no small extent been the cause of the economic problems pressing upon us to-day and is now aggravating and intensifying them.

The National Association of Credit Men was one of the first business organizations to appreciate the responsibility resting upon business men in solving this fire waste problem and has had its fire insurance committee at work for several years determining how best to approach it. The conclusion has been that at the foundation of any permanent movement must be a public sentiment aroused by an intelligent understanding of the seri-

ousness of our annual losses by fire, and that this involves an understanding of the main points in insurance as well. Accordingly, the association has prepared, strictly from the business man's standpoint, a series of six leaflets each treating a salient feature of fire insurance and fire waste. They are in a style so simple and popular as to appeal to any man with ordinary business intelligence.

It now remains to secure the widest possible distribution of these leaflets, and every member of the association should gladly do his share, for there is none but has an interest in this important work. They are prepared for envelope enclosures. Members may have their imprint on the cover. As the leaflets are issued to members at cost, price varies somewhat, according to quantity ordered. Samples may be had by any member on application.—Credit Men's Bulletin.

AN APOLOGY.

In the last issue of "The Chronicle" was contained an article headed "When the Brain Gets Busy," prefaced by the following comment:

Improved methods of construction, protection and rating are dealt with by Arthur Hawkshurst, insurance manager for the big corporation of Marshall Field & Co., of Chicago, in testimony just given before the Illinois Fire Insurance Commission, of recent birth. Mr. Hawkshurst has made insurance in its varied forms, as applied to his corporation's commercial credits a specialty, therefore what he says has particular value.

It was purely an inadvertance that it was overlooked that this was supplementary testimony to that previously given before the Illinois Commission on Fire Expense and prepared at the request of and for the particular use of "Insurance Engineering," the leading fire insurance authority in America on the physical hazards of fire underwriting science.

A BUNGLED TRANSACTION.

The bitter quarrel between the United Surety Company of Baltimore and the Munich Reinsurance Company of Germany, provoked by the former, over the intent and purport of a reinsurance agreement, is to be carried to the highest courts.

The Maryland company has had a judgment for \$100,000 against the German company confirmed on appeal, but the case will now go to the United States Supreme Court.

United States Judge Lacombe has authorized the receivers of the Mutual Reserve Life Insurance Company to accept from the estate of Frederick A. Burnham, former president of the insurance company, \$5,000 in cash and 250 shares of the preferred stock of the Owl Commercial Company in settlement of all claims held by the company against the Burnham estate.

TO WIN IN COMPETITION

Represent the Company whose agents have the strongest fighting material and the most telling arguments. Everyone knows the superiority in low cost to policyholders, (due to high interest earnings, low death and expense rate) of

THE Union Central Life Insurance Co. of Cincinnati.

Assets, \$74,523,966.28
Liabilities, \$72,324,302.92

JESSE R. CLARK, President.
ALLAN WATERS, Sup't of Agents.

COMMERCIAL - UNION

ASSURANCE CO.,

(LIMITED)

OF LONDON.

OFFICE;

Cor. Pine & William Sts.

NEW YORK.

NOTEWORTHY ADVANCE.

The BERKSHIRE LIFE Insurance Company,

OF PITTSFIELD, MASSACHUSETTS,

takes an advanced step in the interest of the policyholder by the adoption of the following liberal features in its new policy contract:

Low premium rates.
Large surrender values.
Dividends at the end of each policy year.

Thirty-one days of grace in payment of all premiums after the first year.

Paid-up insurance or cash surrender value or extended insurance after two years' premiums have been paid.

Loans for the full cash surrender value.

Policy payable in one sum or in instalments for terms of years.

Policy has no restrictions upon residence or travel and is incontestable after the first policy year, except for non-payment of premiums.

Right of the insured to change the beneficiary.

Liberal re-instatement privileges.

Every effort has been made to make this new policy the very perfection in a life insurance contract.

For further information apply to
JOHN H. ROBINSON, General Agent
FRANK ALLEN, Associate General Agent
For New York and New Jersey,
Postal Building,
253 Broadway, - - - NEW YORK.

NOWHERE.

A promise was made by "The Chronicle," to its readers a few weeks ago to let the awful excise law violations in New York go unnoticed. The only possible technical interest in the subject was from an insurance standpoint and had been fully presented. Just now, however, there comes news of import and it must be recognized.

Over that big excise department (located in the Albany suburb of this little city), there is Dr. Clement.

And now comes Dr. Clement, saying:

Although there has been a change for the better in the attitude of brewers and traffickers in liquors in respect to obedience to law, which has proved helpful in the work of the department, all of the agencies provided by the liquor tax law, assisted by such outside co-operation as is possible under existing conditions, are not sufficient to bring about such a radical betterment in the methods and practices of those engaged in the manufacture and sale of liquors as will meet the ever increasing public demands for excise reform.

While there is in the minds of many a deep seated prejudice against the liquor business, because of flagrant abuses and utter disregard of law by a certain class of dealers who have defied the authorities persistently since the formation of the State, to the serious injury of the business, liberal minded men are disposed to regard the liquor traffic, if decently conducted, substantially as they look upon any other lawful occupation; but no fair mind can consider the liquor traffic as superior to any other business, or better than any other business, or as entitled to any immunity or privilege not accorded to other trades.

Increase in Special Agent Force.

It is understood that the Committee of Fourteen of New York City, an organization which has given to this department, and to the local police department as well, intelligent and valuable assistance in the enforcement of the liquor tax law, and in the correction of abuses that exist in connection with the liquor traffic, will have re-introduced in the legislature this year its bill of last winter, with the Sunday opening provisions, which met with serious opposition, eliminated. The proposal looking to an increase in the special agent and working forces of this department, in order to extend and render more efficient the department's efforts to secure a greater degree of observance of the law on the part of those engaged in the liquor traffic, by giving the State Commissioner an adequate force to facilitate a more prompt investigation and a more vigorous prosecution of violators, accords without doubt with the best sentiment of the State; but in order to be entirely effective, a reform looking to a large increase in the department's ability to multiply the number of investigations, and to

a material increase in the number of civil actions to be prepared and prosecuted as the natural result of such increased investigations, should be comprehensive.

The Raines Law Demoralizing.

The Raines law hotel, so-called, has become synonymous with houses of ill fame, and responsible in the minds of many for every disorderly house, in spite of the fact that there is far less of the social evil flaunting itself in the eyes of decency than when the law was passed and in spite of the fact that the ten-room provision from which the Raines law hotel derives its name was taken almost word for word from the old excise law of 1892, and the decisions of the Supreme Court construing that act.

Sensation mongers and faddists have, through ignorance or a morbid desire for cheap notoriety, insulted the integrity and morality of the women of the cities and populous centers of the State, without justification or decency. * * * * *

It does not require much thought or reason to comprehend that so long as the number of retail places that are struggling to exist is largely in excess of the number that can be lawfully run at a profit within the restrictions laid down in the law, it is useless to expect obedience to the law on the part of those dealers who find competition so strong that from their viewpoint violations are necessary to make both ends meet.

Power to Make Liquor Traffic Law-Abiding in Hands of Dealers Themselves.

The liquor traffic can be made law-abiding absolutely, if intelligent and far-sighted dealers who see in the law-defying practices of flagrant violators the cause and provocation of the agitation that keeps the business continuously in an uncertain state, and threatens its ultimate destruction, will themselves demand of their competitors that excise violations shall cease. The business can be reformed within itself with the least harm and to the greatest advantage from the standpoint of the welfare of the liquor dealer. Reform from within means improvement, while from without it may mean destruction.

Liquor Interests Shortsighted.

The absence of reason and judgment, and a short-sighted policy of greed and selfishness on the part of the liquor interests, are responsible for a large proportion of the prejudice and agitation against the traffic. For instance, no business that ignores or defies law in the main can continue to do so except during the quiescent period of indifference and inattention on the part of the people, and yet certain dealers continue to break and defy law and to do everything in their power to outlaw the liquor business, thus placing it in a blacklisted class all by itself, and this without forceful or effective protest from the better class of liquor dealers. Then they all complain that men engaged in the liquor traffic are shown no consideration and are treated entirely differently from men conducting any other business. On the other hand, many

of the well-meaning class that is devoting a good deal of time to the reformation of excise conditions are working along emotional lines almost exclusively, and devoting their energies in efforts that make only temporary impressions on mature citizens of fixed habits, while they neglect, practically, the more fruitful field of a thorough education of the young in regard to the deleterious effect of alcohol on the human mind and body, and the disadvantage to which a young man is subjected who enters business life handicapped by habits of intemperance.

Reform Needed Along Practical Lines.

If reformers would accomplish good results they must be satisfied to become real workmen along practical lines. It is not enough that they be merely sayers of the word; they must become doers of the work proceeding along the pathway of reason and experience.

Lowell gives emphasis to this great truth to which exclusively oratorical reformers would do well to give heed:

"We have been compelled to see what was weak in democracy as well as what was strong. We have begun obscurely to recognize that things do not go of themselves, and that popular government is not in itself a panacea, is no better than any other form except as the virtue and wisdom of the people make it so, and that when men undertake to do their own kingship, they enter upon the dangers and responsibilities as well as the privileges of the function. Above all, it looks as if we were on the way to be persuaded that no government can be carried on by declamation."

In the discussion of the excise problem, I deem it of the highest importance that prominence and emphasis be given to the paramount responsibility of each citizen in popular government in the selection of public officials to represent him and for the continuous supervision of such officials, because eternally vigilant citizenship is truly the price of good government.

H. A. Robier, formerly with the North British & Mercantile, in New York State, becomes special agent for Maryland for the Continental.

A first class life underwriter with a successful field record, and an untarnished reputation can secure good open territory by addressing

SECURITY MUTUAL LIFE INSURANCE COMPANY

Binghamton, N. Y.

A WHIRLWIND HARVEST.

"As ye sow, so shall ye reap," was the biblical adage, also it is read in those covers that sowing the wind means to harvest a whirlwind.

Now floats in from the insurance department at Albany some pitifully interesting aftermath concerning the ejection from this State of the United Surety Company of Maryland. It is learned, from every other than sources under the seal of the State, that in addition to the cast-up of a balance sheet of the company by New York's methods, which makes a bookkeeping impairment of about \$90,000, which necessitates a reduction of capital to \$250,000, there are now forfeitures in the excise department of New York approximating \$100,000, and claims pending to an equal amount, making a total of \$200,000 penalty which the company may suffer because of its ill advised and foolish alliance with the criminal liquor selling elements of New York.

The company may be rescued, but it is a job for a Hercules or an Atlas. Every effort at reinsurance has failed. A Napoleon is wanted and maybe Bowles will measure up. He has done good work hitherto.

Certain it is that the predicament in which the United now finds itself, as a result of headstrong "butting-in" on a played-out shell game, long since abandoned by the gray-heads, will prove a warning to the coming stranger, unless he be from Pittsburgh, Chicago or some other tainted atmosphere of recent political exposure.

FOOD FOR THOUGHT.

There are canals and canals. There are also contractors who build canals. There are also surety companies who bond the contractors who build canals—sometimes. Of all the hazardous underwritings of surety companies canal building is the furthestmost limit. It all depends upon whether the contractor is a tin-horn gambler with a politician at his elbow, or whether he actually knows his job. This merely by way of introduction.

Panama's big ditch has occupied the public attention for so long that it has obscured New York State's undertaking along the line of canal building. Just that modest barge canal up the State on which about twenty millions have already been expended in construction alone will totally eclipse the Panama undertaking as

to titanic engineering comparison. There is also another work under way by this city in the way of a water supply that will eventually eclipse both the New York State and Panama canals. Of these little is heard outside this city, except in Albany politics.

The State's canal work has been handled in a way that has not rounded to public credit thus far but Uncle Sam is not entirely free on his Panama undertaking in that respect. Therefore it is probably just as well to refrain from comparisons further than to draw attention to the varying varieties of politics and peoples. The subject is in the limelight at the moment because New York city is preparing to spend a few hundred millions on new subways and there is likely to be some grafting in the process of awarding the contracts—and afterward. It is possible, but not probable, that any one of the bonding companies is not fully informed as to the changed political conditions, and will be governed accordingly.

It may be recalled that when the "copper war" was on in Montana about five years ago it became necessary for one of the leading contestants to file a bond for half a million or some figure near that. He was a reputed multi-millionaire, but singularly enough no surety company would, or could, come to his relief. Resourceful, he simply created a dummy surety company of his own, under the freak corporation laws of some lax State, and had sufficient political or other pull to have it approved as surety on the required bond.

This is merely to suggest that there are many varieties of players in the great game of poker "bluff," just now so prevalent in surety circles, both on the Atlantic and Pacific edges.

OVERWORKING A JOKE.

It has been seriously stated by some sober-minded people that some of the lawyers of Seattle, Wash., have been moving for a law to require all future entrants of their fertile field to give a bond for not less than "\$5,000 guaranteeing their honesty." It is also stated that such a law has been formulated into a bill and presented to some town council.

Just what moral effect it might have on the fraternity of the future would be just like asking the age of Ann, or who first started comic doings. But the laugh is occasioned over the question as to what underwriter or company would sign such a wide-open and indeterminate bond.

OLD SCORES AND SORES.

Not all the plate glass companies have signed the local agreement at Chicago yet, and some that so far have declined to do so show no present signs of changing their position. There are some old scores that have not been settled yet, and there are a few companies that fail to see what advantage it is to them to sign away their rights to cut a rate if they see fit. The manager of one company whose business is small and whose home office has given him no encouragement to join the compact admits that it is a fine thing for some of the larger companies, which under a compact would have no trouble in holding their present business, but he fails to see what show a young company in the field would have to build up a volume of business. On the other hand, some of those who are least enthusiastic about compacts in general are managers who now control a large volume of business and are making money for their companies every year without any agreement.

Hanover Fire

INSURANCE
COMPANY
of New York



Agencies
in all the Principal Places
in the United States.

The Connecticut Mutual

That means the best life insurance to have and the best to sell. If you can sell life insurance, you can sell more of it for the CONNECTICUT MUTUAL.

Men of Character and Ability are invited to apply.

Conn. Mutual Life Ins. Co.,
Hartford, Conn.

Please mention this paper.

GETTING AHEAD.

"The progress of the Michigan State Life for the four months of 1910 was very gratifying. The income for the four months was 53 per cent. in excess of that for the same period during 1909. Notwithstanding this large increase in income the disbursements during the four months were 1 per cent. less than those for the first four months of last year," says one of the officers.

"The company is writing an increasing volume of business, the business of March, 1910, exceeding that of March, 1909, by 47 per cent., while the business of April, 1910, exceeded that of April, 1909, by 62 per cent.

"The agency force is increasing to such an extent that the new business for 1910 may confidently be expected to exceed that of 1909 by at least 50 per cent.

"The company has had only one death loss during 1910 for \$1,000, the only one since last July."

The Minnesota Insurance Department bulletin (No. 32) announces that the "Supreme Tribe of Ben Hur," one of the younger assessment concerns, will not be relicensed in that State, but no reason is given.

"The Leading Fire Insurance Company of America."



WM. B. CLARK, President.
W. H. KING, Vice-President.
HENRY E. REES, Secretary.

Assistant Secretaries,

A. N. WILLIAMS, E. S. ALLEN,
E. J. SLOAN, GUY E. BEARDSLEY.

201st YEAR.

SUN Insurance Office OF LONDON.

FOUNDED 1710.

UNITED STATES BRANCH:

54 PINE STREET, NEW YORK.

WESTERN DEPARTMENT:

171 LA SALLE ST., CHICAGO.

PACIFIC DEPARTMENT:

Sansome & Sacramento Sts.,
SAN FRANCISCO, CAL.

AGENTS WANTED
AT UNREPRESENTED POINTS.

Organized 1850

ISSUES GUARANTEED CONTRACTS

JOHN P. MUNN, M.D.
PRESIDENT
FINANCE COMMITTEE
CLARENCE H. KELSEY
Pres Title Guarantee and Trust Co.
WILLIAM H. PORTER
Pres Chem. Nat. Bank
EDWARD TOWNSEND
Pres Importers & Traders Nat. Bank

Good men, whether experienced in life insurance or not, may make direct contracts with this company, for a limited territory if desired, and secure for themselves, in addition to first year's commission, a renewal interest insuring an income for the future. Address the Company at its Home Office, No. 277 Broadway, N. Y.

BONDS--CASUALTY

AGENTS IF YOU { Can Command Bond or Casualty business
Are seeking an Agency connection
Are not representing another like Company

ADDRESS, AGENCY DEPARTMENT,

The Empire State Surety Co.
NEW YORK

Pittsburgh Life & Trust Company

THE FIRST COMPANY LICENSED

By the New York Insurance Department to Transact Business in That State
Since the Armstrong Laws Were Enacted

Ratio of Insurance Expense to Premium Income Only Sixty-five Per Cent.
of Amount Allowed by the New York Law

SEVENTH ANNUAL STATEMENT, JANUARY 1, 1910

W. C. BALDWIN, President.

ASSETS		LIABILITIES	
Real Estate.....	\$10,153,664.87	Liabilities to Policy Holders	\$21,697,064.82
Mortgage Loans.....	3,437,899.00	Capital	
Loans Secured by Col- lateral	20,657.82	Stock ...	\$1,000,000.00
Loans to Policy Holders	3,565,544.82	Unassigned	
Bonds and Stocks.....	5,316,057.00	Funds ...	955,124.70
Cash	711,114.62		
Accrued Interest and Rents	176,274.24	Leaving a sum for security to Policy Holders in Excess of Legal Liabilities of...	1,955,124.70
Due and Deferred Pre- miums	270,977.15		
TOTAL	\$23,652,189.52	TOTAL	\$23,652,189.52

COMPARATIVE RESERVE TABLES

BY
MILES M. DAWSON

Consulting Actuary.

Containing Mean and Terminal Reserves for the
usual forms of policies and by the
following standards:

American Experience, Select and Ultimate $3\frac{1}{2}$ per cent.
American Experience, Select and Ultimate 3 per cent.
American Experience, Modified Preliminary Term $3\frac{1}{2}$ per cent.
American Experience, Modified Preliminary Term 3 per cent.
American Experience, Select and Ultimate 4 per cent.
Actuaries', Modified Preliminary Term 4 per cent.
American Experience, Committee of Fifteen, $3\frac{1}{2}$ per cent.
American Experience, Illinois and Tennessee, $3\frac{1}{2}$ per cent.
American Experience, Michigan, $3\frac{1}{2}$ per cent.
American Experience, Wisconsin, $3\frac{1}{2}$ per cent.
American Experience, New Jersey, $3\frac{1}{2}$ per cent.
H^M, Canadian Life Officers' Association, $3\frac{1}{2}$ per cent.
O^[M], Select and Ultimate, $3\frac{1}{2}$ per cent.

THIS covers all the standards, other than the net level
premiums, in use in this country. Tables showing
the first year margins set free by each method of valu-
ation are given.

Send all orders to the Publishers,

The Chronicle Co., Ltd.

No. 90 William St.

NEW YORK

FEDERAL LIFE INSURANCE COMPANY CHICAGO

ISAAC MILLER HAMILTON, ; ; Presiden

Admitted assets.....\$2,447,499.17
Capital stock..... 177,300.00
Surplus apportioned and
unapportioned 77,510.61
Excess security to policy
holders 254,810.61
1909 insurance in force in-
creased over.....\$6,300,000.00
Surplus increased over.... 100,000.00

HIGH-GRADE MANAGERS AND
AGENTS WANTED.
ATTRACTIVE POLICIES.
DESIRABLE CONTRACTS.
WILL ENTER NEW TERRITORY.

Address,
CHARLES M. TURNER,
General Manager,
Marquette Building, CHICAGO, ILL.

Organized 1871

Life Ins. Co. of Virginia

Home Office, Richmond, Virginia.

J. G. WALKER, President.
T. W. PEMBERTON, 1st Vice-President.
W. L. T. ROGERSON, 2d Vice-President.
E. D. HARRIS, Secretary.

The OLDEST Southern Life Insurance
Company.
The LARGEST and STRONGEST South-
ern Life Insurance Company.
The PIONEER Southern Industrial Life
Insurance Company.
Its policies are clear and definite in
their provisions and their values are ab-
solutely guaranteed.

Assets Dec. 31, 1909..... \$5,372,691.99
Liabilities Dec. 31, 1909..... 4,312,405.32
Insurance in Force Dec. 31,
1909 68,337,613.00
Total Payments to Policy-
holders since Organization 9,820,412.49

OUR BOND—YOUR SECURITY.

T. J. FALVEY, JOHN T. BURNETT,
President. Sec'y & Treasurer.



Massachusetts
Bonding and
Insurance Co.

Organized under
the Laws of the
Commonwealth of
Massachusetts.

Home Office, 77-81 State Street, Boston.
Capital\$500,000.00
Surplus\$250,000.00
SURETY BONDS and BURGLARY and
THEFT INSURANCE.

Royal Exchange Assurance OF LONDON.

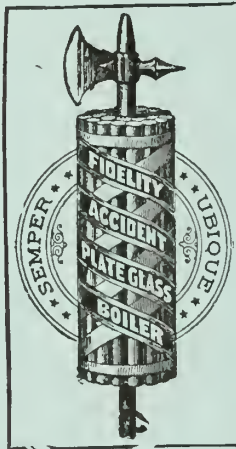
Incorporated by Royal Charter A.D. 1720.

UNITED STATES OFFICE:

92 William Street New York City

UBERTO C. CROSBY, General Manager.

RICHARD D. HARVEY, Assistant General Manager.



THE FIDELITY & CASUALTY COMPANY

97 TO 103 CEDAR ST., NEW YORK CITY.

ASSETS - \$9,598,924.02
Cap. & Surplus \$3,564,229.90
LOSSES PAID \$31,636,503.21
to Jan. 1, 1909.

This Company grants Insurances as follows:

Bonds of Suretyship for Persons in
Positions of Trust, Fidelity Bonds,
Burglary, Plate Glass, Steam Boiler,
Fly Wheel, Employers, Public, Teams,
Workmen's Collective, Elevator and
General Liability; Personal Accident,
Health and Physicians' Liability

OFFICERS:

GEORGE F. SEWARD, President.

Robert J. Hillas, V.-P. & Sec'y. Henry Crossley, Ass't Sec'y.
Frank E. Law, 2d Ass't Sec'y. George W. Allen, 3d Ass't Sec'y.

CLAIMS PAID OVER \$11,300,000. CASH CAPITAL \$500,000.00. RESERVE—SURPLUS—POLICY HOLDERS OVER \$3,200,000.

All forms of Accident, Sickness, Industrial and Liability Insurance

STANDARD

Accident Insurance Co.

OF

Detroit, Michigan.

Lem W. Bowen, Pres. E. A. Leonard, Sec.

Metropolitan Department,

C. A. TIMEWELL, Manager,

92 William St.,

New York City.

The Chronicle.

1866

Published by THE CHRONICLE COMPANY, Ltd., 90 William St., New York City.

1910

VOLUME LXXXV.

New York, May 26, 1910.

NUMBER 21

The only Company in the World that



**"Insures Lives
and Guards
Them Against
Disease."**

E. E. RITTENHOUSE,
President

AGENTS WANTED

PROVIDENT SAVINGS LIFE
ASSURANCE SOCIETY,
35 Nassau Street, - New York.

BONDS--CASUALTY

**AGENTS
IF
YOU** { Can Command Bond or Casualty business
Are seeking an Agency connection
Are not representing another like Company

ADDRESS, AGENCY DEPARTMENT,

The Empire State Surety Co.
NEW YORK

The Northwestern Mutual Life Insurance Co. of Milwaukee

GEO. C. MARKHAM, President
A. S. HATHAWAY, Secretary



New Business Paid-For

1905		\$ 90,334,038
1906		93,563,452
1907		102,233,634
1908		109,685,428
1909		113,716,188

Each year larger than any in the previous
history of the Company:

Commenced Business 1858

INSURANCE MEN will note the significant in-
crease in The Northwestern's new business dur-
ing the past five years.

IMPORTANT FACTS relating to this business
are shown by the following percentages:

	Expenses	Mortality	Interest
1905	12.15	67	4.73
1906	11.76	59	4.72
1907	11.81	58	4.76
1908	10.76	59	4.84
1909	10.63	54	4.85

It is capable of easy demonstration that The North-
western is the best Company to insure in.

See The Northwestern's new (1910) policy con-
tract with its Dividend Options, Paid-up and Endow-
ment Options, Options of Settlement and the Premium
Loan Features.

Issues Partnership and Corporation Insurance.
For further information or an Agency, address

H. F. NORRIS,
Superintendent of Agencies.

EDITION ALMOST EXHAUSTED

SAVES TIME AND LABOR

Various Derived Tables

AMERICAN EXPERIENCE

3 and 3½%

BY

MILES M. DAWSON

TABLE OF CONTENTS.

Single Premiums, Pure Endowment.

Accumulations, Pure Endowment.

Forborne Immediate Annuities.

Accumulated Temporary Insurances.

Accumulated Increasing Insurance.

Single Premiums Endowment Insurance.

Single Premiums Temporary Insurance.

Immediate Temporary Annuities.

Valuation Columns.

SELECT AND ULTIMATE VALUES.

Single Premiums, Whole Life.

Life Annuities.

Terminal Reserves, Life, Limited Payment, Endowment.

Mean Reserves, Life, Limited Payment, Endowment.

LOGARITHMS, SEVEN PLACES.

Forborne Immediate Annuities.

Curtate Summations of D Column.

Immediate Temporary Annuities.

USES.

Computing Annual Term Insurance Premiums:

Divide temporary insurance values by immediate temporary annuities.

Computing Annual Endowment Insurance Premiums:

Divide endowment insurance values by immediate temporary annuities.

Computing Annual Pure Endowment Premiums:

Divide pure endowment values by immediate temporary annuities or take reciprocals of forborne immediate annuities.

By these means, the net extra premium for a special guaranty can be quickly and accurately computed.

Computing Annual Semi or Double Endowment Premiums:

Add temporary insurance and pure endowment values for proper amounts and divide by immediate temporary annuity.

Computing Limited Premiums:

Divide the proper single premiums by immediate temporary annuity.

Computing Surrender Values:

Extended Insurance. Find the temporary insurance value next lower than the sum to purchase extension. This gives even number of years. Apply remainder to pay for additional days according to daily differences in the table.

Extended Insurance with Fractional Paid-up Endowment:

Deduct from purchase money, value of insurance for unexpired term; multiply remainder by accumulation, pure endowment, to get amount of endowment.

Computing Terminal Reserves:

Unvarying Benefits. Multiply net premiums by forborne immediate annuity and deduct accumulated temporary insurance.

Return Premium, Full Reserve. Multiply net premium by forborne immediate annuity and deduct accumulated temporary insurance and accumulated increasing insurance, multiplied by gross premiums to be reduced.

Return Premium, Extra Reserve. Multiply net extra premiums by forborne immediate annuity and deduct accumulated increasing insurance, multiplied by gross premiums to be returned.

Warranted Commissions for New Business.

Surrender Values.

Dividends.

For these purposes the "select and ultimate" will be most useful.

SEND ALL ORDERS TO

THE CHRONICLE CO. (Ltd.)

90 William Street, New York

The Chronicle

VOLUME LXXXV.

NEW YORK, THURSDAY, MAY 26, 1910.

NUMBER 21

MILES M. DAWSON, President.
R. B. Dawson, Treasurer. Chas. D. O'Brien, Secretary.
Emil Schwab, Manager New England Department,
178 Devonshire Street, Boston, Mass.

All communications should be addressed to and remittances should be made to The Chronicle Company, Limited.
Entered at the Post Office, New York, N. Y., as Second Class Mail Matter.

PUBLISHED EVERY THURSDAY BY
THE CHRONICLE COMPANY, Limited.
No. 90 WILLIAM ST., NEW YORK.
Phone "567 John." Cable Address, "Chronogram," New York.

Subscription Price:
Three Dollars a Year. Single Copies, Twenty-five Cents.
Postage Prepaid in the United States and Canada.

Meeting of the Actuarial Society.

The May meeting of the Actuarial Society of America convened at the Hotel Astor on Thursday of last week, Vice-President A. H. Welch in the chair, owing to the illness of President John K. Gore.

Of all the subjects under consideration the new Medico-Actuarial Mortality Investigation, now being undertaken under the joint supervision of committees of the Actuarial Society and of the Medical Directors' Association naturally came in for the most attention. The discussion of the proposed "Rules and Instructions," a copy of which was supplied each member, was made a special order for Friday; and on Thursday two papers upon the use of perforated cards were read, each being very evidently called forth by the investigation, viz:

The Hollerith Machine Method.

Method of Making Mortality Investigations by Means of Perforated Cards, Sorting and Tabulating Machines, with Special Reference to the Medico-Actuarial Mortality Investigation—Arthur Hunter, actuary of the New York Life.

"Some Uses for the Hollerith Machines"—Henry N. Kaufman, assistant actuary of the Phoenix Mutual Life.

Mr. Kaufman says that "as a rule the punching can be done about seven times as fast as writing," i. e., at the rate of from 2,000 to 3,000 a day as compared with 300 to 400. He also says that sorting can be done, "one column at a time, at a speed of from 250 to 270 per minute." The counting is done by a tabulating machine operating also very rapidly.

Mr. Kaufman's paper omits a de-

scription of the use of these machines in mortality investigations and devotes himself to showing how they may be employed for office and book-keeping purposes. The following sample cards are given, with full explanations:

New Business Card.
Dividend Card.
Dividend Addition Card.
Seriatim Valuation Card.
Deferred Premium Card.
Policy Loan Card.

Mr. Hunter's paper deals with the methods of punching cards, sorting and tabulating which the joint committee will use in the investigation.

What the Joint Committee Will Investigate.

The joint committee will investigate:

1. Standard weights and heights.
2. Mortality of lives of various "builds," i. e., of "standards," "overweights" and "underweights."
3. Mortality in each of 76 different sorts of "Medical Impairment," including "family history."
4. Mortality in each of 68 different occupations.

Information is also sought as to 23 other medical impairments and 40 other occupations, which are not at present to be investigated.

Information is also sought as to residence; but, except as to a "malaria" group of impairments, no immediate use of the same is contemplated.

Causes of death are also to be investigated.

The entire investigation is supplementary to the "Specialized Mortality Investigation" of several years ago.

The Travelers Experience.

"Life Experience of the Travelers

Insurance Company," as bearing upon the effects of residence upon the mortality, the following from "Life Experience of the Travelers Insurance Company," read by H. J. Messenger, is interesting:

A study of the Travelers experience with special reference to the general improvement in the mortality rate in connection with the results in different sections of the country convinces me that insisting upon the urinalysis and inspection report and a competent medical examiner and an agent who realizes that in the long run it is against his own interest to work off a bad risk on the company has much more to do with the determination of the mortality rate than climatic or sanitary conditions. This is the only way in which I can explain the fact that the Travelers experience, issue of 1866 to 1904 inclusive, risk of 1897 to 1904 inclusive, showed a mortality rate in Louisiana of 83 by numbers and 93 by amounts; in Alabama 93 by numbers and 92 by amounts; in North Carolina 83 by numbers and 82 by amounts; while in Georgia the mortality rate was 111 by numbers and 131 by amounts—and most of our Georgia business was obtained from Atlanta and vicinity, which from a climatic and sanitary standpoint, was supposed to be the most desirable part of the State.

Mr. Messenger furnishes twenty-three instructive tables, deduced from the company's experience and illustrating various phases of it. Some of the most interesting facts brought out are:

Range of the Mortality.

The annual mortality, by numbers, has varied in the last twelve years from a minimum of 69.2 per cent. of the expected by the American experience tables to 83.9 per cent. and, by amounts, from 69.1 per cent. to 96.5 per cent.—a range wide enough, despite the large volume of business, to

indicate the perils surrounding a young and small company.

For the 43 years, 1866 to 1908, inclusive, the experience, by numbers, has been 76.2 per cent., and, by amounts, 82 per cent. The largest in the company's history, by numbers, was 1883, 100.8 per cent.; but, by amounts, there has been an excess in 14 different years, the last being 1893.

Arranged on a Select Basis.

The table, giving the mortality by years of exposure, shows lower mortality, by numbers, until the 19th year, and, by amounts, until the 13th year. In view of the "select and ultimate" ratios of mortality salvage, assumed in sections 84 and 97 of the insurance laws of New York, the following is interesting:

Year of Exposure.	Travelers' Experience By Numbers.	Experience By Amounts.	Select and Ultimate.
1	.401	.369	.500
2	.556	.531	.650
3	.607	.741	.750
4	.689	.668	.850
5	.668	.719	.950
6	.664	.641	1.000
7	.820	.918	1.000
8	.865	.950	1.000
9	.769	.758	1.000
10	.748	.788	1.000

The following ratios by five-year periods are also instructive:

Age at Issuc.	Travelers' Experience.				By Amounts.			
	By Numbers.							
	1-5 Yrs.	6-10 Yrs.	11-15 Yrs.		1-5 Yrs.	6-10 Yrs.	11-15 Yrs.	
Under 20	.481	.450	1.000		.503	.472	1.536	
20-24	.460	.699	.457		.483	.954	.422	
25-29	.509	.554	.612		.526	.610	.738	
30-34	.471	.589	.629		.390	.624	.655	
35-39	.510	.698	.810		.484	.847	1.129	
40-44	.550	.793	.919		.638	.796	1.226	
45-49	.748	.839	1.054		.780	.714	1.097	
50-54	.905	.984	1.033		.878	.927	.926	
55-59	.853	1.211	1.033		.825	1.146	.988	
60-64	.953	.978	1.073		.796	.845	.868	
65-69	.571	.739	.667		.991	.872	.536	
All Ages	.593	.771	.825		.621	.809	.963	

Defect of American Experience Table Shown.

Mr. Messenger remarks "that these tables clearly shows that there is very little gain from mortality on a risk after it has attained age 50, whatever the age at issue." In other words, the well-known defect of the American Experience table as representing the mortality between age 50 and age 70 is again shown; which fact so shown no doubt, largely accounts for Mr. Messenger's reading at the meeting a statement that the officers of the Travelers are of the opinion that steps should be taken to enable an investigation of standard, as well as of specialized, mortality.

Mr. Messenger finds that "the mortality gains are almost wholly in the first ten years and that eliminating the first ten years of exposure the resulting mortality rate is about 88

per cent. by numbers and about 98 by amounts."

Reinstatement of Impaired Risks.

Henry Moir read a paper on "Reinstatement of Policy on Impaired Risk Holding Extended Term Insurance," in which the problem is put thus:

If a policy on an impaired risk were reinstated in exactly the form previously held, the insured would be enabled to carry the insurance for a year or two and then take extended insurance for a longer term. This means that under the guise of reinstatement the insured could get a longer term of protection at the cheapest rates. On the theory that the company must be protected this leads to the conclusion that all applications for reinstatement by impaired risks with only a short term to run should be at least modified by excluding the extension feature from the reinstated policy.

The following kinds of impairment are instanced:

(1) The cause of impairment may involve an immediate risk which is not likely to become greater or less with advancing years.

(2) In case the insured may have adopted a hazardous occupation the immediate risk may be constant, but there may be a likelihood of retirement from the occupation; and the question of reinstatement would de-

pend chiefly upon the period of extension.

(3) The insured may have very recently undergone an operation like that for appendicitis—there may still be considerable risk, yet if he survives a year he is likely to be in as good health as any average applicant. In such circumstances, even if the extension period were brief, the reinstatement would be permitted.

(4) In other cases the impairment is likely to be of an increasing nature with advancing years, such as an attack of gout, a slight heart murmur, or a tendency to obesity; in such cases I would suppose that even if the period of unexpired extension covered several years a reinstatement of the policy would be avoided.

(5) Then again we may have a hump in the mortality curve, the most familiar instance of which occurs in female mortality between the ages of 40 and 50. After the period of impairment is passed, the life is actually better than the average life of the attained age.

Valuable Footnote on Individual Reserves.

Mr. Moir's method consists in comparing the true value of the extended insurance upon the impaired life with the true reserve upon reinstated policy, which he calls the "available value," and concerning which he appends the following valuable footnote concerning individual reserves:

It has been suggested that the "amount available" from the existing term extension cannot exceed the reserve; but this theory only holds from the narrow viewpoint of reserve being a fixed mathematical quantity. In the absence of more exact knowledge the reserve is the mathematical quantity which in the case of a whole life policy we represent by avx ; but with more exact information the true reserves become greater or less, according to the impairment of one life, or the vitality of another. So long as we do not know that a man is dead we carry the average reserve avx ; but immediately we learn of the death we treat the sum impaired as the liability. In like manner when we know for certain that a life is impaired, the true reserve changes to that indicated above.

"The Rate of Cessation and Valuation of Renewal Commissions."

P. C. H. Papps, actuary of the Mutual Benefit Life Insurance Company, read a paper, discussing the application of rates of cessation in the commutation of renewal commissions. For this purpose he investigated the rate of cessation, from all causes, in the Mutual Benefit, of policies issued from 1895 to 1907, inclusive, during the years 1903 to 1907. The following are the ungraduated rates of cessation:

Year.	Rate.
0	.157851
1	.074407
2	.056562
3	.036760
4	.026241
5	.025249
6	.022165
7	.017347
8	.014713
9	.014039

Values at 5 Per Cent.

The following table, computed at 5

SPECIAL OPPORTUNITIES offered now in Southern States to Representatives of

**CITIZENS
LIFE
INSURANCE
CO.**

W. H. GREGORY,
President.

per cent. interest, represents the adjusted present values, by these rates of cessation, of a renewal commission of one dollar per annum, payable originally for a term of from one to nine years, with from one to nine years to run:

Term of Renewals.									
Years To Run.	9 Yrs.	8 Yrs.	7 Yrs.	6 Yrs.	5 Yrs.	4 Yrs.	3 Yrs.	2 Yrs.	1 Yr.
9	\$5.8175								
8	5.5995	\$5.3371							
7	5.2193	5.0545	\$4.8256						
6	4.7043	4.6140	4.4741	\$4.2800					
5	4.0887	4.0428	3.9604	3.8553	\$3.6971				
4	3.3959	3.3731	3.3383	3.2820	3.1940	\$3.0727			
3	2.6377	2.6205	2.6110	2.5870	2.5476	2.4857	\$2.4014		
2	1.8184	1.8136	1.8072	1.7984	1.7843	1.7608	1.7241	\$1.6752	
1	.9390	.9378	.9359	.9335	.9301	.9245	.9150	.9003	\$.8815

Compared with Other Rates of Cessation.

These, of course, are present values at the beginning of the year. Mr. Papps gives warning that rates of cessation may be widely different in different periods and also that they differ widely in different companies, so that the usefulness of these ratios and values is necessarily restricted. He compares various rates of cessation after the year of issue as follows:

Mutual Benefit. Policy Year Experiences. Calendar Year Experiences.

During Policy Year.	% Ungraduated.	% Graduated.	% Canada Life.	% Conn. Mutual.	OM %	% Mutual Life.	% 30 American Offices.	% A. M. P. (1888).	HM %
1	7.44	7.44	14.53	15.42	7.16	10.45	18.77	13.91	7.43
2	5.66	5.46	7.04	10.46	5.45	7.40	11.11	4.56	5.62
3	3.68	3.93	5.29	8.93	4.44	5.52	9.24	2.93	5.05
4	2.62	2.93	3.80	8.17	3.72	4.62	7.90	2.97	4.41
5	2.52	2.34	4.28	6.59	3.35	4.20	7.10	2.97	4.08
6	2.22	1.98	3.55	5.65	3.12	3.58	6.10	3.01	3.68
7	1.73	1.73	3.33	5.30	2.93	4.80	6.50	2.99	4.97
8	1.47	1.53	2.97	4.74	2.80	3.08	4.63	2.83	3.26
9	1.40	1.40	2.42	4.38	2.65	3.18	4.09	2.78	3.01

And adds the following:

This table is self-explanatory, and in view of the comparisons there shown, it seems well to repeat the warning given at the commencement of this paper, namely, that when called upon to ascertain the commuted value of renewal commissions, great care should be taken to use a rate of cessation which is likely to be experienced in the future. The annuity values shown in Table H should not, therefore, be used unless it may be fairly assumed that the rates of cessation likely to be experienced will be not in excess of those experienced by the Mutual Benefit in the years 1903 to 1907. It is not to be understood that the values given are those which are necessarily used by the Mutual Benefit. They serve only as a basis, and are to be modified for individual cases.

"Total and Permanent Disability Provision in Connection with Life Insurance Plans."

Franklin B. Mead, actuary of the Michigan State Life Insurance Com-

pany, of Detroit, whose valuable paper on provisions for total and permanent disability, read before the American Life Convention in 1909, was extensively reviewed in "The Chronicle," contributed a paper on the same sub-

ject, which will be given liberal space in next week's "Chronicle."

INSURANCE FRAUDS CHARGED.

Under the above caption the daily press of the 24th inst., states that fifty witnesses from various sections of the State of Illinois have been summoned to appear before a Rock Island County Grand Jury for the 26th inst. to

prominence of the men involved are certain to make the revelations of national importance," the result will be awaited with interest, inasmuch as Mr. Magill promises to probe the matter to the bottom and says "that political influence will be of no avail."

VOORHEES INDICTMENT DISMISSED.

The remarkable indictments, on the ground of perjury, found by the Grand Jury under the administration of former District Attorney Jerome against Hon. Foster M. Voorhees, former governor of New Jersey, and Frank T. Combes, for statements made as president and secretary, respectively, of the Bankers Life Insurance Company, of New York, were dismissed by Supreme Court Justice Fitzgerald on Tuesday of this week, at the request of District Attorney Whitman.

These indictments were found on the ground that the annual statements of the company for several years were false, in that certain items of surplus, kept in open account according to the terms of the policies, should have been charged as a liability instead of as surplus.

T	H	E
PROVIDENT		
LIFE AND TRUST COMPANY		
OF PHILADELPHIA		
Insurance in Force, \$214,509,255.00 (Paid for Basis)		
Assets \$70,514,350.45 (Market Value, Dec. 31, 1909)		
Contingency Reserve . \$9,207,276.38 (Inclusive of Capital Stock, \$1,000,000.)		
The Provident has been particularly distinguished for the development of a highly trained force of agents. The systematic instruction which its agents receive has resulted in their being recognized as representatives of exceptional knowledge of the business and of marked efficiency.		

give testimony relative to the affairs of several fraternal insurance companies. Two are named, the Fraternal Tribunes, of Rock Island, and the American Home Circle, of Springfield, Ill. The former company recently has quit the insurance field. The methods employed, if correctly reported, are rather crude and very bold; it being charged that death claims have been twice paid, once to the rightful payee and again to a ring of officials, who so controlled affairs that such transactions might be possible. The amount involved is said to be upwards of \$200,000. It is also claimed that several politicians, well known thereabouts, and one Federal official are involved in the deal. No names are given.

As U. S. Attorney Magill, of Rock Island County, says: "That the frauds to be there disclosed and the

THE UNION CENTRAL FINDINGS.

On May 17, 1910, the Circuit Court of Hamilton County made its findings of fact and conclusions of law in relation to the suit of Attorney General vs. Union Central, for the cancellation of the \$400,000 of stock dividends declared by that company on June 16, 1908, the issues regarding which the court had decided some weeks ago, handing down an opinion, the principal points of which were fully set forth in "The Chronicle" at that time. The entry of these findings of fact and conclusions of law and judgment is necessary in order to perfect the record for an appeal which has been taken by the Attorney General.

The facts found are the following:

First—The incorporation of the company, and the adoption of by-laws, among which latter were the provisions that the capital authorized of \$500,000 should be limited to \$100,000 "until otherwise voted by the majority of the holders of the stock," the provision for a semi-annual dividend at 5 per cent, and that "the only other dividends that may be made to stockholders shall consist of the profit derived from policies issued without profits to the policyholders."

As to Representations Made.

Second—That it was sometimes represented by companies, officers and agents, including its president and secretary, to "prospective policyholders that the surplus fund was a fund for the benefit of its policyholders," and also to insurance superintendents and commissioners that "said fund was a fund for the benefit of policyholders," and that some of these representations were made only as a matter of individual opinion touching the legal rights of policyholders, while the most of them were made as existing facts; that no other statements were made regarding the matter and "that no action was ever taken by the stockholders or directors of defendant, authorizing, approving or repudiating such representations," while all the participating policies provided that they were entitled to receive "an equitable proportion of the surplus as apportioned by the company."

More Than \$400,000 Derived From Non-Participating.

Third—That up to January 1, 1908, the company "made no separation of its receipts and expenditures, profits and losses as they pertained to participating and non-participating policies," and that on December 31, 1907, the company possessed a surplus of \$2,422,184.25, "of which a sum largely

in excess of \$400,000 was derived from non-participating policies."

Fourth—"The surplus derived from the non-participating business of the defendant for the years 1908 and 1909 was in excess of \$400,000."

Fifth—The provisions relative to the issue of the new stock and the declaration of the dividend be applied to the purchase of the same.

Sixth—That the company declared dividends to participating policyholders without having any special surplus set aside for the benefit of the participating policyholders, or any other surplus whatever than the general surplus contributed to by both participating and non-participating policyholders, and that the same was true concerning dividends to stockholders, and that no dividends to stockholders were paid prior to June 16, 1908, "other than the semi-annual dividends of 5 per cent. specified in the by-laws of the corporation."

Seventh—That the new certificates of stock were issued as fully paid for "and held in trust for the benefit of the stockholders pro rata," and "that the said stockholders have been credited on the books of the company with dividends so issued at the rate of 5 per cent. semi-annually."

Conclusions of Law.

The following are the conclusions of law:

1. That said issue of \$400,000 of capital stock was lawful.
2. That the defendant was entitled to apply towards the payment of said stock \$400,000 out of the surplus on hand on December 31, 1907, theretofore derived from non-participating business.
3. That the defendant is not estopped from issuing said stock and applying said surplus from non-participating business in payment thereof.
4. The relator is not entitled to the relief prayed.

To all of which the relator excepts. Doubtless the Attorney General, upon appeal, will endeavor to have a review of the correctness of some

of these findings of fact which have been earnestly disputed by him, as well as by some of the conclusions of law.

It is to be observed that the conclusions of law do not go so far by any means as to the opinion of the court, filed at the time the court decided in favor of the company, but stopped short at holding that the company was "entitled to apply toward the payment of said stock \$400,000 out of the surplus on hand on December 31, 1907, theretofore derived from non-participating business"; whereas the opinion filed by the court seemed to indicate that the court was ready to find that the entire surplus of \$2,422,184.25 was the property of the company, and that the restrictions upon the use of the entire surplus to pay dividends to stockholders were void.

"THE COMPANY WITH THE PYRAMID"

40

CONSECUTIVE

YEARS

ASSETS & SURPLUS

1907	1,000,000.00
1908	1,100,000.00
1909	1,200,000.00
1910	1,300,000.00
1911	1,400,000.00
1912	1,500,000.00
1913	1,600,000.00
1914	1,700,000.00
1915	1,800,000.00
1916	1,900,000.00
1917	2,000,000.00
1918	2,100,000.00
1919	2,200,000.00
1920	2,300,000.00
1921	2,400,000.00
1922	2,500,000.00
1923	2,600,000.00
1924	2,700,000.00
1925	2,800,000.00
1926	2,900,000.00
1927	3,000,000.00
1928	3,100,000.00
1929	3,200,000.00
1930	3,300,000.00
1931	3,400,000.00
1932	3,500,000.00
1933	3,600,000.00
1934	3,700,000.00
1935	3,800,000.00
1936	3,900,000.00
1937	4,000,000.00
1938	4,100,000.00
1939	4,200,000.00
1940	4,300,000.00
1941	4,400,000.00
1942	4,500,000.00
1943	4,600,000.00
1944	4,700,000.00
1945	4,800,000.00
1946	4,900,000.00
1947	5,000,000.00
1948	5,100,000.00
1949	5,200,000.00
1950	5,300,000.00
1951	5,400,000.00
1952	5,500,000.00
1953	5,600,000.00
1954	5,700,000.00
1955	5,800,000.00
1956	5,900,000.00
1957	6,000,000.00
1958	6,100,000.00
1959	6,200,000.00
1960	6,300,000.00
1961	6,400,000.00
1962	6,500,000.00
1963	6,600,000.00
1964	6,700,000.00
1965	6,800,000.00
1966	6,900,000.00
1967	7,000,000.00
1968	7,100,000.00
1969	7,200,000.00
1970	7,300,000.00
1971	7,400,000.00
1972	7,500,000.00
1973	7,600,000.00
1974	7,700,000.00
1975	7,800,000.00
1976	7,900,000.00
1977	8,000,000.00
1978	8,100,000.00
1979	8,200,000.00
1980	8,300,000.00
1981	8,400,000.00
1982	8,500,000.00
1983	8,600,000.00
1984	8,700,000.00
1985	8,800,000.00
1986	8,900,000.00
1987	9,000,000.00
1988	9,100,000.00
1989	9,200,000.00
1990	9,300,000.00
1991	9,400,000.00
1992	9,500,000.00
1993	9,600,000.00
1994	9,700,000.00
1995	9,800,000.00
1996	9,900,000.00
1997	10,000,000.00
1998	10,100,000.00
1999	10,200,000.00
2000	10,300,000.00
2001	10,400,000.00
2002	10,500,000.00
2003	10,600,000.00
2004	10,700,000.00
2005	10,800,000.00
2006	10,900,000.00
2007	11,000,000.00
2008	11,100,000.00
2009	11,200,000.00
2010	11,300,000.00
2011	11,400,000.00
2012	11,500,000.00
2013	11,600,000.00
2014	11,700,000.00
2015	11,800,000.00
2016	11,900,000.00
2017	12,000,000.00
2018	12,100,000.00
2019	12,200,000.00
2020	12,300,000.00
2021	12,400,000.00
2022	12,500,000.00
2023	12,600,000.00
2024	12,700,000.00
2025	12,800,000.00
2026	12,900,000.00
2027	13,000,000.00
2028	13,100,000.00
2029	13,200,000.00
2030	13,300,000.00
2031	13,400,000.00
2032	13,500,000.00
2033	13,600,000.00
2034	13,700,000.00
2035	13,800,000.00
2036	13,900,000.00
2037	14,000,000.00
2038	14,100,000.00
2039	14,200,000.00
2040	14,300,000.00
2041	14,400,000.00
2042	14,500,000.00
2043	14,600,000.00
2044	14,700,000.00
2045	14,800,000.00
2046	14,900,000.00
2047	15,000,000.00
2048	15,100,000.00
2049	15,200,000.00
2050	15,300,000.00
2051	15,400,000.00
2052	15,500,000.00
2053	15,600,000.00
2054	15,700,000.00
2055	15,800,000.00
2056	15,900,000.00
2057	16,000,000.00
2058	16,100,000.00
2059	16,200,000.00
2060	16,300,000.00
2061	16,400,000.00
2062	16,500,000.00
2063	16,600,000.00
2064	16,700,000.00
2065	16,800,000.00
2066	16,900,000.00
2067	17,000,000.00
2068	17,100,000.00
2069	17,200,000.00
2070	17,300,000.00
2071	17,400,000.00
2072	17,500,000.00
2073	17,600,000.00
2074	17,700,000.00
2075	17,800,000.00
2076	17,900,000.00
2077	18,000,000.00
2078	18,100,000.00
2079	18,200,000.00
2080	18,300,000.00
2081	18,400,000.00
2082	18,500,000.00
2083	18,600,000.00
2084	18,700,000.00
2085	18,800,000.00
2086	18,900,000.00
2087	19,000,000.00
2088	19,100,000.00
2089	19,200,000.00
2090	19,300,000.00
2091	19,400,000.00
2092	19,500,000.00
2093	19,600,000.00
2094	19,700,000.00
2095	19,800,000.00
2096	19,900,000.00
2097	20,000,000.00
2098	20,100,000.00
2099	20,200,000.00
2100	20,300,000.00
2101	20,400,000.00
2102	20,500,000.00
2103	20,600,000.00
2104	20,700,000.00
2105	20,800,000.00
2106	20,900,000.00
2107	21,000,000.00
2108	21,100,000.00
2109	21,200,000.00
2110	21,300,000.00
2111	21,400,000.00
2112	21,500,000.00
2113	21,600,000.00
2114	21,700,000.00
2115	21,800,000.00
2116	21,900,000.00
2117	22,000,000.00
2118	22,100,000.00
2119	22,200,000.00
2120	22,300,000.00
2121	22,400,000.00
2122	22,500,000.00
2123	22,600,000.00
2124	22,700,000.00
2125	22,800,000.00
2126	22,900,000.00
2127	23,000,000.00
2128	23,100,000.00
2129	23,200,000.00
2130	23,300,000.00
2131	23,400,000.00
2132	23,500,000.00
2133	23,600,000.00
2134	23,700,000.00
2135	23,800,000.00
2136	23,900,000.00
2137	24,000,000.00
2138	24,100,000.00
2139	24,200,000.00
2140	24,300,000.00
2141	24,400,000.00
2142	24,500,000.00
2143	24,600,000.00
2144	24,700,000.00
2145	24,800,000.00
2146	24,900,000.00
2147	25,000,000.00
2148	25,100,000.00
2149	25,200,000.00
2150	25,300,000.00
2151	25,400,000.00
2152	25,500,000.00
2153	25,600,000.00
2154	25,700,000.00
2155	25,800,000.00
2156	25,900,000.00
2157	26,000,000.00
2158	26,100,000.00
2159	26,200,000.00
2160	26,300,000.00
2161	26,400,000.00
2162	26,500,000.00
2163	26,600,000.00
2164	26,700,000.00
2165	26,800,000.00
2166	26,900,000.00
2167	27,000,000.00
2168	27,100,000.00
2169	27,200,000.00
2170	27,300,000.00
2171	27,400,000.00
2172	27,500,000.00
2173	27,600,000.00
2174	27,700,000.00
2175	27,800,000.00
2176	27,900,000.00
2177	28,000,000.00
2178	28,100,000.00
2179	28,200,000.00
2180	28,300,000.00
2181	28,400,000.00
2182	28,500,000.00
2183	28,600,000.00
2184	28,700,000.00
2185	28,800,000.00
2186	28,900,000.00
2187	29,000,000.00
2188	29,100,000.00
2189	29,200,000.00
2190	29,300,000.00
2191	29,400,000.00
2192	29,500,000.00
2193	29,600,000.00
2194	29,700,000.00
2195	29,800,000.00
2196	29,900,000.00
2197	30,000,000.00
2198	30,100,000.00
2199	30,200,000.00
2200	30,300,000.00
2201	30,400,000.00
2202	30,500,000.00
2203	30,600,000.00
2204	30,700,000.00
2205	30,800,000.00
2206	30,900,000.00
2207	31,000,000.00
2208	31,100,000.00
2209	31,200,000.00
2210	31,300,000.00
2211	31,400,000.00
2212	31,500,000.00
2213	31,600,000.00
2214	31,700,000.00
2215	31,800,000.00
2216	31,900,000.00
2217	32,000,000.00
2218	32,100,000.00
2219	32,200,000.00
2220	32,300,000.00
2221	32,400,000.00
2222	32,500,000.00
2223	32,600,000.00
2224	32,700,000.00
2225	32,800,000.00
2226	32,900,000.00
2227	33,000,000.00
2228	33,100,000.00
2229	33,200,000.00
2230	33,300,000.00

INDUSTRIAL INVESTIGATION INSISTED UPON.

The "graft investigation" bill, which has passed the Assembly, calls for investigating industrial insurance, as well as branches of insurance other than life. The Superintendent of Insurance, who has ample powers to make this investigation, and who recently showed his capacity for inquisition, had asked for a special appropriation of \$10,000, wherewith to make it, which request has been ignored. Instead, this was proposed to be added to the duties of a committee, already greatly overburdened with a general "graft" inquiry and impeded by unprecedented requirements of proceeding only upon formal charges, permitting all persons accused to be represented by counsel and listening to evidence adduced in rebuttal.

How It Looked to Governor Hughes.

Rightly or wrongly, Governor Hughes, Superintendent Hotchkiss and Senator Hinman appear to have come to the conclusion that the same was an ingenious attempt to sidetrack an effectual investigation of industrial insurance. Consequently Senator Hinman has insisted that this portion of the resolution be eliminated. For this, a certain newspaper agency has been circulating such stuff as the following:

Legislators are wondering what mysterious hold the Metropolitan Life and other industrial companies throughout the State have on Governor Hughes and his two leading satellites, Superintendent of Insurance William H. Hotchkiss and Senator Harvey D. Hinman.

From the beginning of his career as an insurance inquisitor, Governor Hughes has protected the industrial companies. As attorney for the Armstrong Insurance Committee, Charles E. Hughes declined to investigate the Metropolitan Life.

Hotchkiss, since he took office, has made an especial pet of industrial insurance, and has let those companies conspicuously alone while he exposed the graft and corruption in other branches.

Senator Hinman on the Bunco Game.

Senator Hinman accordingly rose in the Senate on Thursday of last week to a question of personal privilege, and, after saying that he favors real investigation of industrial insurance, affirmed that it would be impossible under this resolution, calling among other things for considering only charges "verified upon knowledge." Concerning such he said:

A member of the Senate not long ago verified a charge against another member on knowledge, and as a result was compelled to resign from the Senate. It is unlikely that this will prove an incentive to others to follow his

example. Knowledge of a corrupt act generally implies complicity.

His further remarks called a furore, especially the following:

The real story is this. A whole lot of stuff has been thrown in here as a subterfuge to blind the people. There is not a thing in the resolution that hasn't been monkeyed with. The whole thing bears the earmarks of fraudulent intent, and when I protest I am charged with conspiring with Governor Hughes and the Insurance Superintendent to protect an insurance company. I cannot permit this thing to go unanswered.

Passed Triumphantly, Notwithstanding.

The measure without the amendments has been passed by both houses, notwithstanding "The Chronicle" guesses that, when Governor Hughes' veto message shows up the fake, some legislators will be sorry they were born.

INSURANCE COURSES URGED.

The Association of Insurance Societies and Institutes, formed of delegates from the various societies and institutes throughout the country, held its first annual meeting in New York on Tuesday of this week, addresses being delivered by E. A. Law, of the Fire Insurance Society of Philadelphia; Herbert Folger, of the Fire Underwriters Association of the Pacific; E. R. Hardy, of the Insurance Society of New York; Louis A. Tanner, of the Fire Insurance Club of Chicago; D. N. Handy, of the Insurance Library Association of Boston, and L. N. Denniston, of the Insurance Institute of Hartford.

The paper by E. R. Hardy urged the establishment of courses on insurance, the same to cover at least three years, the first year to be devoted to mathematics, drawing, physics and chemistry; the second to physics, chemistry, mechanical drawing and accounting, and the third to physics, mechanical drawing and accounting, with a special reference

to the use of standard engineers' pocketbooks and technical insurance training. The physics, chemistry and engineering courses are upon fire-proofing, fire resistance and fire prevention, chiefly.

The suggestion was considered at this meeting, also, as to whether selected papers from those which have been represented during the year from the various societies and institutes should not be published in an annual volume, but no announcement was made.

THE BLUFF OF LIBEL SUITS.

The libel and damage suit of E. J. Summerhays against the "Western Underwriter" and Managing Editor Cartwright, has been dismissed by stipulation. This must not be interpreted as a confession on the part of Mr. Summerhays that he was not damaged or that he is in no immediate need of Mr. Cartwright's money. Neither can it be called a vindication of the "Western Underwriter" and Mr. Cartwright. In fact it proves nothing unless it be the evils of procrastination. Mr. Summerhays neglected to press his suit until it was too late for he is now in jail at Leavenworth, Kan., and Cartwright refused to wait.—The "Adjuster."

The Preferred
ACCIDENT INSURANCE COMPANY
of New York

SUPERIOR POLICIES

KIMBALL C. ATWOOD, President
290-292 Broadway, New York.

—THE— FIDELITY MUTUAL LIFE INSURANCE COMPANY OF PHILADELPHIA

Has some excellent Agency Positions

FOR INFORMATION APPLY TO

ALEXANDER McKNIGHT, Vice-President
L. G. FOUSE, President.

THE THINGS OF REAL INTEREST.

The Truly Important Portions of the Mutual Life Examination.

The Mutual Life Insurance Company, of New York, has printed the full report of the examiners of the New York Insurance Department, including Superintendent Hotchkiss' "publicity statement," and has sent it out, broadcast, with a very brief statement, concerning the three things, about which it was criticized, that pretty well demolishes every trace of them, if, indeed, they ever seemed to have any merit.

The important things, which a perusal of the report discloses, were mostly overlooked by the superintendent, in his publicity statement, as for instance:

Treating Old Policyholders Fairly.

The company began making loans to policyholders of every class at the time that it began to issue policies containing loan values, thereby extending the loan privilege to previous policyholders. They were granted on a basis of a cash surrender value at the due date of the note which, as a rule, corresponds with the due date of the next annual premium. Five per cent. interest is charged in all cases, generally payable in advance.

Fair to Deferred Dividend Policyholders.

In computing the deferred dividends, the company first accumulates the annual dividends which existing deferred dividend policies would have received in the various years of the dividend period, if they had been annual dividend policies. These accumulations are increased each year to the end of the dividend period at the various rates of interest used by the company in ascertaining its annual dividends. Second, the company accumulates at interest the annual dividends, which would have been allotted to deferred dividend policies had they been annual dividend contracts, which have terminated during their dividend period by death, surrender or lapse in the same way as in the first case. Two funds are therefore accumulated for the policies issued each year, known as accumulated annual dividend fund and the foreborne dividend fund. The first fund is distributed among the policies in accordance with their respective accumulations. The second, or foreborne fund, is distributed among the surviving policies in accordance with the risks of lapse and death for which they should be compensated. The risk of forfeiture by surrender of lapse is compensated for by using a constant factor applied to each policy's accumulated annual dividends. The risk of forfeiture by death is compensated for by a factor varying with the tabular mortality. The factors for the years 1906 to 1909 inclusive on twenty-year distribution policies, paying not less than twenty premiums, given in percentage of the accumulated annual dividends, are as follows;

the variable factor being given for ages 25 and 55:

Year.	Constant Factor.		Variable Factors.	
	Factor.	Age 25.	Age 55.	
1906...	25%	8.4672%	46.8018%	
1907...	20%	10.3488%	57.2022%	
1908...	19%	8.4672%	46.8018%	
1909...	21%	8.4672%	46.8018%	

We are satisfied that the method is fair as between policyholders.

Important Decreases of Outgo.

The following statements are also taken from the report:

Year.	Expenses.	Salaries.	Legal.	Legislative.	Supplies.
1904.....	\$15,720,901	\$1,469,033	\$284,280	.....	\$601,101
1905.....	14,370,440	1,542,609	228,188	.....	503,509
1906.....	9,930,252	1,265,318	100,196	\$21,027	144,866
1907.....	7,783,868	1,200,790	185,517	23,814	175,517
1908.....	7,451,187	1,195,943	69,313	7,614	150,099

Showing Decreases in Commission Rates.

Year.	First Year.	Renewal.
1904.....	71.49	3.84
1905.....	71.49	3.31
1906.....	75.74	2.49
1907.....	45.20	1.99
1908.....	42.50	1.65

Dividend Results.

The examiners' report also gave the following specimens of increases in rates of annual dividends and accumulations of deferred dividends, from 1905 to 1908, to which "The Chronicle" adds the figures for 1909 which were omitted, although the report is signed March 28, 1910:

ANNUAL DIVIDEND POLICIES.

Ordinary Life, Age 35.											
1905			1906			1907			1908		
Issued.	Prem.	Div.	Prem.	Div.	Prem.	Div.	Prem.	Div.	Prem.	Div.	Prem.
1890..	\$27.10	\$4.58	\$27.10	\$5.01	\$27.10	\$6.09	\$27.10	\$7.40	\$27.10	\$8.21	
1895..	27.10	3.55	27.10	3.98	27.10	4.98	27.10	6.24	27.10	7.04	
1900..	27.88	2.86	27.88	3.34	27.88	4.30	27.88	5.26	27.88	6.07	
1903..	27.88	2.39	27.88	2.86	27.88	3.64	27.88	4.53	27.88	5.33	

Twenty-Year Endowment, Age 35.											
1905			1906			1907			1908		
Issued.	Prem.	Div.	Prem.	Div.	Prem.	Div.	Prem.	Div.	Prem.	Div.	Prem.
1890..	\$50.90	\$7.27	\$50.90	\$7.96	\$50.90	\$10.04	\$50.90	\$12.94	\$50.90	\$14.35	
1895..	50.90	5.57	50.90	6.25	50.90	8.02	50.90	10.50	50.90	11.85	
1900..	52.13	4.77	52.13	5.60	52.13	7.27	52.13	9.13	52.13	10.54	
1903..	52.13	3.75	52.13	4.56	52.13	5.89	52.13	7.50	52.13	8.87	

TWENTY-YEAR DEFERRED DIVIDEND POLICIES.

Ordinary Life, Age 35.											
1905			1906			1907			1908		
Issued.	Prem.	Accum.	Prem.	Accum.	Prem.	Accum.	Prem.	Accum.	Prem.	Accum.	Prem.
1890..	\$27.10	\$100.71	\$27.10	\$109.85	\$27.10	\$120.55	\$27.10	\$133.26	\$27.10	\$147.33	
1895..	27.10	43.46	27.10	49.23	27.10	56.27	27.10	64.99	27.10	74.89	
1900..	27.88	15.16	27.88	19.12	27.88	24.22	27.88	30.55	27.88	37.96	
1903..	27.88	4.75	27.88	7.81	27.88	11.78	27.88	16.82	27.88	22.89	

Twenty-Year Endowment, Age 35.											
1905			1906			1907			1908		
Issued.	Prem.	Accum.	Prem.	Accum.	Prem.	Accum.	Prem.	Accum.	Prem.	Accum.	Prem.
1890..	\$50.90	\$162.39	\$50.90	\$177.01	\$50.90	\$194.49	\$50.90	\$215.98	\$50.90	\$239.84	
1895..	50.90	70.19	50.90	79.31	50.90	90.67	50.90	105.15	50.90	121.63	
1900..	52.13	24.46	52.13	31.07	52.13	39.64	52.13	50.52	52.13	63.28	
1903..	52.13	7.37	52.13	12.24	52.13	18.64	52.13	26.96	52.13	37.02	

These are but a few of the many records, contained in this report, of splendid achievement, unrivalled perhaps in the history of life insurance in any country, which were almost wholly overlooked in the "publicity statement," to call attention to three

alleged short-comings, but one of which—and that the least sensational—seems to have been borne out in any degree by the facts set forth.

THE CHICAGO CONVENTION.

The National Association of Local Fire Insurance Agents has fixed September 12, 13 and 14 as the date of its fifteenth annual convention, to be held in Chicago. This date, it is be-

lieved, will best accommodate the greatest number of agents, considering the fact that the delegates come from all parts of the country.

The Chicago board and the Illinois Association of Local Fire Insurance Agents are working together on the plans for the entertainment, while the officers of the National Association are busy formulating a program. The local details and arrangements are in the hands of Cyrus A. Hardy, M. L. C. Funkhouser and W. S. Herrick.

It is expected that the holding of the meeting at Chicago, the great

center of underwriting in the West, will bring out a large attendance. The reports to the convention this year will be extremely important, and all the subjects considered will be of the greatest concern to the business.

PROGRESSING SOME.

British Insurance Agents Pass Examination.

The "Association of Brokers and Agents," of Great Britain, is but three years old—much younger than similar organizations in this country. Yet in the president's opening address at the fourth annual meeting on May 11, the following was reported to the members, according to the "Post Magazine," of London:

Entrance Examination Foreshadowed.

Under their rules they had made very careful inquiries in connection with every application for membership, and in the future they would have to take even greater care, so that the public might know that in engaging an incorporated broker or agent they could rely upon his understanding the business which he undertook. Provision had been made that in 1912—or at an earlier date if the council thought fit—every applicant for membership must pass an examination.

To Be F. C. I. B.'s.

This idea was also followed up in the address, as follows:

Members might properly ask how they were to inform the public that they were members of the Corporation of Insurance Brokers and Agents. They would be entitled to describe themselves as "Incorporated Insurance Broker" or "Incorporated Insurance Agent." In addition they would be entitled to the use of certain initials after their name, according to the grade of membership to which they belonged. A broker established and carrying on business for five years would be entitled to call himself a Fellow, a broker of three years' standing an Associate, while agents would be called members. They would be able to use the initials F.C.I.B. and A., A.C.I.B. and A., or M.C.I.B. and A., standing respectively for Fellow, Associate or Member of the Corporation of Insurance Brokers and Agents. He sincerely hoped that this fresh start which the association was making would place the business of insurance broker and agent in a far higher position than ever before.

THE EMBARGO RAISED.

The State of New York has abandoned the attempt to limit the volume of business that life insurance companies may do in any one year, as fixed under the much discussed "Section 96" of the so-called Armstrong code of revised insurance laws. This abandonment is expressed in the repeal of the former law and the passage of a substitute act which makes the following provision as to the volume of insurance that may be written:

No domestic life insurance corporation shall issue in any year new policies for a larger amount in the aggregate than as follows, to wit: If the total amount of insurance by said cor-

poration in force on the thirty-first day of December of the preceding year is more than fifty million dollars, and not in excess of one hundred million dollars, not more than thirty per centum thereof; if more than one hundred million dollars, and not in excess of three hundred million dollars, not more than twenty-five per centum thereof, or thirty million dollars, whichever is the larger; if more than three hundred million dollars, and not in excess of six hundred million dollars, not more than twenty per centum thereof, or seventy-five million dollars, whichever is the larger; if more than six hundred million dollars, not more than one hundred and fifty million dollars, or it may increase its new business over the largest amount issued in any one of the three years immediately preceding in the proportion in respect to said amount which the difference between twenty-five per centum of its net renewal premiums computed according to the bases of mortality and interest assumed in calculating its liabilities, and its total expenses for such preceding year, after deducting from said total expenses (1) the items of first year expenditure specified in the first sentence of section ninety-seven of this chapter, (2) its actual investment expenses (not exceeding one-fourth of one per centum of the mean invested assets) and (3) taxes on real estate and other outlays exclusively in connection with real estate, bears to said net renewal premiums; provided, that in determining the amount of insurance in force and the amount of new insurance issued, industrial policies issued upon the weekly premium plan and all premiums on such policies and the expenses in connection with such policies, shall be excluded and there shall be included only that insurance upon which the first premium or instalment thereof has actually been received. A foreign life insurance corporation, which shall not conduct its business within the limitation and in accordance with the requirements imposed by this section upon domestic corporations, shall not be permitted to do business within this State.

The Eastern Union situation, as well as that of the Western Union, seems to hinge largely upon the fact that Evans is in Europe.

IN SUSPENSE.

The Eastern Union difficulties are not yet ended and the future cannot be safely predicted. The situation as it exists is so involved that everybody seems to be holding breath and walking on egg shells.

It was expected that the internal distress would have either a dose of paregoric or goat lymph at yesterday's session, but it seems that it was unfated. Next week may see action, and so it may be safe to hope that the stiff-necks may die or resign in the interim.

1860 50th YEAR 1910

HOME LIFE

Insurance Company of New York.

GEORGE E. IDE, President.

Assets	\$23,626,018.63
Liabilities	21,858,691.52
(Including Deferred Dividend Fund)	
Dividend Endowment Fund	
(Deferred Dividends)	2,119,044.00
Net Surplus	1,767,327.00
Insurance in Force	92,532,583.00

The record for 1909 shows the following GAINS:

Insurance in Force	\$4,164,239.00
Assets	1,917,117.00
Deferred Dividend Reserve	148,581.00
Contingency Reserve (Surplus)	655,149.17

Germania Fire

INSURANCE CO.,

NEW YORK.

ORGANIZED 1859.

Cash Capital	\$1,000,000.00
Assets	\$6,562,329.14
Net Surplus	\$2,008,419.02
Surplus for Policyholders	\$3,008,419.02

HEAD OFFICE:

Cor. William and Cedar Streets.

CHICAGO'S GREATEST COMPANY

ILLINOIS LIFE INSURANCE CO.

OLDEST IN CHICAGO

CHICAGO

LARGEST IN ILLINOIS

JAMES W. STEVENS, PRESIDENT

We Guarantee where others Promise

The year 1909 was the most successful in this company's already splendid record of successful years.

INSURANCE IN FORCE

FIFTY MILLION DOLLARS

IN NEW ENGLAND

DR. HALLEY, ASTRONOMER AND—ACTUARY; COMPILER OF THE BRESLAU TABLES.

During recent days, while the name of Dr. Halley and "his comet" was in everybody's mouth, a vague memory came to your correspondent of having read something to the effect that this eminent man of science was also a pioneer in the domain of actuarial knowledge. A Boston life insurance company courteously put its library at the disposal of the writer, who, after a brief search, succeeded in verifying his impression even more completely than he had dared to expect, in a work published in 1853, entitled "Annals, Anecdotes and Legends of Life Insurance." The author was John Francis, who also produced a "History of the Bank of England," and whose lively style of narration imparts interest to what, in the hands of many another, would have been a somewhat dry topic.

Dr. Halley, Author of Breslau Tables.

After showing how scanty, untrustworthy and fragmentary were the materials available for life insurance calculation towards the end of the seventeenth century, Mr. Francis says:

Such was the limited nature of the statistics of life when the Astronomer Royal Halley compiled those calculations which make his name honored by directors and actuaries. To him we owe the germ of all subsequent developments of this science, in that general formula for calculating the value of annuities which is yet regarded with so much respect.

Up to the period in which he lived—the latter half of the seventeenth century—the town of Breslau, in Silesia, was the only place which recorded the ages of its dead; and from these Halley drew a table of the probabilities of the duration of human life at every age. This was in 1693, and was the first table of the sort ever published. In it he taught, with great clearness and exactness, the conditions needful for the formation of rates of mortality; the manner of forming them with complete geometrical precision; of deducing a corresponding table of the present State and annual movement of the population; of reading in them the probability of survivorship of any person taken at random in a given society; of, in truth, concluding upon the probable duration of the co-existence of several individuals from the sole knowledge of their age. He also first developed the true method of calculating life annuities, taking for his guide the rate of mortality during five successive years in Breslau."

Francis also remarks on the foundation of the Amicable Life in 1706, and the curious table of rates which

it adopted. The entrance money, annual payment, and annual return were the same at all ages taken—from twelve to forty-five—and irrespective of the health or lack of health of the person insured. This extraordinary plan is commented upon by Mr. Francis in the following words:

It is said that the Amicable had no data; but Dr. Halley had already published his tables, and Vulture Hopkins, or Mr. Snow, the banker, or any money monger, would have taught the directors their error.

That the beginning of modern life insurance enlisted the interest of many of the shining lights of learning in the seventeenth and eighteenth centuries, is clearly shown by the researches of such men as Halley, Pascal, De Moivre, De Witt, Morgan, Huygens and others not instantly recalled.

Smoke Talk B. L. U. A.

The smoke talk of the Boston Life Underwriters Association at the City Club last Friday afternoon, attracted between fifty and sixty members, who listened to an interchange of ideas on "Business and Partnership Insurance," from Messrs. Haven, of the Phoenix Mutual; Voodry, of the Mutual Benefit, and F. W. Fuller, of Springfield, president Western Massachusetts Life Underwriters Association, who gave a particularly fine exposition of the intricacies of that branch of the business. A general discussion followed, in which Messrs. Flood, Lake and Gammons took part, and aided the purpose of the gathering, which closed the meetings of the association for this season.

New England Brevities.

Truly, time has worked wonders since the reign of George III. to the ascension of George V., witness the sympathy shown by New England for Old England in her sorrow. There were the flags at halfmast on the New England and the John Hancock Mutual buildings in Boston, the latter structure named after one upon whose head a price was set by the government of George III.

A press dispatch from Paris states that at the Academy of Science, Professor Armand Gautier has announced that Dr. Botrel had invented a process by which celluloid could be rendered practically inflammable. This, if true, will be of good news to the comb factories at Leominster, Mass., and the fire underwriters that take risks on them.

Jeremiah J. McCarthy, Mayor Fitzgerald's appointee for the fire commissionership of Boston, has failed of confirmation by the Civil Service

Commission. It is now reported that the mayor will remove Fire Commissioner Parker this week, and name some municipal department head as acting fire commissioner until a new man is approved by the Civil Service Commission.

At the fifth annual meeting of the Aetna Life Club in Hartford last week, A. Higgins, president of the City Bank Club of New York, gave a talk on the value of office clubs. B. B. Merrill was elected president of the Aetna Life Club, and J. L. Wiley secretary for the ensuing year. An outing is to take place at Compounce Pond June 18.

The bill sponsored by Representative Conway and providing for the establishment of a general old age pension system, has at the request of that gentleman, been referred by the Massachusetts House to the next general court.

Boston men were in evidence at the annual meeting of the Fire Underwriters Uniformity Association in Chicago last week, Gorham Dana being elected president, George H. Spooner secretary and E. A. Northey a member of the executive committee.

The territory in charge of T. K. Milne, manager for Vermont of the Fidelity Mutual Life, has been enlarged by the addition of Clinton, Franklin and Essex counties, in the State of New York.

The representation of the Eastern Fire of New Jersey for Metropolitan Boston has been conferred upon the firm of Jordan, Lovett & Co.

New England Mutual Life

Insurance Company

BOSTON, : : : MASS.
Chartered 1835

Assets, January 1, 1910..\$51,316,543.00
Liabilities 47,050,672.15
Surplus \$4,265,870.85

Sixty-six years of honorable dealing with its policyholders has placed the **NEW ENGLAND MUTUAL LIFE INSURANCE COMPANY** in the front rank of Life Insurance Companies of the Country.

ALFRED D. FOSTER, President.
D. F. APPEL, Vice-President.
J. A. BARBEY, Secretary.
WM. F. DAVIS, Assistant Sec'y.
J. G. WILDMAN, Assist. Sec'y

EDWARD W. ALLEN, Manager,
220 Broadway, New York.
LATHROPE BALDWIN, Manager,
141 Broadway New York.
CHARLES H. STRAUSS, Gen. Ag't.
200 Fifth Ave., New York.

A BABEL OF TONGUES.

Chicago, (Special.)—The Illinois Fire Insurance Commission held hearings in Chicago five days last week. Witnesses were of many classes—business men, Eastern company executives, Western managers, the secretary of the governing committee of the Western Union, the president of the Illinois State Board, and, most interesting of all, Superintendent Charles W. Barnes, of Kansas. Some were good witnesses and some were of little assistance in throwing light on underwriting questions. For example, a couple of business men from Joliet, Ill., appeared to complain of discrimination in rates against their city. Their lack of familiarity with rating made it impossible for them to show how Joliet is discriminated against. If their knowledge had been greater they probably would have withheld their complaints. J. Harry Selz, a Chicago shoe manufacturer, had a complaint to make, but it was aimed at the Illinois District Telegraph Company, rather than the insurance companies. His risk is sprinklered and he finds no fault with the rate itself. But in order to get full credit for the sprinkler system he has to have the supervisory alarm system, and he thinks the telegraph company's charge for this unreasonable.

An Odd Complaint.

Mr. Selz's chief complaint against the insurance business is that the insured cannot deal directly with the companies. Selz, Schwab & Co. carry \$4,000,000 of insurance, but they cannot buy it direct, as they can leather; they have to deal with a middleman and let him make a commission on it.

Was Anything Overlooked?

George H. Holt, president of the Policyholders Union of Chicago and prominent in the insurance committees of several commercial organizations, was very bitter in his arraignment of the way the business of fire insurance is conducted. He charged that the existing condition operates to perpetuate fire waste; that it is indefensible from the standpoint of public policy and commerce; that the attempt to maintain it drains the country of great sums of money; that it promotes excessive and uneconomical competition, relief rates, discriminatory rates, loss producing rates, rebates and extravagance of advertising, traveling, organization, junketing and twisting, which are not only an economic waste, but are frequently productive of criminal action; that it tends to maintain corrupt political

activity; that it operates as a gross injustice to individuals and localities, and upon the principle of exacting "all the traffic can stand."

Mr. Holt challenged the assertion that present rates are unprofitable and that there is no underwriting profit under them. He claimed to be able to prove by statistics that present rates produce an income greatly in excess of the needs of the business properly and economically administered; that it is waste of income by the companies that causes the apparent lack of income.

Fell Flat.

Mr. Holt's charges were the feature of the proceedings so far which received most attention from the newspapers. They were sensational and made good "copy," but it is doubtful if they made much of an impression on the commission. Mr. Holt knows very much more about insurance than does the average business man. He has some pronounced notions, as many men have who are not confronted with the problem of making dividends for their companies in the face of conditions that they know are bad but which they cannot cure.

Many people in the business recognize some of the evils Mr. Holt mentioned just as fully as he does.

Regulate All Prices.

Vice-President M. O. Brown, of the Westchester, did not believe State rating would prove any improvement over the present system. He does not see why the State should attempt to regulate the expenses of fire insurance any more than it does that of other classes of business. He holds that insurance is a private business and not a public utility.

J. L. Whitlock, Western manager of the Glens Falls, on the other hand, looks with much favor upon State su-

(Continued on Page 10.)

INCORPORATED 1833.

British America Assurance Company
HEAD OFFICE, TORONTO, CANADA

UNITED STATES BRANCH.
JANUARY 1, 1910.

Assets	\$1,556,740.94
Liabilities	902,438.61
Surplus	\$ 654,302.33

Hon. GEORGE A. COX, President.
JOHN HOSKIN } Vice-Presidents.
W. R. BROCK }
W. B. MEIKLE, General Mgr.

NATIONAL LIFE Insurance Company,
MONTPELIER, VERMONT.

Established in 1850.
Operating in 37 States.

JOSEPH A. DE BOER, President.
FRED A. HOWLAND, Vice-President
JAMES B. ESTEE, 2nd Vice-President
OSMAN D. CLARK, Secretary
H. M. CUTLER, Treasurer
A. B. BISBEE, Medical Director
C. E. MOULTON, Actuary

This Company held January 1, 1910, and gained during the past decade:

ASSETS . . .	\$47,490,998.98
GAIN, 167 PER CENT.	
LIABILITIES . .	\$41,661,130.12
GAIN, 162 PER CENT.	
SURPLUS . . .	\$5,829,868.86
GAIN, 211 PER CENT.	
INSURANCE .	\$161,423,115.00
GAIN, 79 PER CENT.	

Absolute Security and Economy of Management

BONDS OF SURETYSHIP.

The Guarantee Company of North America
HEAD OFFICE, MONTREAL

Edward Rawlings, President.
Richard B. Scott, Secretary & Treasurer.

Branch Offices:

It is the Pioneer Company, was established in 1872, and is conducted under a conservative management of over 55 years experience.
It has recouped to employers over \$2,190,000 for losses sustained by the infidelity of employees and has a surplus of \$1,041,423.23 to credit of shareholders and total resources of \$1,919,892.33 for the security of insured.

NEW YORK: 111 Broadway.
D. J. Tompkins, Secretary.
BOSTON: 114 Milk Street.
W. A. Hamilton, Agent and Attorney.
CHICAGO: Room 400, The Temple.
J. R. Pruyn, Resident Sec. and Atty.
PHILADELPHIA: 500 Arcade Bldg.
W. H. Jackson, Res. Secretary.
PITTSBURG: 1120 Farmers Bank Bldg.
E. R. Munro, Resident Secretary.
LOUISVILLE: 316 Columbia Bldg.
P. N. Clarke & Co., Agents.

"THERE'S A REASON."

The annual payroll audit method of computing premiums on employers' liability policies of insurance has long been discredited by some of the leading casualty underwriters, but the plan was initiated with the business, and it seems nobody has had the ingenuity to invent a better one, much as it is needed.

"Some companies are to-day obtaining casualty liability premiums under false pretenses," says one well-known official. "They maintain a highly organized and very expensive legal laboratory which can and does put the microscope on every claim presented solely with a view to finding a microbe that may be utilized in fighting. The Government chemists are also at work with their disagreeable microscopes and finding some million or so different forms of bacteria on Uncle Sam's paper money and his good solid coin—the smaller denominations, of course. But we all accept the root of all evil without cavil notwithstanding."

After Business Hours, Only?

The text for these remarks is found in the case of *Palmer v. Hardin v. Fidelity & Casualty Co.*, 125 S. W. (Ky.) 270, in which the court held that the conditions in the policy stipulating that the company shall have the right to examine the books of the employer at all reasonable times, so far as the payroll of the employees covered by the policy is concerned, was to be construed to mean when the books were not in use by the employer, or on Sundays, and after business hours, etc., all of which throws wide open an avenue to unfairness toward the companies, because the books of an employer—if he keeps any, and there are some who carry all accounts in their coat pockets—may be said to be always in use and thus shut off inspection. This is but one of several of the weaknesses of the present rating system.

A BABEL OF TONGUES.

(Continued from Page 9.)

pervision of rates and advocates State regulation of commissions.

President J. D. Browne, of the Connecticut Fire, proved a satisfactory witness. He was questioned as to the desirability of examining agents before they are permitted to "practice" insurance. He does not take much stock in such a plan. He does not think the State is as much interested in getting good agents as he is, nor would its examiners be able to

pick better men than his special agents are.

Preparing the Mustard.

The commission has not yet decided how it will prepare its report. The evidence first will be reduced to the salient features. Then each member may make a report and at a meeting these reports be boiled into one, subjects may be assigned to each member and all reports worked into one, or one member may be called upon to prepare the report subject to revision and approval by all the members.

Watching the Comet's Tail.

Those who have watched the proceedings from the beginning and have given close attention to the questions asked witnesses, have an opinion that while the commission is not likely to recommend State rating or rate supervision in any broad sense it is likely to make recommendations for the examination of candidates for the privilege of engaging in the fire insurance business, and also provide for a board to which individuals are insured, cities or authorities can make complaint, if they believe they are discriminated against in rates, such board to have certain powers to review and demand changes in rates. There is nothing certain about this as the members of the commission are not divulging their plans, but these questions evidently are in their minds.

Aftermath.

That was a rather notable convention of the National Fire Protection Association held in Chicago last week because it was attended by a large number of heads of fire departments from all parts of America, and, of course, the insurance companies were on deck, as were all the manufacturers of fire fighting apparatus, such as fire engines and that rotten hose that has made New York's fire department recently famous.

The particular feature of the convention was its doing something, or, rather, making a start in that direction, by deciding to do or undo, these things:

Resolutions.

The National Fire Protection Association assembling for its fourteenth annual meeting, while enjoying the consciousness of many years of work well done, faces the future with no diminution either of its sense of public responsibility, or its obligation to prosecute to the utmost its campaign against the fire waste.

Although the past two years show property losses by fire slightly less in volume than the monstrous average of the five years which immediately preceded them, the waste of our created resources is still so stupendous as to

threaten the impoverishment of our people and contrast us most unfavorably with the more prudent countries of Europe.

Conscious of these vital facts and serious and deplorable conditions we once more publicly emphasize the principles for which we stand and the objects for which we are striving, to wit: The conservation of both natural and created resources by the prevention of the same from destruction by fire. With this object we advocate:

1. The continued encouragement of fire resistive building construction and the adoption of suitable building codes by all cities and towns.

2. The rigorous State and municipal regulation of the transportation and storage of all inflammable oils and explosives.

3. The especial safeguarding of schools, theatres, factories and all other places in which numbers of people congregate or are employed.

4. The adoption of the automatic sprinkler system as a fire extinguishing agent in all commercial establishments and city blocks.

5. The universal adoption and use of the safety match.

6. A safe and intelligent celebration of Independence Day.

7. Special education of children and their parents in habits of care regarding fire.

In the furtherance of these objects we solicit the co-operation of all public spirited citizens in the extension of our membership and the dissemination of our valuable literature, to the end that the substance and lives of our people shall not continue to be dissipated by a reckless and easily preventable waste.

FEDERAL LIFE INSURANCE COMPANY CHICAGO

ISAAC MILLER HAMILTON, : : President

Admitted assets.....	\$2,447,499.17
Capital stock.....	177,300.00.
Surplus apportioned and unapportioned	77,510.61
Excess security to policy holders	254,810.61
1909 insurance in force increased over.....	\$6,300,000.00
Surplus increased over....	100,000.00

HIGH-GRADE MANAGERS AND AGENTS WANTED.

ATTRACTIVE POLICIES.

DESIRABLE CONTRACTS.

WILL ENTER NEW TERRITORY.

Address,

CHARLES M. TURNER,
General Manager,

Marquette Building, CHICAGO, ILL.

NEW LIABILITY LAW AS- SAILED.

There is no prospect of plain sailing for the new employers liability law in New York State. Its future was discussed at two public meetings held yesterday by the employees' unions and the Civic Federation. The former was composed of about half a thousand representatives of 250,000 unionists of this city. Their argument was that the bill, which has just been approved at Albany, the outcome of the Wainwright commission appointed at the former session of the legislature, limits liability to only a few of the extra hazardous trades and that the compensation it provides for is insufficient and the methods of recovering it too lengthy and uncertain.

They adopted a resolution demanding adequate compensation for all workers, injured in their employment, the compensation to be paid by the employer, and the amount and rate of compensation to be fixed by law, equalling in amount the economic loss which the injured workman sustained. It should be paid promptly, they contend, and without litigation and regardless of the particular cause of the injury. The labor men have not been able, however, to draft a specific workmen's compensation law embodying exactly what they want.

The Civic Federation held its meeting in the Metropolitan Life building and was attended by over 250 leading capitalists, manufacturers, insurance men, and large employers. August Belmont presided at the meeting, and reports were read by the chairmen of the three sub-committees of the committee on compensation for industrial accidents which the federation recently organized.

"We have been trying for several months to draft a bill which will form a basis of general workmen's compensation law, to be passed ultimately by all the legislatures of the different States," said P. Tecumseh Sherman, former State Commissioner of Labor, who is chairman of the Federation's legal committee on compensation. "Our draft will be based on the English workmen's compensation laws. According to the English laws, all injured employees receive compensation except those who deliberately injure themselves or deliberately fail to use a guard furnished by the employer. On the other hand, the employer is free from liability for unlimited dam-

ages. The negligence of fellow employees is also not imputed to employers.

"In the draft of our bill we have named the amounts of damages which the workmen or his dependents should receive. When an employee is killed the employer is to pay the dead employee's dependents three years' salary, but not exceeding \$3,000 or not less than \$1,000. If an employee is permanently disabled, the employer is to pay his half his wages for ten years, not more than and not less than \$10 a week. If the employee is only partially disabled the employer is to pay him half the difference of what the injured employee earned before and what he earned after the accident."

THE IDEA SPREADS.

The daily press dispatches of Tuesday contained an item of particularly present pertinency in stating that on the preceding evening Paul U. Kellogg, of New York, in an address before the National Conference of Charities and Correction, said:

"We must insure by law to American workmen certain minimum standards of hours of labor and of rest, of safety, of health, of restitution when the workingman is killed or injured or diseased through his work, and of current wages such as will sustain life amply."

That the economic value to the Nation of its producing elements is becoming known to and considered by the financial forces is more and more in evidence with every day that passes. The insurance feature, as based upon the law of average, is coming to be better understood. People are thinking about it now who have ignored and disregarded it in the past.

It is reported, also, that in New Jersey the authorities are bringing forward a thorough system of State insurance contributions to be made by employers, employees and the State.

"I WAS ATTRACTED



to the Prudential through the medium of an advertisement in one of the leading magazines, and soon after, placed a \$5,000 case as the result of an answered advertisement."

— North Carolina Representative.

Prudential advertising helps its Agents. We want Agents. Write us.

THE PRUDENTIAL

Insurance Company of America.

Incorporated as a Stock Company by the State of New Jersey.

JOHN F. DRYDEN,
President.

Home Office,
NEWARK, N. J.

WESTERN ASSURANCE Co.

HEAD OFFICE,

TORONTO, - - CANADA.

Incorporated 1851.

Hon. GEORGE A. COX.....President
W. R. BROCK and JOHN
HOSKIN, K. C. LL. D., Vice-Presidents
W. B. MEIKLE.....General Manager

United States Statement, Jan. 1, 1910.

Assets\$2,377,303.37
Surplus in United States..... 839,268.07

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS is unsurpassed for net low cost and care of interests of all members.

THE PENN MUTUAL LIFE INSURANCE COMPANY OF PHILADELPHIA

On January 1, 1909, rates were reduced and values increased to full 3% reserve.

THE FRANKFORT MARINE, ACCIDENT AND PLATE GLASS INSURANCE CO. OF FRANKFORT-ON-THE-MAIN - - - - - GERMANY ESTABLISHED 1865.

United States Department, - - 100 William Street, New York, N. Y.

TRUSTEES:

RICHARD DELAFIELD, Pres. of National Park Bank
ERNST THALMANN, of Ladenburg, Thalmann & Co.
STUYVESANT FISH, 214 Broadway, New York City.

C. H. FRANKLIN, U. S. Mgr. and Attorney JNO. M. SMITH, Sec. U. S. Branch

INSURANCES TRANSACTED

LIABILITY—
Employers, General, Vessel Owners,
Public, Landlords, Contingent, Workmen's Collective
Teams, Elevator, Druggists & Physicians. Individual Accident & Health
Industrial Accident & Health

AGENTS WANTED FOR UNOCCUPIED TERRITORY

EMPLOYERS LIABILITY BILLS AT ALBANY.

The records of industrial maimings and slaughter in the United States are disgraceful and appalling.

It seems incredible, but it is true, that the annual roll of victims approximates half a million.

The question what is to be done to stop the carnage seems to have received little attention from the Wainwright Commission, appointed by the legislature to investigate this matter.

This commission has reported. Out of its labors have come two bills now pending.

One of these offers certain inducements to employers to enter into indemnity contracts with their employes—if they care to do so. And the other proposes to apply to a few extra hazardous occupations the compulsory principle of the English Workman's Compensation act—but the compensations proposed are very low.

The former bill has passed both houses of the legislature and is in the governor's hands. The latter has passed the senate and halts in the assembly.

Both bills slight the subject and miss the important point.

The point is that the unexampled waste of life in American mines and shops and on American railroads should be abated.

The kind of employers liability acts that we ought to have are such as will make it "bad business" to use up so much human flesh and blood in the processes of manufacture and commerce.

It is not necessary to kill or maim half a million workers every year. A perpetual civil war on a gigantic scale would be less cruel.

This awful sacrifice is offered to the god Dagon, Moloch or Mammon—simply because, under the laws as they stand, it "pays" better to destroy men's lives than to save them.

These conditions must be reversed—unless we are to abandon the hope of being civilized.

True it is that there are necessary and unavoidable risks in all businesses. A hardy people will accept such risks courageously and without complaint.

The "American" has always contended—it is an economic axiom—that the necessary risks to life and limb entailed by any trade should be considered as a part of the cost of the commodity produced. A fair money indemnity to individual sufferers should enter into the price of the goods and be paid by the consuming public.

Obviously the way to eliminate the

unnecessary killings and maimings is to charge up all accidents against the business. Then business managers will see to it that they are handicapped by no unnecessary burden.

The avoidable accidents will not happen.

They will be prevented by better organization and the use of safer machinery.

It is nonsense to say that workmen should be punished for killing or crippling themselves—by hard laws against "negligence." In the absence of proof of deliberate suicide the law should assume that every man will take pains to keep the breath in his body and continue the use of his limbs.

The legislative measures as they stand are inadequate because they have no considerable tendency to stop the carnage.

The bill that has passed both houses is unimportant—since it is purely "permissive."

The "compulsory" bill still before the assembly has rudimentary bones in it, and could be developed into something adequate by increasing the scope of its application and raising the scale of indemnities.—New York "American," May 19.

A BURGLARY CASE.

A notable burglary insurance suit has just been decided in this city. It brings strongly into the limelight the fact that the faker has found a safer and simpler method than starting a fire by merely fixing up a burglary—policy covered, of course.

In this incident the American Bonding Company issued a residence burglary policy for \$1,000 last October to one Rosenzweig, of this city, and on the following day it is claimed that burglars looted his home to the extent of \$485.

The company's attorney, Joseph A. Prager, one of the ablest legal specialists on claim adjustments in this city, offered to pay \$375 as a compromise, but this provoked a suit, which the jury settled at \$300, a verdict which clearly indicated that it was a bitter battle, and that Mr. Prager has made a record in resisting this class of burglary insurance claims. As already suggested it is easier and safer for the criminal to fake under a burglary policy than under a fire policy, which may carry capital punishment.

Frank N. Julian, former insurance commissioner of Alabama, has been nominated for the position of railroad commissioner. The nomination is equivalent to an election.

GETTING WARMER.

Competition in the surety business in Chicago is to be considerably increased in the near future. The Pacific Surety, which has cut very little figure in Illinois, has now appointed active liability general agents at Chicago, and has secured as manager of the bond department Fred W. Patterson from the home office of the United Surety. The Maryland Casualty will begin writing bonds in the city in a few days. General Agent Davis does not talk as if he intended to drive that branch of the company's business at a very high speed.

Another established company which has not done surety business in Chicago is negotiating with parties there and expects to cut something of a figure in the city soon. The Southwestern Surety of Denison, Tex., has been in correspondence with several surety men in Chicago relative to a man with whom it is negotiating a general agency.

Report has it that this prospective general agent is E. D. Petrie, at one time a member of the firm of Ayres & Petrie, general agents of the Metropolitan Surety, but now a solicitor for the Title Guaranty and Surety. For months there have been men after the Commerce Trust Company of Kansas City, trying to induce it to enter Illinois, but without avail. Now that its surety business is shortly to be turned over to the Globe Surety, which is being organized in Kansas City, it is probable that the new company will enter Illinois.

Dr. William H. Tolman, director of the Museum of Safety, has sailed for Europe for a stay of six months, under commission of the National Electric Light Association, to investigate methods for the prevention of loss of life and limb in electrical plants.

HARTFORD LIFE INSURANCE COMPANY, OF CONN.

1909 Policies are Participating, or Non-participating, with Lower Rates and Values based on FULL RESERVE.

For Right Contracts,
Address, Second Vice-President,
Home Office, HARTFORD, CONN.

FIRST EFFORTS.

There is an interesting try-out of the new ideas in this new plan of State insurance of divers and sundry kinds. It has a reflex in the socialistic idea, so far as the West is concerned, in the State insurance of bank deposits. It works along this line, at least so far as it has worked at all.

The State of Texas launched a bank insurance law, fully commissioned with letters of marque and reprisal and when the cruiser got a crew it went a-sailing. The first rocks, or islands, or difficulty, encountered seems to have been located around the Sanders State Bank and its cashier, W. D. Sanders, who is after the scalp of the corporation referred to.

Refuses to Come In.

Mr. Sanders refuses to have his leg pulled and emphasizes his feelings in words that must at least suggest to the careless that a laugh is in order. Listen to what he writes on the subject:

The DeKalb Exchange Bank, a private institution, was organized in 1887, and has been continually in business since. It has had its ups and downs—most of the time down—but managed to pull along to the present time.

We were opposed to the guaranty law as passed by the last legislature. We are still opposed to it, and expect to give it a rap whenever the opportunity offers. It not being our pleasure to turn our private bank into a State bank, and not feeling disposed to sit still and have a competitor yell "guarantee" at our customers, we organized the Sanders State Bank, putting in an expensive set of mahogany fixtures and fitting up a first-class banking room in every respect. A circular letter was issued and mailed to every customer of our private bank, giving our reasons for starting the State bank, and advising them to do business with the bank that suited them best—that we owned both banks, and it was a case of "pay your money and take your choice."

After four months of business, we issued a statement showing that our private bank customers had taken their choice, with the result that the Sanders State Bank had one customer, with a deposit of \$200, while on the same date the DeKalb Exchange Bank had over \$175,000 (a few days after the State Bank deposit was withdrawn and placed with the private bank).

Our banking friends over the State had more or less sport out of us on this account, and considered it a great joke on the guaranty law. Some papers published this statement with some rather caustic comments on the guaranty law, and these reports, reaching the Department of Banking at Austin, caused us to get in bad with the powers that be.

Our old customers still refused to do business with our State Bank, and the business of the private bank contin-

ued to grow. The Sanders State Bank was opened about twelve hours a day, and seven days in every week, for business, but none came. This state of affairs seems to get on the nerves of the Banking Commissioner, who claimed that we were ridiculing the guaranty law, and holding his department up to public contempt, and we were notified that the banking board would consider his motion to forfeit our permit.

The banking board subsequently sustained the bank's position.

HUNTS NEW PASTURES.

When Van Laningham, the prince of insurance promoters, jumped from New York to San Francisco it was the signal for some of his cheaper imitators to cast longing eyes Pacificward to find a more prolific field for operating than the Atlantic shores have recently afforded. It is promptly recognized that wherever Van Laningham opens up shop there is evidently good grazing ground, and the trail is promptly followed.

This accounts for reports of promotions of more or less value which float in from the Pacific Coast, ranging all the way from Mount Rainer to Santa Catalina and affords this side of the continent an opportunity to give prayerful thanks and trust that the absence of the industrious gentry, who are keen enough to skirt but not invade the boundary of the postal laws, may be long protracted.

The latest report of an addition to the Pacific colony comes from Seattle, which appears to have attracted and captured one of the most interesting specimens of this genus homo that has ever "happened this way," to speak like the "Arkansaw Traveler."

The Illinois Surety last week received the last of the written consents of its directors to the amendment of the charter so as to increase the capital from \$250,000 to \$500,000. The amended charter will be filed shortly, and in a couple of months all the new stock will probably be sold.

I notice that a number of agents are making changes from the Companies they were formerly with to other Companies. Also, that none of these agents have been in correspondence with the Philadelphia Life. Perhaps it is due to the fact that they do not read our advertisements, and I think that it would pay the agents, whether they are working for this company or not, to read these advertisements, as many a time there appear in the advertisements little arguments that would help them to secure business. For instances:—How many agents to-day are using the argument that they are insuring income, which is really what you do on every policy that you have caused to be issued by a Life Insurance Company? Now why don't you get in touch with the new up-to-date income policy of the Philadelphia Life that is different in all details from that issued by any other Life Insurance Company? Write Perry to-day.

The annual meeting of the California Association of Local Fire Insurance Agents at Los Angeles, on May 16, was unusually well attended. It was voted to favor an anti-rebate law and non-resident agents' law before the State legislation. The California association will also publish a list of co-operating companies similar to that of the National association. Messrs. Clay and LeBallister were re-elected president and secretary. Stockton will be the place of the next meeting.

Organized 1871

Life Ins. Co. of Virginia

Home Office, Richmond, Virginia.

J. G. WALKER, President.
T. W. PEMBERTON, 1st Vice-President.
W. L. T. ROGERSON, 2d Vice-President.
E. D. HARRIS, Secretary.

The OLDEST Southern Life Insurance Company.
The LARGEST and STRONGEST Southern Life Insurance Company.
The PIONEER Southern Industrial Life Insurance Company.
Its policies are clear and definite in their provisions and their values are absolutely guaranteed.

Assets Dec. 31, 1909.....	\$5,372,691.99
Liabilities Dec. 31, 1909.....	4,312,405.32
Insurance in Force Dec. 31, 1909	68,337,613.00
Total Payments to Policyholders since Organization	9,820,412.49

THE

Philadelphia Casualty Co.

WALTER LE MAR TALBOT, Pres't.

Our New Accident Policy Is Perfection.

**It's the Policy Your Client Wants.
It's the Policy That's Easy to Sell.**

**Personal Accident, Health, Liability
Automobile, Plate Glass and
Credit Insurance.**

Agency Correspondence Solicited.

FOR A FIRE BUREAU.

At the meeting of the National Fire Protection Association in Chicago last week, representatives of several of the State fire prevention associations were present, and, in conjunction with officers of the national organization, worked out a plan for closer co-operation and interchange of information among the State associations. Some of the State associations find their work goes slowly. In some States there is no fire marshal and it is very difficult to get recommendations for cleaning up and improving risks carried out. In some where there is no fire marshal, only a few field men show any real interest in the fire prevention movement. Some who have been active in the work have received from their companies hints that the expenditure of any great amount of time in this work will not be looked upon with favor at headquarters. While such an attitude on the part of the companies may look rather narrow to some, when it is remembered that a minority of companies are paying the men who are doing all the work, they cannot be blamed for setting a limit on what they will contribute to the general good.

QUALIFIED TO VOTE "YES."

The following list is remarkable solely because of the absentees. Formerly there have been a lot of names of trust and other concerns in the list, stamped "approved" by some one or another of the amusingly taped departments at Washington. Recently several names have been dropped. Some of these have been by request and others from discovery. All the trust companies have disappeared. This is as the Honorable Franklin MacVeagh, Secretary of the Treasury, gives "The Chronicle" the list of today's acceptable sureties and the highest limit for which any one will be approved on Government bonds. It is proper to state that this is the first list of acceptable sureties issued since the entire bonding business of the several departments of the Federal Government was consolidated in the Treasury bureau. Formerly each of the nine departments set up its own particular rules and regulations about the acceptance and approval of sureties on bonds, and this opened ninety-nine avenues for graft. The new rules reduce this to nine, or to a relative proportion of that element in Washington which gets and holds a job for

revenue only. But this is what Mr. MacVeagh says, in part, to "The Chronicle":

This is a list of companies which, except where otherwise noted, are acceptable as sureties on Federal bonds, within the limitations set opposite their respective names, in the judicial districts of the States wherein they have appointed process agents. **Bonds executed by companies in States in which they are not regularly licensed to do a fidelity and surety business will not be accepted.**

Pacific Coast Casualty Co....	\$66,278
Pacific Surety Company.....	36,984
Aetna Indemnity Company....	38,812
Illinois Surety Company.....	30,217
Federal Union Surety Co.....	34,009
American Bonding Company..	147,765
Fidelity and Deposit Co.....	431,491
United States Fidelity and Guaranty Co.....	255,368
United Surety Company.....	30,000
Massachusetts Bonding and Insurance Co.....	71,817
International Fidelity Insurance Co.....	40,505
American Surety Company....	588,081
Empire State Surety Co.....	60,368
Fidelity and Casualty Co.....	327,845
National Surety Company....	168,953
Peoples Surety Company.....	49,712
United States Guarantee Co..	60,586
Bankers Surety Co.....	54,025
Southwestern Surety	46,275
Southern Surety Co.....	44,669
Pennsylvania Surety Co.....	40,142
Title Guaranty and Surety....	116,877
American Fidelity.....	67,828
Citizens Trust and Guaranty.	52,052

The American Fidelity has not added anything to the happiness of general agents of liability companies writing automobile business in Chicago by sending circulars to brokers comparing the conference rates and its own. As the latter rates are thirty or forty dollars lower than the former on cars of high horsepower, it makes good advertising matter. Cases are not unknown where the American Fidelity has secured automobile business from the direct representatives of other automobile writing companies, who found themselves in competition and unable to get the business at their own rates.

The Monongahela Fire Insurance Company of Pittsburg, Pa., has been admitted to the co-operating list of the National Association of Local Fire Insurance Agents, in accordance with the vote of the executive committee. The managers of the Monongahela, Whilden and Hancock, of this city, have furnished the association satisfactory assurances that its general agents will in every particular support the principles of the association.

The report of the committee on statistics and costs, of the National Civic Federation, at the Metropolitan Life

building session yesterday is full of interest and later will be printed in full.

L. Walter Sammis, Jr., of the home office of the Empire State Surety, has resigned to become assistant manager of the accident and liability department of the New York office of the Philadelphia Casualty Company.

The Columbian National Life INSURANCE COMPANY OF BOSTON, MASS.

LIFE, ACCIDENT AND HEALTH
INSURANCE.

The Only Massachusetts
Non-Participating Company

The New Columbian Policies are
Unexcelled in Clearness and Liberality.

Good Contracts and Territory for
Good Producers.

ARTHUR E. CHILDS, President.

LEADING FIRE COMPANY OF THE WORLD



[of Liverpool,

England.]

TO WIN IN COMPETITION

Represent the Company whose agents have the strongest fighting material and the most telling arguments. Everyone knows the superiority in low cost to policyholders, (due to high interest earnings, low death and expense rate) of

THE Union Central Life Insurance Co. of Cincinnati.

Assets, \$74,523,966.28
Liabilities, \$72,324,302.92

JESSE R. CLARK, President.
ALLAN WATERS, Sup't of Agents.

OUR

Course of Insurance Education.
Department for Furnishing
Prospects.
New "Model Policy"

Will Plough the Field and Assure
the Harvest for Good Agents.

Phoenix Mutual Life
INSURANCE COMPANY,
Hartford, Conn.
Write Home Office.

COMMERCIAL - UNION
ASSURANCE CO.,
(LIMITED)
OF LONDON.

OFFICE;

Cor. Pine & William Sts.
NEW YORK.

The Employers' Liability
Assurance Corporation, Ltd.

LIABILITY, STEAM BOILER,
ACCIDENT, HEALTH, FIDELITY
and BURGLARY INSURANCE.

UNITED STATES BRANCH.
SAMUEL APPLETON, United States
Manager,

Employers' Liability Building,
33 BROAD STREET, BOSTON, MASS.

EDMUND DWIGHT,
Resident Manager for New York State
56 MAIDEN LANE, NEW YORK.

AGENTS WANTED.

MEN OF ENERGY
ARE OFFERED
WORK OF MOMENT

In desirable localities representing a sixty-
year old institution, with modern, liberal,
law-conforming policies, and helpful Home
office co-operation. Much good territory
available. Many opportunities for ad-
vantageous positions. Inquire NOW.

UNION MUTUAL LIFE
INSURANCE COMPANY
PORTLAND, MAINE
Fred E. Richards, President.

"The Leading Fire Insurance Company
of America."



WM. B. CLARK, President.
W. H. KING, Vice-President.
HENRY E. REES, Secretary.
Assistant Secretaries,
A. N. WILLIAMS, E. S. ALLEN,
E. J. SLOAN, GUY E. BEARDSLEY.

The Connecticut Mutual

That means the best life insurance
to have and the best to sell. If you
can sell life insurance, you can sell
more of it for the CONNECTICUT
MUTUAL.

Men of Character and Ability are
invited to apply.

Conn. Mutual Life Ins. Co.,
Hartford, Conn.

Please mention this paper.

FOUNDED 1792

118th ANNUAL STATEMENT
INSURANCE COMPANY OF
NORTH AMERICA.
OF PHILADELPHIA, PA.

ASSETS.

January 1, 1910.	
Real Estate	\$ 364,410.96
First Mortgages on Real Es- tate	373,803.43
Philadelphia, New York, Bos- ton and other City and State Loans	1,134,390.00
Pennsylvania, Philadelphia and Erie, Lehigh Valley and other Companies' Bonds and Stocks	8,909,150.32
Cash in Bank and Bankers' hands	1,134,635.88
Notes Receivable and Unset- tled Marine Premiums....	347,440.69
Net Cash Fire Premiums in course of Transmission....	1,069,510.62
Accrued Interest, and all other property	52,160.57

Total Assets\$13,385,501.56

LIABILITIES.

Capital Stock	\$ 3,000,000.00
Reserve for Re-Insurance ..	6,813,862.47
Reserve for Losses	877,250.00
All other Liabilities	104,982.45
Surplus over all Liabilities..	2,589,406.64

\$13,385,501.56

Surplus to Policyholders.....	\$5,589,406.64
Increase in Reinsurance Re- serve	349,934.71
Increase in Net Surplus.....	838,500.98
Increase in Assets.....	1,371,438.93

Eugene L. Ellison.....President
Benjamin Rush.....Vice-President
T. Howard Wright.....Secretary
Henry W. Farnum.....Assistant Secretary
John O. Platt.....Assistant Secretary

Agencies in all Prominent Cities & Towns.

OLDEST
IN
AMERICA

STRONGEST
IN THE
WORLD

THE MUTUAL LIFE
Insurance Company of New York

Mutual Life Agents Make Most Money
Because Mutual Life Policies Sell Most Freely

For terms to producing agents, address

GEORGE T. DEXTER

2nd Vice-President

34 Nassau Street

New York, N. Y.

Address
either:

ALBERT E. AWDE,
Supt., 306 Congress St.,
Portland, Maine.
THORNTON CHASE,
Supt., 405 Exch. Bldg.,
Los Angeles, Cal.

201st YEAR.

SUN Insurance Office OF LONDON.

FOUNDED 1710.

UNITED STATES BRANCH:

54 PINE STREET, NEW YORK.

WESTERN DEPARTMENT:

171 LA SALLE ST., CHICAGO.

PACIFIC DEPARTMENT:

Sansome & Sacramento Sts.,
SAN FRANCISCO, CAL.AGENTS WANTED
AT UNREPRESENTED POINTS.

A first class life under-
writer with a successful
field record, and an un-
tarnished reputation can
secure good open terri-
tory by addressing

SECURITY MUTUAL LIFE INSURANCE COMPANY

Binghamton, N. Y.

Liability
Boiler
Plate Glass
Automobile Liability and Defence
Employers' Compensation
Insurance



Accident
Disability
Fly Wheel

Casualty Company of America

HOME OFFICE KUHN-LOEB BUILDING
52-54 WILLIAM STREET NEW YORK

HOME OFFICE OF THE Metropolitan Life Insurance Co.

(INCORPORATED BY THE STATE OF NEW YORK, STOCK COMPANY)

The Company OF the People, BY the People, FOR the People

PROOF OF PUBLIC CONFIDENCE

This company has more premium paying business in force in the United States than any other Company, and for each of the last 16 years has had more New Insurance accepted and issued in America than any other Company.

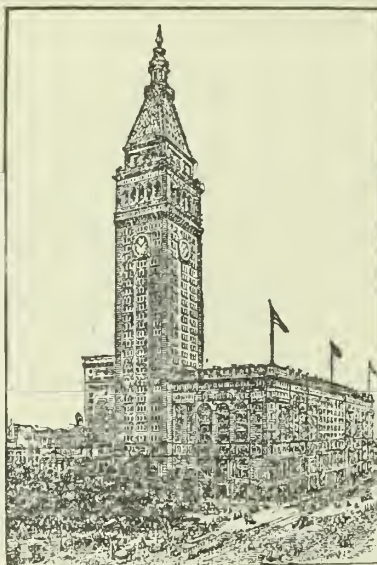
The number of Policies in force is greater than that of any other Company in America, greater than all the Regular Life Insurance Companies put together (less one), and can only be appreciated by comparison. It is a greater number than the Combined Population of Greater New York, Chicago, Philadelphia, Boston, St. Louis, Cleveland, Cincinnati, San Francisco, Pittsburg, Baltimore, New Orleans and Buffalo.

ASSETS.

Municipal and R. R. Bonds and Stocks	\$123,346,161.39
Bonds and Mortgages	105,183,172.02
Real Estate	23,311,215.73
Cash	5,420,643.42
Demand Loans on Collateral	172,930.00
Loans to Policyholders	11,193,245.61
Prem. deferred and in course of collection (net)	5,190,288.45
Accrued Int., Rents, etc.	3,290,211.85
Total	\$277,107,868.46

LIABILITIES.

Reinsurance Fund and Special Reserves	237,213,384.00
All other Liabilities	9,992,264.43
Capital and Surplus	29,902,219.93
Total	\$277,107,868.46



Largest Office Building in the World—Madison Avenue, Fourth Avenue, 23d Street and 24th Street, New York City.

THE DAILY AVERAGE OF THE COMPANY'S BUSINESS DURING 1909 WAS:
456 per day in number of Claims paid.
6,535 per day in number of Policies placed and paid for.
11,463,755 per day in New Insurance placed and paid for.
\$183,403.75 per day in Payments to Policyholders and addition to Reserve.
\$132,172.72 per day in Increase of Assets.

OFFICERS

JOHN R. HEGEMAN	President
HALEY FISKE	Vice-President
GEORGE H. GASTON	2d Vice President
GEORGE B. WOODWARD	3d Vice President
FRANK O. AYERS	4th Vice President
F. F. TAYLOR	5th Vice President
JAMES M. CRAIG	Actuary
STEWART L. WOODFORD	Counsel
WM. J. TULLY	General Solicitor
FRED'K. H. ECKER	Treasurer
WALTER STABLER	Comptroller
JAMES S. ROBERTS	Secretary
JOHN R. HEGEMAN, JR.	Asst. Secretary
J. J. THOMPSON	Asst. Secretary
T. R. RICHARDSON	Asst. Secretary
GEO. B. SCOTT	Asst. Secretary
FRED'K. A. BETTS	Asst. Secretary
GEORGE C. PENHALLOW	Asst. Secretary
THOMAS H. WILLARD, M. D.	Med. Dir.
AUGUSTUS S. KNIGHT, M. D.	Med. Dir.
E. M. HOLDEN, M. D.	Asst. Med. Director
W. S. MANNERS, M. D.	Asst. Med. Director
J. BERGEN OGDEN, M. D.	Asst. Med. Dir.
D. M. GEDGE, M. D.	Asst. Med. Director
I. J. CAHEN	Manager Ordinary Dept.
LEE H. FRANKEL, Ph. D.	Mgr. Indus. Dep.
JACOB CHADEAYNE	Mgr. Intermediate Br.
CHAS. G. REITER	Asst. Actuary
JAMES C. BROWN	Asst. Actuary
JAMES D. CRAIG	Asst. Actuary
RAYMOND V. CARPENTER	Asst. Actuary

Paid to Policyholders since Organization, plus the Amount now invested for their Security, \$537,223,523.83.
Number of Policies, 1 Force, December 31, 1909, \$10,621,679. Total Outstanding Insurance Placed and Paid for, December 31, 1909, \$2,041,951,700.00.

In its Ordinary Department policies are issued for from \$1,000 to \$1,000,000 on individual lives, premiums payable annually, semi-annually and quarterly. In its Industrial Department policies are issued on all the insurable members of the family for weekly premiums.

Full particulars regarding the plans of the Metropolitan may be obtained at its Home Office, 1 Madison Avenue, New York City, or its Agents in all the principal cities of the United States and Canada.

COMPARATIVE RESERVE TABLES

BY

MILES M. DAWSON

Consulting Actuary.

Containing Mean and Terminal Reserves for the
usual forms of policies and by the
following standards:

American Experience, Select and Ultimate $3\frac{1}{2}$ per cent.
American Experience, Select and Ultimate 3 per cent.
American Experience, Modified Preliminary Term $3\frac{1}{2}$ per cent.
American Experience, Modified Preliminary Term 3 per cent.
American Experience, Select and Ultimate 4 per cent.
Actuaries', Modified Preliminary Term 4 per cent.
American Experience, Committee of Fifteen, $3\frac{1}{2}$ per cent.
American Experience, Illinois and Tennessee, $3\frac{1}{2}$ per cent.
American Experience, Michigan, $3\frac{1}{2}$ per cent.
American Experience, Wisconsin, $3\frac{1}{2}$ per cent.
American Experience, New Jersey, $3\frac{1}{2}$ per cent.
H^M, Canadian Life Officers' Association, $3\frac{1}{2}$ per cent.
O^[M], Select and Ultimate, $3\frac{1}{2}$ per cent.

THIS covers all the standards, other than the net level
premiums, in use in this country. Tables showing
the first year margins set free by each method of valu-
ation are given.

Send all orders to the Publishers,

The Chronicle Co., Ltd.

No. 90 William St.

NEW YORK

LIVERPOOL & LONDON & GLOBE

NEW YORK OFFICE, 45 WILLIAM STREET.

H. W. EATON, *Manager*
G. W. HOYT, *Deputy Manager*.
B. KREMER, Jr., and T. A. WEED, *Agency Supts*

NEW ENGLAND STATES, NEW YORK, NEW JERSEY,
PENNSYLVANIA, MARYLAND, DELAWARE.
DISTRICT OF COLUMBIA, VIRGINIA,
WEST VIRGINIA, NORTH CAROLINA.
SOUTH CAROLINA. OHIO.
INDIANA, KENTUCKY,
TENNESSEE.

NEW ORLEANS OFFICE, COR. CARondelet & COMMON STS.

CLARENCE F. LOW, *Manager*
J. G. PEPPER, *Asst. Mgr.*
THOS. H. ANDERSON, *Deputy Asst. Mgr.*

LOUISIANA,
MISSISSIPPI,
ALABAMA,
OKLAHOMA,
FLORIDA,
ARKANSAS,
TEXAS,
GEORGIA.

SAN FRANCISCO OFFICE, 444 CALIFORNIA ST.

CHARLES D. HAYEN, *Manager*.
C. MASON KINNE, *Asst. Manager*.
JOHN W. GUNN, *Deputy Asst. Mgr*

CALIFORNIA, NEVADA,
ALASKA, OREGON,
WASHINGTON,
ARIZONA,
IDAHO.

ILLINOIS,
MICHIGAN, IOWA,
WISCONSIN, MINNESOTA,
MISSOURI, KANSAS, NEBRASKA,
COLORADO, N. DAKOTA, S. DAKOTA.
MONTANA. UTAH. WYOMING.
NEW MEXICO.

CHICAGO OFFICE, 205 LA SALLE STREET.

W. S. WARREN, *Manager*.
GEO. H. MOORE, *Assistant Manager*.
HUGH R. LOUDON, *Deputy Asst. Mgr.*

INSURANCE COMPANY

ESTABLISHED 1836. ENTERED U. S. 1848.

The statement of the condition of the United States Branch on the 1st day of January, 1910, in accordance with the Laws of the State of New York, is as follows:

ASSETS	\$13,885,802.38
LIABILITIES	8,766,622.58
SURPLUS	\$5,119,180.30

As an illustration of the Company's practice in maintaining its assets in the United States in years of excessive loss, the following figures may interest policyholders:

Year.	Assets at January 1.	Income.	Expenditure.	Excess of Expenditure.
1871	\$3,054,361	\$3,163,901	\$5,122,653	\$1,958,752
1872	3,640,450	3,733,101	4,484,999	751,898
1873	4,165,290			

Thus showing excess of expenditure in the two years of \$2,710,650
And increase of assets in the same time of 1,110,929

Progress of the United States Branch: Net Fire Premiums: 1848, \$4,519; 1858, \$471,998; 1868, \$1,739,620; 1878, \$2,422,126; 1888, \$3,928,010; 1898, \$4,979,422; 1908, \$7,427,617.63.

LOSSES.—The amount paid in the satisfaction of fire losses in the United States to the beginning of the present year was over \$119,461,623.72. This large sum, in conjunction with the growth of the Company's business, convinces the confidence of the public and the faithfulness with which the Company's losses are adjusted and settled.

The Chronicle.

1866

Published by THE CHRONICLE COMPANY, Ltd., 90 William St., New York City.

1910

VOLUME LXXXV.

New York, June 2, 1910.

NUMBER 22

WESTERN ASSURANCE CO.

HEAD OFFICE,
TORONTO, - - CANADA.

Incorporated 1851.

Hon. GEORGE A. COX.....President
W. R. BROCK and JOHN
HOSKIN, K. C. LL. D., Vice-Presidents
W. B. MEIKLE.....General Manager

United States Statement, Jan. 1, 1910.
Assets\$2,377,303.37
Surplus in United States..... 839,268.07

FEDERAL LIFE INSURANCE COMPANY CHICAGO

ISAAC MILLER HAMILTON, ; ; President

Admitted assets.....\$2,447,499.17
Capital stock..... 177,300.00
Surplus apportioned and
unapportioned 77,510.61
Excess security to policy
holders 254,810.61
1909 insurance in force in-
creased over.....\$6,300,000.00
Surplus increased over.... 100,000.00

HIGH-GRADE MANAGERS AND
AGENTS WANTED.
ATTRACTIVE POLICIES.
DESIRABLE CONTRACTS.
WILL ENTER NEW TERRITORY.

Address,
CHARLES M. TURNER,
General Manager,
Marquette Building, CHICAGO, ILL.

OLDEST
IN
AMERICA

STRONGEST
IN THE
WORLD

THE MUTUAL LIFE Insurance Company of New York

Mutual Life Agents Make Most Money
Because Mutual Life Policies Sell Most Freely

For terms to producing agents, address

GEORGE T. DEXTER

2nd Vice-President

34 Nassau Street

New York, N. Y.

The Maryland Casualty Company of Bal-
timore is now authorized and fully equipped
to execute all classes of

Fidelity and Surety Bonds

The Bonding Department will give the
same satisfying service that, in every branch
of casualty insurance, is known throughout
North America as the Modern Maryland
Method.

If you write any Bonding business, it is to your
advantage to place it with

The Company That Helps Its Agents.

MARYLAND
MERITS

CASUALTY
COMPLETE

COMPANY
CONFIDENCE

EDITION ALMOST EXHAUSTED

SAVES TIME AND LABOR

Various Derived Tables

AMERICAN EXPERIENCE

3 and 3½%

BY
MILES M. DAWSON

TABLE OF CONTENTS.

Single Premiums, Pure Endowment.
Accumulations, Pure Endowment.
Forborne Immediate Annuities.
Accumulated Temporary Insurances.
Accumulated Increasing Insurance.
Single Premiums Endowment Insurance.
Single Premiums Temporary Insurance.
Immediate Temporary Annuities.
Valuation Columns.
SELECT AND ULTIMATE VALUES.
Single Premiums, Whole Life.
Life Annuities.
Terminal Reserves, Life, Limited Payment, Endowment.
Mean Reserves, Life, Limited Payment, Endowment.
LOGARITHMS, SEVEN PLACES.
Forborne Immediate Annuities.
Curtate Summations of D Column.
Immediate Temporary Annuities.

USES.

Computing Annual Term Insurance Premiums:
Divide temporary insurance values by immediate temporary annuities.
Computing Annual Endowment Insurance Premiums:
Divide endowment insurance values by immediate temporary annuities.
Computing Annual Pure Endowment Premiums:
Divide pure endowment values by immediate temporary annuities or take reciprocals of forborne immediate annuities.
By these means, the net extra premium for a special guaranty can be quickly and accurately computed.
Computing Annual Semi or Double Endowment Premiums:
Add temporary insurance and pure endowment values for proper amounts and divide by immediate temporary annuity.
Computing Limited Premiums:
Divide the proper single premiums by immediate temporary annuity.
Computing Surrender Values:
Extended Insurance. Find the temporary insurance value next lower than the sum to purchase extension. This gives even number of years. Apply remainder to pay for additional days according to daily differences in the table.
Extended Insurance with Fractional Paid-up Endowment:
Deduct from purchase money, value of insurance for unexpired term; multiply remainder by accumulation, pure endowment, to get amount of endowment.
Computing Terminal Reserves:
Unvarying Benefits. Multiply net premiums by forborne immediate annuity and deduct accumulated temporary insurance.
Return Premium, Full Reserve. Multiply net premium by forborne immediate annuity and deduct accumulated temporary insurance and accumulated increasing insurance, multiplied by gross premiums to be reduced.
Return Premium, Extra Reserve. Multiply net extra premiums by forborne immediate annuity and deduct accumulated increasing insurance, multiplied by gross premiums to be returned.
Warranted Commissions for New Business.
Surrender Values.
Dividends.
For these purposes the "select and ultimate" will be most useful.

SEND ALL ORDERS TO

THE CHRONICLE CO. (Ltd.)

90 William Street, New York

The Chronicle

VOLUME LXXXV.

NEW YORK, THURSDAY JUNE 2, 1910.

NUMBER 22

MILES M. DAWSON, President.
R. B. Dawson, Treasurer. Chas. D. O'Brien, Secretary.
Emil Schwab, Manager New England Department,
178 Devonshire Street, Boston, Mass.

All communications should be addressed to and remittances should be made to The Chronicle Company, Limited.
Entered at the Post Office, New York, N. Y., as Second Class Mail Matter.

PUBLISHED EVERY THURSDAY BY
THE CHRONICLE COMPANY, Limited.
No. 90 WILLIAM ST., NEW YORK.
Phone "567 John." Cable Address, "Chronogram," New York.

Subscription Price:
Three Dollars a Year. Single Copies, Twenty-five Cents.
Postage Prepaid in the United States and Canada.

"Total and Permanent Disability Provisions."

An Important Paper Read Before the Actuarial Society.

Franklin B. Mead, A.A.I., actuary of the Michigan State Life Insurance Company, of Detroit, Mich., whose excellent and really epoch-making paper before the American Life Convention in 1908 was liberally reviewed in "The Chronicle" at that time, submitted at the recent meeting of the Actuarial Society of America a new and more complete and detailed study of total and permanent disability rates and reserves, under the caption: "The Total and Permanent Disability Provision in Connection with Life Insurance Plans."

He traces the spread of this provision from its origin in 1876 in Germany, its slow progress until 1900 and its rapid extension there since that year; and says:

In America its appearance among the regular companies occurred much more recently, not so remote as a decade and a half ago. The principal companies employing it in one form or another are the leading companies that do a combined casualty and life business, and, in addition to these, numerous young companies, as a stimulus to their productivity. With us the belief is rapidly extending that this "insurance of insurance" is a rational and logical addition to the life policy, so that its protection may be enlarged to provide for those who "are dead but not buried," especially as it has already been practically demonstrated that it can be done with but small increase in cost, providing reasonable precautions are taken.

* * * * *

Possibly at least a third of the American companies have a disability

provision in their policies, some providing merely cessation of premium payments, others the payment of the face of the policy in ten or twenty instalments. Until recently most of the companies had not taken the wise precaution under certain contracts of having the disability feature cease after the attainment of the age when the risk of old age invalidity becomes excessive but most of them have lately amended them in this respect.

The difficulties attending the task of securing "sufficient elements of homogeneous character" to yield a reliable standard for the probable experience of American companies are freely discussed, the author concluding that the best obtainable is better than no standard and that "we are in a position to approximate the cost in quite a satisfactory manner."

The origin of the well-known German tables is briefly traced and the material which American fraternal societies' experience yields, is preferred for many reasons. Mr. Mead is confident that American experience will be very favorable and pauses to say of this:

The conclusion does not necessarily follow, however, that because of a low mortality experience, a low disability experience may be expected. George F. Hardy in his classic essay on friendly societies, has called attention to the fact that a low rate of disability has frequently been found to occur in connection with a high rate of mortality and vice versa. This phenomenon was also called attention to and demonstrated by Alfred Watson in his admirable treatment of the Manchester Unity Experience. Nevertheless until proved to the contrary we may expect a low rate of permanent disability in connection with a low rate of mortality, particularly below about age 60.

He gives an account of the Knights

of Maccabees experience table, published by its author, Abb Landis, consulting actuary, in 1909, showing an accumulated deviation from the actual disablements of no less than 105.22 excess as against 87.1 actual. Mr. Mead remarks of this table:

In considering the treatment of this experience it must be borne in mind that the purpose of the work was to demonstrate the necessity of readjustment of the rates and plan of operation, which readjustment was introduced in 1904 on the level premium basis. Consequently, the aim was to rather underestimate the rates deduced.

Comparisons are made with various other tables as follows: Ten tables of German and Austrian experience, the British Friendly Societies (Jackson) and the Independent Order of Foresters (Pipe). The most important of these (Table A) are given on page 2.

Mr. Mead discards the German and British tables as too high and prefers the Maccabees to the I. O. F. on the following grounds:

In the tables combining the rates of mortality and of disability, I have employed for the latter that of the Maccabees for the reason that it is based upon a much larger experience than that portion of the Foresters which Mr. Pipe has thus far investigated; also for the reason that claims for cessation of premium will likely be deferred until shortly before the next premium is due, an annual premium in the majority of cases, and this will be on the average about five months say after the occurrence of disability during which time a portion will have died and appeared as death, instead of disability claims. The same reasoning will also apply where the payment of the policy in instalments is provided, since it is customary to provide for a probationary period. Again, the extended insurance feature, which would otherwise be available without

TABLE A.
Probability of Permanent Disability.

Age	Office Service (German Railways)...	British Friendly Societies (Jackson)...	Foresters (Pipe).....	Maccabees (Landis)	Ratio of Foresters to Maccabees
20.....	.00020	.00073	.00021	.00012	1.58
25.....	.00038	.00075	.00038	.00025	1.58
30.....	.00070	.00079	.00066	.00037	1.58
35.....	.00181	.00088	.00076	.00048	1.45
40.....	.00314	.00101	.00090	.00069	1.22
45.....	.00463	.00143	.00110	.00090	1.22
50.....	.01012	.00253	.00182	.00124	1.47
55.....	.01544	.00485	.00306	.00255	1.20
60.....	.03353	.00965	.00625	.00830	.75
65.....	.07630	.02170	.01148	.02055	.39
70.....	.15509	.03750	.06255	.13230	.47
75.....	.33091	.04300	....	.43505	...
80.....	.74399	.04720	....	1.00000	...

the disability provision, eliminates a portion of the cost properly chargeable to the disability feature.

An important feature of the paper is a table of mortality among the totally disabled, deduced from the experience of the Knights of the Maccabees, graduated by Mr. Mead and here presented for the first time. It is based on 2,927 disabled lives. The graduation was first by King's new formula and then by the graphic method "with the intention of rather underestimating the mortality than otherwise and of blending the curve into that of the American Experience table at age 80, at which age it is customary to consider all disabled. The resulting aggregate table is given below:

Mortality Experience Amongst Invalids of the Knights of the Maccabees, 1910.

Age.		Age.	
20.....	.4000	51.....	.1267
21.....	.3471	52.....	.1267
22.....	.3036	53.....	.1268
23.....	.2677	54.....	.1268
24.....	.2386	55.....	.1268
25.....	.2155	56.....	.1260
26.....	.1976	57.....	.1260
27.....	.1840	58.....	.1279
28.....	.1738	59.....	.1270
29.....	.1661	60.....	.1270
30.....	.1601	61.....	.1270
31.....	.1552	62.....	.1271
32.....	.1510	63.....	.1271
33.....	.1464	64.....	.1272
34.....	.1433	65.....	.1272
35.....	.1406	66.....	.1273
36.....	.1382	67.....	.1273
37.....	.1361	68.....	.1274
38.....	.1343	69.....	.1275
39.....	.1328	70.....	.1276
40.....	.1315	71.....	.1278
41.....	.1304	72.....	.1281
42.....	.1295	73.....	.1285
43.....	.1288	74.....	.1290
44.....	.1282	75.....	.1297
45.....	.1277	76.....	.1307
46.....	.1273	77.....	.1322
47.....	.1270	78.....	.1346
48.....	.1268	79.....	.1385
49.....	.1267	80.....	.1445
50.....	.1267		

The graduation appears to be good,

the deviations being small and with frequent changes of sign and the accumulated deviation only 10.9 over 1,073 actual deaths. The mortality is underestimated, however, almost constantly, up to beyond age 70 where the exposures are small.

Comparisons are made with other tables and specimen rates of mortality, graduated on a select basis, under the German compulsory invalidity insurance law are also given, the latter showing conclusively that graduation on a select basis is essential in order to get reliable notions as to the longevity of the disabled. The same is also indicated by the comparison made, as to the value of an annuity due upon a newly disabled life, as follows:

Expectation of Life and Corresponding Annuity. Values Amongst Those Just Disabled.

Age.	German Experience Under Compulsory Law.		—Foresters— (Pipe)		Maccabees (Mead)	
	e_x^1	a_x^1	$a_{[x]}^1$	a_{x+1}^1	a_x^1	
20.....	....	...	2.80	4.24	2.99	
30.....	9.48	6.24	4.73	6.78	5.74	
40.....	10.02	7.11	5.02	6.83	6.32	
50.....	10.04	7.71	4.92	6.20	6.39	
60.....	8.96	7.48	4.80	5.56	6.31	
70.....	...	...	5.00	4.93	5.97	
80.....	...	...	...	...	4.44	

The paper proceeds to develop formulas and commutation columns for the computation of net premiums and reserves.

A table, combining the American Experience Mortality Table, with the Knights of the Maccabees invalidity table and invalid mortality table, is given. It shows all but 280 of the 14,474 survivors to age 80 to have become disabled, all at higher ages being treated as disabled. This table is accompanied by commutation tables at $3\frac{1}{2}$ per cent. interest and by a table of annuities for active lives and for invalid lives. These tables bring out the following net rates for cessation

of annual premiums on becoming permanently disabled:

Extra Annual Premiums for Cessation of Annual Premium Payments on Becoming Invalid Before Age 80.

Age.....	Ordinary Life..	20 Payment.....	10 Payment.....	15 Payment.....	20 Endowment..	15 Endowment..	10 Endowment..
20.....	.31	.02	.02	.01	.04	.04	.04
25.....	.45	.04	.03	.03	.06	.07	.07
30.....	.65	.06	.05	.05	.09	.10	.10
35.....	.99	.09	.08	.08	.13	.14	.15
40.....	1.55	.16	.13	.12	.21	.19	.21
45.....	2.54	.36	.23	.18	.44	.32	.29
50.....	4.44	1.18	.62	.37	1.36	.78	.53
55.....	8.41	4.55	2.20	1.20	4.88	2.65	1.56
60.....	16.85	14.48	9.62	4.87	14.92	10.45	5.80
65.....	41.27						
70.....	107.35						
75.....	262.27						

Concerning these, the author says:

From the rates quoted it is apparent that the disability liability is so great under the older ages at issue that sound underwriting calls for a distinct extra premium in practice at these ages if provision is made for disability occurring at the higher ages which, however, in order to afford adequate protection to the companies, would be absolutely prohibitory. It is, therefore, incumbent that permanent disability benefits be eliminated in case of disability occurring at the older ages.

Accordingly he gives the following tables of net premiums for cessation of premiums on becoming disabled, provided disability supervenes before attaining age 60 or 65, respectively:

Extra Annual Premium for Cessation of Annual Premium Payments on Becoming Invalid Before Age 60.

Age.....	Ordinary Life..	20 Payment.....	15 Payment.....	10 Payment.....	20 Endowment..	15 Endowment..	10 Endowment..
20.....	.06	.02	.02	.01	.04	.04	.04
25.....	.08	.04	.03	.03	.06	.07	.07
30.....	.11	.06	.05	.05	.09	.10	.10
35.....	.15	.09	.08	.08	.13	.14	.15
40.....	.21	.16	.13	.12	.21	.19	.21
45.....	.30	.25	.23	.18	.31	.32	.29
50.....	.44	.37	.42	.37	.42	.52	.53
55.....	.62	.42	.51	.67	.46	.59	.87
60.....	..	..	..	..	..	..	..

Extra Terminal Reserves for Cessation of Annual Premium Payments on Becoming Invalided Before Age 65.

Age.....	Ordinary Life..	20 Payment.....	15 Payment.....	10 Payment.....	20 Endowment..	15 Endowment..	10 Endowment..
20...	.07	.02	.02	.01	.04	.04	.04
25...	.11	.04	.03	.03	.06	.07	.07
30...	.16	.06	.05	.05	.09	.10	.10
35...	.22	.09	.08	.08	.13	.14	.15
40...	.33	.16	.13	.12	.21	.19	.21
45...	.49	.36	.23	.18	.44	.32	.29
50...	.77	.84	.62	.37	.95	.78	.53
55...	1.23	1.48	1.56	1.20	1.59	1.80	1.56
60...	1.19	2.10	2.42	2.89	2.16	2.63	3.44
65...	..	..	..	..	..	..	..

The following are specimen net terminal reserves:

Extra Terminal Reserves for Cessation of Premiums. Allowance for Disability to Age 80.

—Ordinary Life—					—20 Payment Life—					—20 Year Endowment—				
Ages.	25	35	45	55	25	35	45	55	25	35	45	55	25	35
5...	2.42	5.30	13.71	44.22	.03	.06	.98	20.76	.06	.08	1.20	22.26		
10...	5.36	11.78	30.99	97.22	.01	— .01	1.73	38.99	.02	— .02	2.13	41.80		
15...	8.97	19.93	52.78	150.74	— .05	— .12	1.10	31.90	— .09	— .08	1.35	34.20		
20...	13.41	30.39	79.86	180.02										
25...	19.02	43.85	107.89	143.26										
30...	26.32	60.92	122.34											
35...	35.83	78.84	94.89											
40...	48.04	87.78												
45...	60.96	67.44												
50...	67.28													
55...	51.45													

Extra Annual Premium for Cessation of Premiums. No Allowance for Disability Occurring After Age 60.

Ordinary Life.					20 Payment Life					20 Year Endowment.				
Ages.	25	35	45	50	25	35	45	50	25	35	45	50	25	35
5.....	.39	.52	.79	.72	.03	.06	.54	.06	.06	.08	.67	.07		
10.....	.66	.99	1.28	..	.01	— .01	.54	..	.02	— .02	.66	..		
15.....	1.01	1.45	..	..	— .05	— .12	..	..	— .09	— .08	..	..		
20.....	1.32	1.69												
25.....	1.61													
30.....	1.74													
35.....	..													

The following comment upon the unscientific character and inadequacy of the reserves which are usually set up, closes the paper, saving a few sentences of recognition of the work of others:

It will be seen the reserve that is usually charged up, one-half of a nominal premium, almost invariably 25 or 50 cents, is not only grossly inadequate in the majority of cases, but woefully unscientific. To charge a level premium for an insurance policy and maintain a reserve at all durations equal to half of the annual premium would be a parallel case. The laws of the various States are very lame when it comes to permanent disability. They should be amended so as to provide special treatment for total and permanent disability, so that such feature may be made an intrinsic part of the contract if a company desires to introduce the benefit under discussion. So far as my knowledge goes, the laws of only one State have a reference to total and permanent disability and this relates merely to the reserve under the circumstances. This beginning I am

sorry to say was not a good one for it determines the reserve as one-half the premium, which may be arbitrarily determined.

A BONUS RECORD TO BE PROUD OF.

The 148th annual meeting of the "Old Equitable," of London, was held at its offices on May 3. Its management was able to report new business for 1909 of about \$1,950,000, secured without the payment of commission, and an average expense rate for five years past of only 7¼ per cent. of the premiums. The expenses were about \$20,000 less than for the next previous quinquennium. The most interesting thing, however, is the rates of bonus or of dividend additions, which are:

CLEVER AND CONVINCING.

The agents of the New York Life Insurance Company are distributing to their prospects cards bearing the following significant and instructive words:

1. My total annual family expense is.....\$——
2. Deduct my personal share of same.....\$——
3. Balance—being annual income needed to support my family.....\$——
4. Estate required to yield needed income at 5 per cent. (20 times No. 3)....\$——
5. Deduct net cash value of my estate to-day.....\$——
6. Balance—estate not yet created.....\$——
7. Deduct amount now covered by life insurance....\$——
8. Additional life insurance needed.....\$——

Such things win. They deserve to win. They introduce enlightening elements into life insurance canvassing which, once understood, will never be lost from it.

John A. Robens, treasurer of the Insurance Company of the State of Pennsylvania, died suddenly last week as a result of a stroke of apoplexy. Mr. Robens entered the employe of the company as a boy and was treasurer for thirty-nine years.

T H E PROVIDENT LIFE AND TRUST COMPANY OF PHILADELPHIA

Insurance in Force, \$214,509,255.00
(Paid for Basis)

Assets \$70,514,350.45
(Market Value, Dec. 31, 1909)

Contingency Reserve . \$9,207,276.38
(Inclusive of Capital Stock, \$1,000,000.)

The Provident has been particularly distinguished for the development of a highly trained force of agents. The systematic instruction which its agents receive has resulted in their being recognized as representatives of exceptional knowledge of the business and of marked efficiency.

1. For endowment policies \$15 per \$1000 insured, including previous bonus additions.

2. For life (including limited payment life) policies, as follows:

Total Sum Assured with Bonuses.....		New Bonus.....		Sum Assured with Previous Bonuses.		Complete Years in Force		Year of Assurance..
£	s.	£	s.	£	s.	£	s.	
1904...	0	1,065	0	65	0	1,000	0	5
1899...	0	1,120	0	63	0	1,065	0	10
1894...	10	1,227	10	97	10	1,130	0	15
1889...	10	1,357	10	130	0	1,227	10	20
1884...	10	1,587	10	162	10	1,425	0	25
1879...	10	1,817	10	195	0	1,622	10	30
1874...	10	2,147	10	227	10	1,920	0	35
1869...	10	2,477	10	260	0	2,217	10	40
1864...	0	2,895	0	292	10	2,602	10	45
1859...	10	3,312	10	325	0	2,987	10	50
1854...	10	3,716	10	351	0	3,365	10	55
1849...	10	3,918	10	364	0	3,554	10	60

A WELL-MERITED APPOINTMENT.

The selection of Hon. Charles D. Norton, Assistant Secretary of the Treasury, for the position of private secretary to President Taft, succeeding Hon. Fred W. Carpenter, recently appointed Minister to Morocco, is a well-merited recognition of the earnest desire of an exceedingly able man to be of service to the public and his full ability to render the service. Mr. Norton had already shown marked ability before he accepted the appointment as Assistant Secretary of the Treasury at the hands of Hon. Franklin MacVeagh, his friend of many years. He had been general agent of the Northwestern Mutual Life Insurance Company at Chicago, with an income largely in excess of \$50,000 per annum, built up by his own efforts; and this he laid aside, except as to his renewal interest in the business already established, in order to accept this opportunity for public service, at a salary of but \$4,500 per annum.

Mr. Norton accepts the position "under leave of absence from the Treasury Department," so that he may return to that department if he so desires, or if the President should find any person whom he prefers. This is a very unusual thing and indicates the warm desire of his former chief to retain or regain his services, if possible.

The Washington correspondent of the New York "Evening Sun" makes the following comment upon the prevailing opinion in Washington as to this appointment:

Mr. Norton's appointment was not a surprise to those familiar with the administration here. He is regarded as one of the bright men of the administration and has made hosts of friends among congressmen and public officers since he came here at the request of Secretary MacVeagh, a little more than a year ago. Although he has been in the Government service but a short time, already he has instituted reforms which mean the saving of millions of dollars annually. In the opinion of his friends he will do more to "rejuvenate" the Taft administration than almost any other available man could have done. He has the confidence of the President and his advisers and of all the officers and politicians with whom he has come in contact.

PROMOTER'S NERVE.

In the matter of nerve on the part of promoters, the limit is reached in the "Old Line Life," of Milwaukee. One Rupert Fry, acting as general agent, handled the job, paid generous commissions to solicitors who placed the stock, and prudently kept the tidy

sum of \$55,000 of the contributions in his own pocket. A full account of these "high finance" operations appeared two weeks ago in "The Chronicle."

Under the storm of criticism that followed the Wisconsin department's disclosures, everyone expected Mr. Fry to take to the tall timber. The official disapproval of the home insurance department, and the natural condemnation of the press would seem enough to make for a repudiation of Fry and his retirement as the head of the company.

In a reply to critics, Mr. Fry intimates unfairness on the part of the department, and avers that there were other promoters getting a bigger slice than he did; in fact, that he could even have spent more money than he did! This is justification with a vengeance.

What about the stockholders? Just now they are supposed to mournfully pocket their loss, and be glad that Fry didn't spend more in exploiting the company. Report has it that they are not only resigned, but cheerful over the prospect. Fry's friends maintain that directors and stockholders alike enthusiastically uphold him, and sniff at the pittance of \$55,000 for bossing the job.

But it is hard, very hard, to start new companies. It is a hard task for the most experienced and able underwriters. The "Old Line Life" is doubly handicapped. It has not the underwriter of proved experience. It has the odium of the promotion scandal; and this load it must carry, as long as the gentleman who manipulated that deal, stays at the company's head.

The stockholders paid in a little over a million dollars; about \$700,000 now remain.

The Fidelity and Deposit Company, of Baltimore, will be ready to write casualty business September 1.

SUPERINTENDENT LEMERT DISSATISFIED.

Hon. Charles C. Lemert, Superintendent of Insurance of Ohio, neither content with the decision in favor of the Union Central nor with appealing against that decision, thus pays his respects to the company and the courts in his annual report:

This is the first reported case of which the department has knowledge wherein a court has held that that portion of the surplus derived from mutual policies and retained for the benefit and security of the company and its policyholders belongs to the stockholders of the company.

This holding is apparently upon the theory that the policyholders' rights are fixed by the policy contract which provides that they "shall participate in the profits as apportioned by the company," and having already participated therein by the receipt of regular annual dividends, their rights to further share in a distribution of the surplus are at an end. In other words that the policyholders are entitled to share in the earnings of their policies only to the amount the officers of the company may apportion them.

A Severe Indictment.

It would seem the holders of mutual policies will hardly be content when they understand that the moderation of the stockholders is the only barrier that stands between them and the appropriation of the surplus derived from mutual policies.

This department prepared a bill and had it introduced in the general assembly in January, which sought to limit the capital stock, dividends and distribution of the surplus of stock life insurance companies of this State. If this bill had been enacted into law, it would have fixed the rights of policyholders and stockholders to dividends and surplus. The public should have some legal guarantee that surplus derived from participating policies belongs to the policyholders, and it is to be hoped the next general assembly will provide such guarantee by appropriate legislation.

The Sovereign Fire, of Toronto, will shortly enter New York and transfer its deposit from Minnesota. In view of this California will license the company.

BONDS OF SURETYSHIP.

The Guarantee Company of North America

HEAD OFFICE, MONTREAL

Edward Rawlings, President.

H. E. Rawlings, Asst. Mgr.

Richard B. Scott, Secretary & Treasurer.

It is the Pioneer Company, was established in 1872, and is conducted under a conservative management of over 55 years experience.

It has recouped to employers over \$2,190,000 for losses sustained by the infidelity of employees and has a surplus of \$1,041,423.23 to credit of shareholders and total resources of \$1,919,892.38 for the security of insured.

Branch Offices:

NEW YORK: 111 Broadway,
D. J. Tompkins, Secretary.
BOSTON: 114 Milk Street,
W. A. Hamilton, Agent and Attorney.
CHICAGO: Room 400, The Temple,
J. R. Pruyn, Resident Sec. and Atty.
PHILADELPHIA: 500 Arcade Bldg.
W. H. Jackson, Res. Secretary.
PITTSBURG: 1120 Farmers Bank Bldg.
E. R. Munro, Resident Secretary.
LOUISVILLE: 316 Columbia Bldg.
P. N. Clarke & Co., Agents.

"THE NEW CONVERTIBLE LIFE POLICY."

"The Metropolitan," for May, prints the following description of "The Convertible Policy," which it is issuing for \$250 units at 25 cents per week, to adults, and for \$125 units at 10 cents per week to children:

The idea is this: Probably every man knows what amount of insurance he would like to carry, and surely can tell how much premium he can afford to pay every week, or every four weeks, for it. What usually puzzles him is to decide what form of insurance he ought to take. We claim to have solved this problem with our convertible policy. Let him inform us how much he can spare a week and the policy does the rest. It solves the problem by giving the maximum protection, having regard to the uncertainties of income for long periods of time. Ordinarily we would say to a young man or woman age 20 who can afford \$13 a year: Take an ordinary policy for \$1,000 if you want the most protection; or if you want to pay during the most productive years of life, take a 20-payment life policy for \$500; or if you want to save and enjoy your money, pay a little more and take a 20-year endowment for \$500. But this presupposes a confidence on the part of the applicant that he can continue the annual payments for life or for twenty years, as the case may be. That is not the situation of the wage-earners. If it were, industrial insurance would have no vocation. The workingman has not thirteen dollars about him at any one time to pay for insurance, and he has no feeling of security that he will be able to permanently keep up so large a payment. But one of the better class of workingmen can well say: I can save twenty-five cents a week and I can be sure of a dollar about me every four weeks which I can spend on insurance. Now what is the best thing in the market for one situated as I am? We answer by explaining this new plan:

"You are age 20. Take out a \$250 policy, and if you will pay \$1 every four weeks you will have it fully paid up—a free policy for \$250—in 11 years and 38 weeks. You will then be only 32—a young man still, earning money and able to save your dollar every four weeks. If you want to keep on paying for another year and seven weeks your policy will become an endowment of \$250, payable at age 65, when you will need it, and meanwhile your policy will be free for \$250 payable at death. But even at that date you will be only 33, still with an income; pay 49 weeks more and your policy, remaining free, payable at death, will also be an endowment payable at age 60. But that further period of payment will find you only 34; pay a year and 22 weeks more and your policy will be a 20 year endowment, payable at age 55 or prior death. You will then be less than 36. If you wish to keep up your payments for two years and seven weeks more your policy will be a twelve-year endowment, payable at age 50 or at prior death. At the expiration of that period of premium payment you will be about 38; pay three years and nine

weeks more and you will get your \$250 paid to you in less than five years thereafter, namely, at age 45."

The great advantage of this plan of insurance is that the policyholder can, if he desire, stop at the end of any of a number of fairly short intervals and have free or paid-up insurance, and can, if he desire, continue from one period to another, each a short one, each time shortening an endowment period five years.

This is the policy which the Metropolitan Life Insurance Company put out something over a year ago, immediately following the issue of a two shilling four weekly policy of the same type by the Prudential of London. The Metropolitan also encourages the collection of four weeks at a time and would have made premiums payable that way, had it not been that under the laws of New York such would not have been regarded as industrial and would have counted as ordinary against the \$150,000,000 limit. The limitations of section 97 as to cost of new business would also have applied; but the commission paid is so low that it is not believed that this alone would have dissuaded the management.

The big thing about this plan is that it is the first "winner" in monthly business; all previous essays at it, both in Great Britain and in this country, have been failures, either as regards economy or as regards volume or both. The Metropolitan's record is not known, but it is known that it is doing a big business in these policies and the diminishing expense ratio in its industrial department is doubtless due in part to this fact.

In the Prudential, of London, it is rapidly gaining favor, as compared with weekly premium business, though sold at a much lower rate of compensation both for new business and collection. "The Commercial World," of London, says of this in its issue of May 16:

At the present time many districts are rushing up records in monthly

business. The superintendent and his staff realize that they have got hold of a good thing in the M. O. table, and are working it for all they are worth. The district vessel has got the signal from its captain "Full steam ahead," and the progress, as dear old Dominie Sampson would have said, is "prodigious." But there are dangers even in rapid transit. There are perils even in progress.

H. A. Harben, chairman of the Prudential, put the matter succinctly when he said, "Increase is a very good thing, but profitable increase is better."

This is where the shoe pinches.

I do not refer to the terms paid for monthly business; they appear to me to be perfectly satisfactory, taken in conjunction with all the circumstances.

But is it wise to neglect the good old weekly industrial debit which, say what you like, has been the foundation of all the great industrial ordinary offices, for the sake of the new departure?

It certainly is not safe, and though the monthly business may seem to offer a short cut to large increases, yet, like my short cut across the Serpentine, it may lead to very thin ice and sudden disaster.

A. C. Thompson realized this some time ago, when he reminded the outside staff that "It must not be forgotten that the weekly branch is the mainstay of our company, and that the monthly department is an accessory, not a substitute."

Germania Fire INSURANCE CO., NEW YORK.

ORGANIZED 1859.

Cash Capital.....	\$1,000,000.00
Assets	\$6,562,329.14
Net Surplus.....	\$2,008,419.02
Surplus for Policyholders.....	\$3,008,419.02

HEAD OFFICE:

Cor. William and Cedar Streets.

THE HOME LIFE INSURANCE COMPANY OF AMERICA

Incorporated 1899.



THE COMPANY FOR THE AMBITIOUS AGENT who desires to sell "COMMON SENSE" insurance at LOWEST COST, and who seeks, through most liberal first year and guaranteed renewal commissions, to receive just recognition of service. All policies registered, signed and sealed by the Insurance Commissioner of the State of Delaware, making them truly

SAFE AS GOVERNMENT BONDS.

Address Executive Offices, 416-18-20 Walnut Street, PHILADELPHIA, PA.

JOHN LANGHAM, Jr.,
President.

JOSEPH L. DURKIN,
Secretary.

GEORGE M. NETTLESHIP,
Manager of Agencies.

MERGER OF CITIZENS LIFE AND CITIZENS NATIONAL.

On May 23 the merger of the Citizens Life Insurance Company, of Louisville, into the newly-organized Citizens National Life Insurance Company, of the same city, was brought to a successful conclusion. The Citizens, which has been one of the most phenomenally successful of the newer companies in growth and in the volume of new business secured, turns over its business and reserves to the Citizens National, with \$1,500,000 paid-in capital, contributed by over 5,000 stockholders and with authorized capital of no less than \$5,000,000.

W. H. Gregory, founder and president of the Citizens, continues as president of the Citizens National, with the following staff:

Charles D. Pearce, first vice-president; R. E. Gregory, second vice-president; J. W. Lam, third vice-president; George Bohon, fourth vice-president; W. W. Moore, general manager; Helm Bruce, general counsel; Sidney Smith, assistant counsel; L. W. Key, treasurer; W. H. Albritton, assistant treasurer; J. W. Peake, secretary; W. S. Peake, assistant secretary; H. Z. Churchill, assistant secretary; J. F. Holland, auditor; J. Petrus, cashier; Dr. Thomas Hunt Stucky, chief medical director; Dr. W. Ed. Grant, medical director; A. C. Home and Huelling Davis, agency directors.

Departmental divisions have been established at St. Louis, Birmingham and Atlanta, each in charge of executive officers and with a large measure of local autonomy. The south central department, at Birmingham, is in charge of Fifth Vice-President Geo. D. Burdett; the west central, at St. Louis, of Sixth Vice-President W. W. Hines, and the southeastern, at Atlanta, of Seventh Vice-President E. L. Moore.

The home office of the company will, sooner or later, be removed just outside of Louisville, as a protest against the oppressive tax rate levied against the Citizens there. Of this, President Gregory says:

Another important move will be the building of a home office outside of Louisville. It is estimated that this will effect a saving in taxes for the first five years of over a quarter of a million dollars, or the equivalent of a 5 per cent. dividend on \$1,000,000 on stock.

The location chosen is at Anchorage, a suburb of Louisville.

By the merger, it is said, Citizens Life stockholders received one and one-half shares of Citizens National stock for each share of stock in the old company; including cash dividends, declared this year, they get

about \$600,000 in cash and new stock for \$370,000, par value, of old stock.

The management makes no secret of its purpose to seek to bring about the merger into itself of as many of the younger Southern companies as possible by exchanging shares, by purchasing the business, or, if necessary, by purchasing the stock outright.

EQUITABLE VICTORIOUS IN FRANCE.

Word has been received by the Equitable Life Assurance Society of New York on May 31 that the Council of State in France, the highest government authority upon the subject there, has decided in favor of the company, the issue between it and the French government as regards the application of the provision in the insurance laws of 1905, relating to accounting with individual holders of tontine policies, as to policies issued before the act went into effect as regards the Equitable, by the company's registering thereunder.

The position of the Equitable in regard to the matter was that to comply with any such requirement would be to violate its contracts and that, while such requirement might reasonably apply to policies issued thereafter and after the company was licensed under the new act, it was not reasonable to hold that it was retroactive in effect and applying to policies already in force, issued in good faith and in which entirely different provisions in regard to the apportionment had been made.

When the law passed in 1905 went into effect and the question of compliance therewith came before each of the three large New York companies which were then doing business in France, the Mutual Life Insurance Company, after making an investigation, decided to withdraw from France, or, rather, not to take out a license under the new law. Of course, it was permitted to continue and take care of its business already in force. The New York Life Insurance Company, after considerable negotiation with the French government, decided to comply with the requirements of the law as interpreted by the government. The Equitable Life Assurance Society was advised by its counsel, the late Edmond Kelly, and Mons. Millerand, the present Minister of Public Works of the French government, and formerly Minister of Justice, that the law, fairly construed, did not require the company to make any such accounting with individual policyholders as to

business already in force. Accordingly, the Equitable joined issues with the government in the matter; and it had been under consideration for over three years prior to the determination of the question by the Council of State, now announced.

Companies doing business in North Dakota complain of alleged rate cutting methods adopted by the Dakota Trust Company and the Northern Trust Company of Fargo in cutting surety rates. These companies are said to be writing bonds at half the regular rates. Both these companies were recently dropped by Uncle Sam from the acceptable lists.

COMMERCIAL - UNION

ASSURANCE CO.,

(LIMITED)

OF LONDON.

OFFICE;

Cor. Pine & William Sts.

NEW YORK.

NOTEWORTHY ADVANCE.

The

BERKSHIRE LIFE Insurance Company,

OF PITTSFIELD, MASSACHUSETTS,

takes an advanced step in the interest of the policyholder by the adoption of the following liberal features in its new policy contract:

- Low premium rates.
- Large surrender values.
- Dividends at the end of each policy year.
- Thirty-one days of grace in payment of all premiums after the first year.
- Paid-up insurance or cash surrender value or extended insurance after two years' premiums have been paid.
- Loans for the full cash surrender value.

Policy payable in one sum or in instalments for terms of years.

Policy has no restrictions upon residence or travel and is incontestable after the first policy year, except for non-payment of premiums.

Right of the insured to change the beneficiary.

Liberal re-instatement privileges.

Every effort has been made to make this new policy the very perfection in a life insurance contract.

For further information apply to
JOHN H. ROBINSON, General Agent
FRANK ALLEN, Associate General Agent
For New York and New Jersey,
Postal Building,
253 Broadway, . . . NEW YORK.

INSURANCE JOURNALISM LIVELY IN CHICAGO.

There is considerable talk at present in Chicago about the newspaper prospects. Since the Chicago "Tribune" gave up its insurance column in 1905 the "Record-Herald" has had a monopoly of the daily insurance news. Now, however, it appears likely to have competition enough. Some weeks ago it was announced that Victor Polachek, former managing editor of Hearst's Chicago "American," would shortly begin the publication of the "Commercial Times," on the lines of the "Journal of Commerce" and "Commercial Bulletin" of New York. He already has secured as insurance editor P. J. V. McKian, editor of the "Argus." The Hearst people, it seems, were displeased at Mr. Polachek's leaving their service and becoming a competing publisher, so they have announced that they will publish the "Commercial Journal." They will issue the first number of their paper on June 6, while the "Commercial Times" is not scheduled to appear until about a week later. Hearst has the advantage of a fully equipped publishing plant, while Polachek is only getting his installed now. The "Commercial Journal's" subscription price is to be \$10 a year, while that of the "Commercial Times" is to be \$12, and Hearst is said to have quoted lower advertising rates than Polachek has. Evidently the two youngsters are going to have war from the start.

Four Richmonds in the Field.

This prospective activity in commercial journalism has stirred up the "Tribune," and it is considering putting on an insurance column again. If it does there will be four men working the insurance district for daily news, to say nothing of the representatives of the regular insurance papers. This excessive competition, in the opinion of some, is likely to result in none of the papers getting any insurance advertising in Chicago to amount to anything. During the years the "Record-Herald" has been the sole purveyor of daily insurance news in the city, its insurance advertising has been very limited, except on occasions somewhat out of the ordinary. There is no prospect that companies are suddenly going to quadruple their advertising patronage.

The insurance public is likely to profit in one way from this war among the newspapers—the "Record-Herald" will have to improve its service. When it and the "Tribune" were com-

petitors in this line each gave about two columns a day to insurance. When the "Tribune" withdrew from the field the "Record-Herald" gradually cut down its insurance space to about a column. It is understood the "Commercial Times" expects to give about three columns a day to insurance, so the "Record-Herald" will probably have to loosen up somewhat on space.

A NEW CHICAGO COMPANY.

The German National Life Insurance Company, of Chicago, has completed its organization and has taken over the business of the German Mutual Life, of that city, amounting to about \$4,700,000, carrying reserves by the American Experience table and $3\frac{1}{2}$ per cent.

The officers are as follows:

President—Samuel T. Gary, a Chicago attorney.

Vice-President and General Manager—Edward C. Brazier.

Secretary—F. W. Ritzmann, of Ritzmann, Brooks & Co., printers.

Treasurer—F. A. Rauch of F. A. Rauch & Co., upholstery goods.

Medical Director—Dr. A. W. K. Downes.

Vice-President Brazier is the insurance man of the group and is justifiably proud of having secured the capital for the new company at a net cost of less than five per cent.—an enviable record in these days of extravagant stock commissions.

CLAIM MEETING POSTPONED.

Owing to inability to secure hotel accommodations at Atlantic City June 15-17 the chairman of the executive committee of the International Claim Association announces a postponement to September 7-10, same place.

This is no doubt a severe disappointment to many of the distant members who had indulged dreams of the Atlantic City brand of sad sea waves and—

JUMPED TOO SOON.

Owing to lack of familiarity with the different State laws, the organizers of the Commercial Casualty Company, of Newark, did not look ahead and when they got a bump it was a hard one. This was when New York refused them a license.

They are going back over their work and trying to repair the gaps. This includes the relinquishment of their contract with the company, an amendment of charter and the raising of \$150,000 cash.

Then they propose to make another dash to Albany and endeavor to raise their flag here. It is regrettable that the company has to encounter trouble before it has gotten fairly started.

The Preferred
ACCIDENT INSURANCE COMPANY

of New York

SUPERIOR POLICIES

KIMBALL C. ATWOOD, President
290-292 Broadway, New York.

THE BANKERS LIFE ASSOCIATION

DES MOINES, IOWA.

ERNEST E. CLARK, President.

Exceptional Record During
twenty-nine years for

LOW RATE OF MORTALITY
ECONOMY OF MANAGEMENT
PROMPT PAYMENT OF CLAIMS
SECURITY OF ITS FUNDS

and satisfactory results
for its policyholders.

BONDS--CASUALTY

AGENTS
IF
YOU

{ Can Command Bond or Casualty business
{ Are seeking an Agency connection
{ Are not representing another like Company

ADDRESS, AGENCY DEPARTMENT,

The Empire State Surety Co.
NEW YORK

IN NEW ENGLAND

INQUIRING INTO WORKMEN'S COMPENSATION FAVORED.

At its monthly meeting last week the Boston Chamber of Commerce, after considerable discussion, pro and con, adopted the following resolution, recommended by the board of directors, and looking to a legislative inquiry into the subject of workmen's compensation for accidents:

Resolved, that the subject of industrial accidents, the compensation that should be received by injured workmen and the procedure for determining and securing that compensation should be carefully investigated by the legislature, with the view of obviating the serious theoretical and practical defects inherent in the existing law and of establishing a system that is in the public interest, and that there should be no legislation reasonable and fair to the employers, the workmen and the community; until after such thorough investigation; that such investigation can best be carried on by a commission similar to the commissions now studying the subject in other States, which should frame legislation only after studying the plans that have been adopted in other countries and after a series of public hearings in which employers, workmen and those who have studied the subject should have full opportunity to present their views. Inasmuch as such commissions are at the present time at work in many States endeavoring to frame legislation that shall be wise, proper and adequate, any commission appointed in the State of Massachusetts should endeavor to establish relations with all other commissions with a view of securing if possible uniform legislation in the different States.

Consented to Reduction.

Members of insolvent fraternal beneficiary associations will be interested in a decision of the full bench of the Massachusetts Supreme Court, which, as summarized in a daily paper, declares that thirteen claimants living outside the State, who took \$2,000 benefit insurance from the American Legion of Honor after it had unlawfully reduced the benefit from \$5,000, were not entitled to recover the balance from the emergency funds in the hands of H. A. Wyman, receiver of the order, which became insolvent in August, 1904.

The by-law reducing the benefit was put in operation on October 1, 1900, and most of the claimants made settlements in 1901. The Supreme Court decided on March 12, 1902, in another case, that the by-law was invalid. The 13 claimants in the present case brought suit in 1904.

The court holds they cannot recover because they had waived their

rights by releases when they received the \$2,000 or because they paid assessments under the new by-law without objection and took no legal action until from two to four years elapsed.

Two or three other claimants who gave no releases or who preserved their rights by protesting against the reduction are allowed to recover the balance of \$3,000.

Francis M. Carroll Acting Fire Commissioner.

On Thursday last General Samuel D. Parker sent his resignation as fire commissioner of Boston to the mayor, which that worthy accepted on the following day, appointing in Mr. Parker's place Francis M. Carroll, an attorney and member of the Boston Bath Commission. Thus an efficient chief is forced out, and a gentleman, who, whatever be his other merits, is not experienced in his new role, becomes temporary head of the department. Despite the new plan of government in force in Boston, the mayor has not been able to curb his penchant for playing politics, and, no matter how much he may try to begot the issue, he will not be able to escape responsibility for the demoralization his action is likely to create in the department.

New England Brevities.

The Massachusetts Fire and Marine Insurance Company, Everett C. Benton president, and Walter Adlard secretary, expects to start in business about July 1. The capital stock of the company has been oversubscribed. It has leased office quarters in the building at 97 Water street, Boston, and will start with \$500,000 capital and an equal amount of surplus.

House bill 1548, relative to fire loss returns by the assured to the companies, has been enacted in Massachusetts; also the "saner Fourth" bill and the measure allowing the estab-

lishment of co-operative pension systems by employers and employed.

The reply of the insurance commissioner of Massachusetts to the contention of the Metropolitan that it has a legal right to sell its combined life and accident policy in that State, avers, in substance, that no gross premiums is expressed and no additional reserve provided for the accident portion of said policy, and that therefore the State cannot levy the tax otherwise due on accident policies issued as such.

P. A. Cosgrove, a fire insurance field man who has been active in New York State, will succeed H. H. Clutia as New England special of the Dixie on July 1, Mr. Clutia then taking service at the home office of the Continental.

A committee consisting of W. F. Rice, W. H. Lewis, F. H. Battilana and W. H. Boutell is arranging for an outing of the New England Insurance Exchange this month.

201ST YEAR.

SUN Insurance Office OF LONDON.

FOUNDED 1710.

UNITED STATES BRANCH:
54 PINE STREET, NEW YORK.
WESTERN DEPARTMENT:
171 LA SALLE ST., CHICAGO.
PACIFIC DEPARTMENT:

Sansome & Sacramento Sts.,
SAN FRANCISCO, CAL.

AGENTS WANTED
AT UNREPRESENTED POINTS.

COME AND PROSPER

Among the 15 largest American companies (excluding industrials) this is our 1909 ranking:

First place in percentage of gain in insurance in force; *third place* in gain over 1908 in amount of paid-for new business.

New business first quarter of 1910 far in excess of first quarter of 1909. Our agents are busy and prosperous—and are not driven by the Home Office.

New York Agency: 1401 Empire Building, 71 Broadway.

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY,
Springfield, Mass.

Incorporated 1851

THE PASSING OF THE EASTERN UNION.

The conference "on the state of the union," held by the fire underwriters in this city last week was a rather strenuous one and after some vigorous sessions the final net result was the adoption of a resolution that a committee be appointed to draft an agreement for a new association and report as promptly as is practicable.

The committee named represents the two contending elements and the neutrals as referees, as follows:

Eastern Union—R. M. Bissell, vice-president Hartford Fire; Henry W. Eaton, United States manager Liverpool and London and Globe; George W. Howe, vice-president Niagara Fire; E. H. A. Correa, vice-president Home; George W. Babb, United States manager Northern of London.

Unaffiliated—A. E. Duncan, president Franklin Fire; R. Dale Benson, president Pennsylvania Fire; A. E. Larder, vice-president American of Newark; C. W. Gerwig, secretary Pittsburgh Underwriters; F. O. Affeld, United States manager Hamburg-Bremen.

Fire Insurance Information Exchange—J. B. Branch, president Providence-Washington; M. O. Brown, vice-president Western Fire; E. W. West, secretary Glens Falls; H. F. Atwood, vice-president Rochester German; Victor Roth, secretary Security of New Haven.

Vigorous speeches were made by R. M. Bissell, E. H. A. Correa, Alfred E. Duncan, C. W. Gerwig and Col. A. H. Wray. Mr. Bissell favored an organization which would have no subsidiary associations to which any member could not obtain admission, and one in which adequate penalties should be provided for violation of rules; that the agreement should not be changed or new legislation enacted without an 80 per cent. vote; that the membership should embrace companies representing at least 75 per cent. of the premiums written in the Eastern Union and its excepted territory, and that the members should be obligated to observe rules and maintain rates wherever it was lawful for them so to do.

The consensus of opinion among fire underwriters is that the committee will be successful in getting the necessary signatures to the agreement. A general scramble for business in the East would be most disastrous for the smaller companies, and would be a condition of affairs greatly to be deplored by conservative underwriters everywhere.

Mr. Correa served notice that if

nothing came of the committee's action and matters remained as at present the Home would play a lone hand and go in for all the business it could get.

The fact that Henry Evans' companies and the Northwestern National of Milwaukee were not represented was the cause of much anxiety and is in reality the indeterminate and disturbing element of the situation.

AN EXPANDING MEASURE.

The annual convention of State fire marshals at Milwaukee last week showed what a hold this fire marshal idea is getting on the States of the Mississippi Valley. To be sure, Massachusetts is the pioneer in this movement and two or three other Atlantic Coast States have fire marshals, but it is further West that the system is expanding most rapidly. The States represented at the convention were Ohio, Wisconsin, Minnesota, Tennessee, Kentucky, West Virginia, Nebraska and Illinois; also Manitoba had a delegate.

Ohio's department being longest established and having the largest financial support, except that of Illinois, which is not really in running order yet, shows the best results in firebugs convicted, and reduction in number of suspicious fires, loss ratios and insurance rates. The younger departments, however, are giving a good account of themselves. Within a year it is likely that Missouri, Kansas, Texas, New York and New Jersey will be added to the list of States having fire marshals.

Up to the present time much of the time of the fire marshals has been taken up in organizing their departments and performing the pressing work of prosecuting firebugs, but now there is seen much sentiment in favor of devoting more attention to conservation work in its broader sense,

such as inspections and securing the passage of building, fire limit and other ordinances by municipalities.

For Prevention.

Next year the association will meet in Chicago and new impetus will be given to the work of fire prevention by visits to the underwriters laboratories.

There are several big questions that will have to be settled before the fire marshals can reach the state of greatest efficiency. The laws under which they are acting have not in all cases been drawn with sufficient care. It has been the common custom in the West to take the Ohio law for a basis and change it somewhat for other States, but in doing this the peculiarities of State constitutions do not seem always to have received full consideration. The result is that doubt exists as to the constitutionality of certain provisions in some of the laws. Until these points are settled by the courts or the laws are amended so as to leave no room for question, the fire marshals in such States are obliged to proceed cautiously lest they involve their offices in litigation.

OUR

Course of Insurance Education.

Department for Furnishing Prospects.

New "Model Policy"

Will Plough the Field and Assure the Harvest for Good Agents.

Phoenix Mutual Life

INSURANCE COMPANY,

Hartford, Conn.

Write Home Office.

Royal Exchange Assurance

OF LONDON.

Incorporated by Royal Charter A.D. 1720.

UNITED STATES OFFICE:

92 William Street

New York City

UBERTO C. CROSBY, General Manager.

RICHARD D. HARVEY, Assistant General Manager.

For Fire Prevention.

The report of the New York City Fire Marshal for 1909 affords the best argument in favor of the efforts now being made by the Board of Fire Underwriters for more efficient fire prevention measures.

The report shows 8,132 fires, less than the previous year, a decrease of 510, due to the prevention service now operative and this is pointed out as irrefutable evidence that an extension and increase would accomplish greater results in greater proportion because the service could be better organized and equipped. In other words doubling the present service would at least quadruple its efficiency in the judgment of those best informed.

The report shows annual losses of nearly seven millions of property, not to mention seventy-one lives and uncounted injuries in 1909, about the usual average. Surely any expense of prevention would seem warranted by these figures.

At present the work of prevention is done by various departments which, if the necessary legislation is effected, will be allied as a regular bureau of prevention. These departments are the Bureau of Combustibles, which looks after the sale and storage of explosives; the Bureau of Violations and Auxiliary Fire Appliances, which patrols the theatres and sees that certain buildings are properly equipped with first aid to fighting fire; the Bureau of Electric Wiring, which looks after matters of unsafe insulation, and the Fire Marshal's Bureau office, which investigates defectives flues, arson cases, and all the other things which cause, or may cause, fire.

It is not only what this department knows about when fires are most likely to occur, where they are most likely to occur, and how they are most likely to be caused, but half of the secret of the New York Fire Department's success lies in the fact that it does a tremendous amount of work toward the prevention of fire.

Waldo's Good Work.

Since Commissioner Waldo took charge of the department this branch of the work has received more attention than ever before. The other day the Merchants' Association, the Board of Fire Underwriters, and Commissioner Waldo applied to Mayor Gaynor to have a regular Bureau of Fire Prevention established.

The mayor is for it. The fire de-

partment is for it. Everybody who believes that prevention is better than cure is for it. It will take some legislation, but it is confidently expected that before long New York City will have a bureau the sole business of which will be to reduce the possibilities of fire occurring.

One of the most interesting features of the report is a chart showing the varying figures of fires by month and season, as well as the hours of the day, including the sections of the city where they most frequently originate and where they are to be expected.

That July holds the record for fires is easily explained by the presence in that month of the fiery Fourth. But it is not so easy to account for the fact that the greatest number of fires occurs on the first floor of a building, and also that the greatest number of fires is between 11 a. m. and 1 p. m. and between 7 p. m. and 9 p. m.

Another cause of fire is the time of day and the time of year. When people let their furnaces go out, and when the need for artificial illumination disappears or is extended to later hours, we notice the change in the time of fire occurrence. For instance, last Wednesday's warm weather probably saw a large number of furnaces go out of business for the season. This fact, together with the chance which always attends fire, may have been partly responsible for the fact of there being no fires reported in Manhattan, Richmond and the Bronx for sixteen hours.

Change the Building Code.

A bureau of fire prevention will work toward certain changes in the building code, will try to have legal power to remove all possible causes of fire, such as unclean cellars, and it will see to it that all fire escapes are kept free. At present fire escapes are looked after by the tenement inspectors, and other affairs which could be controlled by a bureau of fire prevention run by the fire department are at present in the charge of various outside departments.

To illustrate the work that is being done and which could be done so much better by a regular bureau of fire prevention, it may be mentioned that last year the fire department received 552 complaints relative to conditions which might cause fire. The efficiency of the prevention bureau, even as it now stands, is evident in that in 351 cases the fire department's orders were complied with, and many

future fires obviated. The remaining 201 cases were investigated, but either no just cause for complaint was found or it happened that the matters had to do with the work of some other department.

Had the "other department" been part of the bureau of fire prevention every case would have been investigated differently from fire headquarters, and every case would have been subject to peremptory orders except the few where there was no just cause for complaint.

A Dire Possibility.

"Did you ever stop to think," says a prominent underwriter, "that if a great conflagration swept the wholesale district of this city the country would go bankrupt?"

"In the district between Chambers and Thirty-fourth streets there is at risk every day in the year insurance on property valued at not less than \$750,000,000. The combined assets of the 160 companies writing business in New York city is not more than \$500,000,000. This amount includes the unearned premiums held as a liability to policyholders who have paid for their insurance in advance. It must be apparent that a sweeping fire in this district would mean not only the destruction of the insurance business, but a general undermining of the country's credit. The insurance companies would carry down with them the entire financial structure.

"This indicates the need of making the subject of prevention a vital issue with every business and financial interest in America."

This is not an impossible picture. Even with the most elaborate of fire fighting and prevention devices the city is never absolutely safe. Nobody can say how far fire will sweep when it has once gained tremendous headway at a time when the elements appear to be its allies and bent upon total destruction.

A long preventive step has been made in stopping the sale of fireworks for the Fourth of July.

Superintendent Hotchkiss, of New York, will address the New York Association of Local Fire Insurance Agents at its annual meeting, to be held at Utica June 10.

Insurance Commissioner Fred W. Potter, of Illinois, has been complimented by re-appointment for another term of four years.

TAKE TIME BY THE FORE-LOCK.

The movement among the companies themselves to reduce expenses in the West is going to be watched with the greatest interest. The companies see plainly enough what the present drift is and have little occasion to doubt that if they do not reduce expenses the States will undertake to do it for them. Long experience has taught them the tribulations that arise when the States take a hand in running their business. This knowledge may result in more readiness to agree upon something that has characterized a number of them in the past. At the recent meeting of the expense committee of the union and a number of nonunion managers it was noticeable that the nonunion contingent included only representatives of companies known to desire expense reduction and on the whole to pay only reasonable commissions. The notorious excess commission contingent is yet to be heard from.

The first step decided upon was to get the views of the various companies on the subject of expense reduction not only in the country and small cities, but in the excepted cities also.

Union and Nonunion.

Already there is talk, probably fostered by hope, that some of the nonunion companies will see fit to join the union. To all appearances this is pure speculation. When the Continental joined the union a number of companies could have joined with scarcely any changes in their commission contracts. If all, or a large majority, of the companies should now see fit to agree upon a reasonable commission scale, it is difficult to see what stronger reasons there would be for these companies to join the union than there were before. It is not inconceivable, however, that another organization composed of nonunion companies might be formed.

It is not at all likely that all the companies will voluntarily agree to a uniform scale of commissions. There are men who honestly believe that small companies must have some inducement to offer agents if they are to get a foothold, and these are not at all likely to relinquish their present privilege of paying excess commissions without a struggle. Should the sentiment in favor of reducing commissions be found to be quite general and should it be found possible to agree upon a satisfactory scale, the nonunion companies would still find

themselves in competition with excess commission companies in some of their agencies. Then the natural result would be the inauguration of a new separation movement of the low commission nonunion companies against the excess commission contingent and to start this would require some sort of an agreement among the former class.

Were They Frightened?

Of course, it would have been better if the companies themselves could have settled the expense question before the fear of legislation forced them to do something. If they can agree now it will be better than to wait for legislation, which is likely to overdo what it attempts. To accomplish the desired results, however, will require more readiness to make concessions than some of the companies have ever shown. It is now up to all the companies to bend to the opinion of the majority, as the union companies have been accustomed to do, or let the commission question become the football of legislation.

CASUALTY AND SURETY BOARD.

The executive committee of the Board of Casualty and Surety Underwriters met at the Hotel Astor yesterday, following the liability men's conference and arranged a program for the annual meeting in October which will be the most important yet held.

Kaleidoscopic changes have occurred since the last meeting, new alliances have been made and old ones voided and the end is not yet. The unprecedented development of the casualty and surety interests have created new conditions.

The committee set the topics to be considered and the papers to be read concerning them.

COMPANY REORGANIZES.

The Guardian Casualty and Guaranty, of Salt Lake City, has reorganized with \$500,000 and will go in for all lines indicated in its title. It recently reinsured the Utah business of the Bond Guaranty, of Texas. Its officers are: President, W. S. McCornick; vice-president, Reed Smoot; second vice-president and general manager, George E. Cutler; treasurer, Frank J. Hagenbarth; secretary, Lester D. Freed. Mr. Smoot is the well-known Mormon United States senator.

INCORPORATED 1833.

British America Assurance Company

HEAD OFFICE, TORONTO, CANADA

UNITED STATES BRANCH.

JANUARY 1, 1910.

Assets	\$1,556,740.94
Liabilities	902,438.61
Surplus	\$ 654,302.33

Hon. GEORGE A. COX, President.
JOHN HOSKIN } Vice-Presidents.
W. R. BROCK }
W. B. METCALLE, General Mgr.

HARTFORD LIFE

INSURANCE COMPANY,
OF CONN.

1909 Policies are Participating, or Non-participating, with Lower Rates and Values based on FULL RESERVE.

For Right Contracts,
Address, Second Vice-President,
Home Office, HARTFORD, CONN.

THE FIDELITY & CASUALTY COMPANY

97 TO 103 CEDAR ST., NEW YORK CITY.

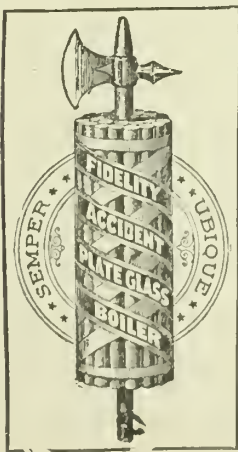
ASSETS - \$9,598,924.02
Cap. & Surplus \$3,564,229.90
LOSSES PAID \$31,636,503.21
to Jan. 1, 1909,

This Company grants Insurances as follows:
Bonds of Suretyship for Persons in Positions of Trust, Fidelity Bonds, Burglary, Plate Glass, Steam Boiler, Fly Wheel, Employers, Public Teams, Workmen's Collective, Elevator and General Liability; Personal Accident and Health and Physicians' Liability

OFFICERS:

GEORGE F. SEWARD, President.

Robert J. Hillas, V.-P. & Sec'y. Henry Crossley, Ass't Sec'y.
Frank E. Law, 2d Ass't Sec'y. George W. Allen, 3d Ass't Sec'y.



WANT FIRE LAWS REFORMED.

The forty-fourth annual meeting of the National Board of Fire Underwriters was held in this city last week and was notable chiefly for its protest against the present laws governing the companies and asking for an effective reform thereof.

President J. Montgomery Hare, United States manager of the Norwich Union, voiced the unanimous sentiment on this subject as well as on the subject of fire prevention. He said that the fire underwriters have not succeeded in enlightening the people of the United States on the principles underlying fire insurance business. To lessen the number of fires and to prevent sweeping conflagrations, the public, through their State and municipal governments, should enact laws which would have the effect of affording proper building regulations, provision for sufficient water supply, and sufficient fire apparatus, well and ably managed, as well as a reduction of expenses by ceasing onerous taxation.

He says:

"There is no other way than this to meet the situation, and yet what is being done? Laws are passed to govern our business that cripple it without any benefit to the insured. Laws are framed by those who have some political, revengeful, or financial purpose in view, and are passed by a body of men who have given them no consideration, and who, from the technical character of our business, have not the knowledge which can only be acquired through long training.

While many of the officials appointed by the States to supervise us are upright men and their purpose is good, in many cases they are without experience and issue under authority given them edicts which entail enormous expense and accomplish nothing. The feeling on the part of the legislatures voicing, we must suppose, the views of the people of our Commonwealths, is that insurance men represent corporations, and anything bearing that name is to be treated as an enemy of the country.

The Country Needs Us.

There will come, I hope soon, a recognition of the fact that Commonwealths cannot attain commercial prosperity without financial means, and that the aggregation of these financial means in the form of corporate capital is not a danger to the State, but a help, and should be encouraged rather than harassed.

Any legislative act which tends to harass business unfairly results in great cost to the customer, therefore I plead for greater intelligence on such subjects before laws are passed which deal with them. There is no monopoly or trust in our business. Probably one-half of our members ignore the rates which are published as guides to the business. Why they do so is because, from their point

of view, they can sell some particular kind of insurance at less than competitors—whether this judgment is correct must be determined by results.

The making of rates is a very difficult, technical matter, and from year to year we are learning by experience that changes in methods of arriving at them are necessary, and we are making them. Risks taken by fire insurance companies do not all result in claims for losses. Risks taken by life insurance companies are always based on a claim, and, therefore, life rates are on a definite basis—the duration of life and accrued interest.

Why Not Rate Life Insurance and Merchandise?

There has been no effort on the part of legislatures to name rates for life insurance. Why should this be? The answer is that the contract is one that in most cases is carried out with widows and orphans, and legislatures dare not interfere. There is no more reason for the State to name rates for insurance than to name rates for merchandise to be sold. Indeed, prices for merchandise can be ascertained much more accurately than prices for insurance.

Referring to the recently appointed State boards in Texas and Kansas, which have the power to fix fire insurance rates, Mr. Hare said that no State can fairly name rates based on the experience of that particular State because the field is too narrow. For one State to dictate rates based on the experience within its own borders, said Mr. Hare, threatens the underwriters with disaster. He also spoke of the proposed uniform insurance code which was favored by the National Conference on Uniform State Legislation, called by the National Civic Federation in Washington last January, and predicted that such a uniform code might be obtained in the future.

Uniformity Essential.

The work of conducting an interstate business, as ours must necessarily be, yearly becomes more burdensome because of the existing dissimilarity of requirements placed on the statutes by legislators wholly without experience as to the nature of our business, with the resultant effect that conditions are imposed upon us which are devoid of sound public policy and which inure to the embarrassment of the assured as well as the insurer, enhancing the cost of the former because of the increase in the expenses of the latter.

A remedy for these ills will be a dire necessity unless practical efforts are made by all concerned—public and protector alike—through the proper channels to alleviate the present unsatisfactory demands made upon us as a condition for continuing a legitimate and public-indemnifying business.

The following officers of the National Board of Fire Underwriters were elected: President, A. W. Damon, of Springfield, Mass.; vice-president, George W. Babb, New York; treasurer, Marshall S. Driggs, and secretary, Charles G. Smith, both of New York.

THE DEADLY FOURTH.

The casualty underwriters share with their fire compatriots the dread of the Fourth of July and well they may.

Last year there was talk all over the country of a "quiet Fourth," but the list of casualties from the use of fireworks was appalling, not to mention the property loss by fire.

In the United States last year the number killed and wounded reached 5,307, while in the twenty-four battles of the Revolutionary war, lasting for seven years, only 3,850 men were killed. To show how far fireworks and pistols are responsible for the slaughter, it is only necessary to quote the record last year in Cleveland and Washington. In both cities the use of fireworks was absolutely prohibited and not a life was lost nor anybody maimed or mutilated. In other large cities the list of killed and wounded was from 100 to 1,000.

In this city a new regulation prohibiting the sale of fireworks in any building used as a residence or in one not equipped with a sprinkler system, from June 10 to July 10, has been adopted, but is being fiercely attacked by a combination of 1,500 retailers backed, of course, by the manufacturers, and there seems to be an apparent inclination on the part of Mayor Gaynor to rescind the order. And the insurance people—fire, life and casualty—are all on tenter-hooks.

The mayor has declared for "an old-fashioned Fourth," but just what that means nobody seems to know. If he means a century "old-fashioned" it will satisfy about everybody, but if he refers to his youthful days there will be some worried people, for, although the celebration of the Fourth has grown worse every year, it was bad enough then, so it has been said.

The **Columbian National Life** INSURANCE COMPANY OF BOSTON, MASS.

LIFE, ACCIDENT AND HEALTH INSURANCE.

The Only Massachusetts
Non-Participating Company

The New Columbian Policies are
Unexcelled in Clearness and Liberality.

Good Contracts and Territory for
Good Producers.

ARTHUR E. CHILDS, President.

THE PINKERTONS' MISTAKE.

The recent action of the American Bankers Association in transferring its detection work from the Pinkertons, which agency has had it for several years, to another one, and which created something of a stir, was obviously for good and sufficient reasons, but the real cause is now apparent.

With loud acclaim the Pinkertons issued a handsome advertising pamphlet announcing that they had positively suppressed bank burglaries and had cleaned up the United States by the very terror their names inspired in evil-doers.

The Maryland Casualty compiled some figures for the year ending last September which show that banks burglarized in the United States were 107 and the amount stolen \$159,309, an average of about \$1,500 each.

It is estimated that there are 250,000 professional criminals of all kinds in the United States, whose sole purpose is theft. If their annual average earnings were \$1,600 each, the loss to those robbed amounts up to \$400,000,000 a year. If the cost of police, prisons, courts, destruction of property in committing deeds of violence, etc., is considered the annual cost of criminals to the United States runs up to \$3,500,000 a day, or \$1,277,500,000 a year.

Staggering Figures.

These are astounding figures, but the Maryland Casualty Company gives them out authoritatively and points the lesson that extermination of the criminal cannot be even hoped for. The best in expectation is that civilization and the criminal will maintain the running duel in a sort of balance—if that can be called a balance where the criminal takes \$400,000,000 a year at a cost to the citizens of \$1,277,500,000. The duel is illustrated by that which goes on forever between nations as to their ocean war footing—the struggle between the big gun and the battleship armor plate makers. First one forges ahead and then the other, with no decisive victory in sight. The same fight is paralleled by the safe maker and the safe cracker. Each improves his methods and works continuously, spurred on by defeat or victory at the hands of the enemy.

When they lost their fight to hold their contract with the bankers the Pinkertons immediately announced their purpose to go into competition with the burglary companies by organizing their own company to do all kinds of bank inspection and insur-

ance work, but nothing has been heard from them since then.

President John T. Stone has rendered all the burglary underwriters in America a distinct service in affording them valuable campaign material with which to offset the influence and feeling of security the Pinkertons' boasts had created among the smaller banks.

WILL NOT PURCHASE.

It was rumored some months ago that the London and Lancashire Fire had an eye on American casualty business, especially liability. This rumor was confirmed when General Manager F. W. P. Rutter came over to look into conditions with the ultimate view of securing control of an American company (several of which were known to be in the market) and entering the field. In England the company writes fire and about every known form of casualty and fidelity lines—some unknown in America—but is limited to fire under American laws.

After making a thorough survey of the conditions he has definitely abandoned the project, so far as any purchase is concerned, and as the company controls a Canadian casualty company, it is purposed to enter that in the United States, provided the idea is again taken up. At present Mr. Rutter is not favorably impressed with casualty conditions, but believes that when the proposed employers liability legislation, National and State, shall have taken some definite form and shape, conditions will improve and he may return.

The Circuit Court at Toledo overruled the motion to quash the indictments against Judge Donnelly, formerly president of the Ohio German, and his trial for embezzlement began on Tuesday.

The Oregon State Federation of Labor is distributing twenty thousand copies of a pamphlet entitled "Some Plain Facts on Employers Liability," in furtherance of the federation's campaign for a new employers' liability law for Oregon. The sponsors of the proposed measure claim to have 15,000 signatures to a petition to place the bill on the ballots at the fall election.

TO WIN IN COMPETITION

Represent the Company whose agents have the strongest fighting material and the most telling arguments. Everyone knows the superiority in low cost to policyholders, (due to high interest earnings, low death and expense rate) of

THE
Union Central Life
Insurance Co. of Cincinnati.

Assets, \$74,523,966.28
Liabilities, \$72,324,302.92

JESSE R. CLARK, President.
ALLAN WATERS, Sup't of Agents.

LEADING FIRE COMPANY OF THE WORLD

[of Liverpool,

England.]

THE
FIDELITY MUTUAL LIFE INSURANCE COMPANY
OF PHILADELPHIA
Has some excellent Agency Positions

FOR INFORMATION APPLY TO

ALEXANDER McKNIGHT, Vice-President
L. G. FOUSE, President.

A SINGULAR CASE.

One of the most singular cases that has ever confronted the casualty companies is that presented by the death a few days ago of Charles C. Dickinson, a well known banker of this city.

The feature of the case of interest is as to whether he died from accident or natural causes, owing to his having \$65,000 accident insurance. It appears that he was deeply interested in some chemical experiments being conducted in a nearby city and which the "alchemist" assured him would transmute any base metal into silver and gold and the glamour of the wealth of Monte Cristo excited him to an extent that he looked into the crucible and inhaled the deadly fumes, becoming insensible and necessitating his being rushed to his home in New York, where he died a week later.

The death certificate gave pneumonia as the cause, but the testimony of the alchemist and others caused an autopsy to be made, the result of which has not yet been given out. The accident insurance companies rest on the certificate until some evidence is produced to contradict it, a quite reasonable position.

Some incidents of the case may play an important part in determining it. It is said, for instance, that the crucible was heated to a 4000 degrees F., and that the head of a person close enough to peer into it would be instantly burned off. Another phase is that the fumes he is said to have inhaled cause acute pneumonia and probably the issue will be as to the different types of pneumonia, as such, and their causes. In connection with it is cited by a correspondent a case which occurred about ten years ago in Milwaukee as follows:

Two workmen in a stamp and seal manufactory were about to lift a carboy of nitric acid when the bottom dropped out, allowing the contents to form a large pool on the storeroom floor. Not knowing what else to do, a telephone message was sent to the fire department headquarters, only a block or two away. When the chief arrived he ordered his men to cover the acid thickly with sawdust, a barrel of which was close at hand, and then shovel the saturated sawdust into the alley.

As soon as the sawdust was spread over the acid heavy white fumes arose and the firemen lost no time in clearing up the floor and then returned to their station. The whole affair did not take over fifteen minutes, but during the evening, some six hours later, one after another the men began to choke up and by midnight fire headquarters were more nearly a hospital. Before daylight the chief, a lieutenant, and, I think, three firemen succumbed and the ver-

diet was: "Acute pneumonia brought on by inhaling acid fumes."

This being the first case of this kind that the insurance companies have ever had to deal with, it is full of interest and will be watched with great care.

A FEW PROMOTION NOTES.

Promoter Armstrong.

The West Virginia Department has placed the papers and report made under oath by Robert B. Armstrong, former president, and A. S. Mitchell, former secretary of the Consolidated Casualty Company, in the hands of the chief postoffice inspector, looking to their prosecution for making false representations through the mails for the purpose of making money.

Promoter Nabors.

J. B. Nabors, who has been widely known through his connection with the promotion of surety organizations in Texas, is among the incorporators of the Standard Surety and Casualty Company, of Denver, Col., which has an authorized capital of \$500,000. Incorporation is being sought under the laws of West Virginia and the other incorporators besides Mr. Nabors are W. E. Skinner, L. B. Bridaham, T. E. Williams, Thomas Keely and J. J. Banks.

Promoter Davis.

J. W. Davis, treasurer and general manager of the Union National Securities Company, of Cleveland, which is promoting the Farmers National Life, was arrested last Sunday in Youngstown at the instance of C. D. Cover, a farmer of Polan, O., from whom a note of \$1,050 had been secured. Three warrants were issued and several other purchasers of stock joined in the proceedings. While Davis was in jail in Youngstown the Guenther Art Company, of Cleveland, replevined his picture gallery, consisting of fourteen large pictures in his rooms in the Euclid Hotel. The Farmers National Life is but another of the insurance "bubbles" that were promoted for the benefit of the promoter.

Others to Come.

One or two have gone to the Pacific, Philadelphia has a few remaining and the others have scattered, but it may be only a short time until they break into this list.

Glenn H. Curtiss suggests that aeroplanes might be used to fight fires from above. They might; firemen take so many risks they wouldn't mind a new one.

LIABILITY PEOPLE CONFER.

The Liability Insurance Association of America opened a session at the Hotel Astor yesterday to consider matters of importance relative to the new employers liability laws passed by the present legislature of New York and those pending in Ohio and other States; also to consider the matter of loss reserves.

In the absence of Chairman F. W. Lawson, Edson S. Lott presided. The meeting adopted a unanimous resolution that the New York law would necessitate a material advance in liability rates, obviously a long since foregone conclusion.

W. F. Moore, president of the New Amsterdam Casualty Company, chairman; William Bro Smith, general counsel of the Travelers Insurance Company; C. H. Franklin, United States manager, Frankfort Marine, Accident and Plate Glass Insurance Company; F. W. Lawson, United States manager London Guarantee and Accident Company; Frank E. Law, Fidelity and Casualty Company, the committee appointed at the meeting of the companies doing business in New York held at the offices of the Fidelity and Casualty Company several weeks ago, and also appointed at the meeting of the liability conference last week, were also appointed to draft a tentative bill to submit to the committee on reserves other than life, of the National Convention of Insurance Commissioners. This committee will submit a form of uniform law to the convention, which meets in Mobile in October.

New England Mutual Life

Insurance Company

BOSTON, : : : : MASS.

Chartered 1835

Assets, January 1, 1910..	\$51,316,543.00
Liabilities	47,050,672.15
Surplus	\$4,265,870.85

Sixty-six years of honorable dealing with its policyholders has placed the **NEW ENGLAND MUTUAL LIFE INSURANCE COMPANY** in the front rank of Life Insurance Companies of the Country.

ALFRED D. FOSTER, President.
D. F. APPEL, Vice-President.
J. A. BARBEY, Secretary.
WM. F. DAVIS, Assistant Sec'y.
J. G. WILDMAN, Assist. Sec'y

EDWARD W. ALLEN, Manager,
220 Broadway, New York
LATHROPE B. BALDWIN, Manager,
141 Broadway New York
CHARLES H. STRAUSS, Gen. Ag't,
200 Fifth Ave., New York

FOR MORE EFFICIENT REPORTING.

It is welcome news to the surety companies that Comptroller of the Currency Murray has inaugurated a school of instruction for National bank examiners with a view to the rendering by them of more effective service. It has been a serious reflection on the Treasury Department of the United States that over half the bank failures and lootings for many years past might have been avoided if the examinations had been even moderately efficient and many a character kept high and many a soul saved from the suicide's grave.

A recent instance in point is that of the National City bank of Cambridge, Mass., where a \$12 a week bookkeeper was able to get away with \$250,000 loot, and in his confession stated that he first took a small amount expecting to return it, but was unable to do so, and when the examiner came around he thought the jig was up, but to his surprise it was not discovered, and he took some more and again the examiner did not detect the shortage. Seeing how easy it was he began operating systematically until he had cleaned up a quarter of a million.

It is probable that this evidence of such rank incompetence is what accelerated the comptroller's decision to raise the standard of efficiency of the examining force of the department.

Incidentally, the case quoted provokes the inquiry as to what could be expected of a bank that paid such office boy salaries for a bookkeeper who frequently acted as teller on \$12 a week.

Again, incidentally, it shows the increase of hazard of a risk to the surety company where the salary paid is totally inadequate to live on in the slums, such as in this case, and yet where the man is expected to make a creditable appearance before the bank's customers.

Perhaps this may be Yankee thrift on the part of the bank management, but it was the kind of economy that impoverishes, and dearly have they paid for it.

CANNOT RENEW.

Superintendent Hotchkiss has decided that the United Surety may not renew its risks in New York because of the department's refusal to renew the license. He holds that a renewal would constitute "transaction of business."

"The Chronicle" learns that there is an excellent prospect of the proposed reorganization of the company being

accomplished at an early date, and as the Maryland department has given the company a present clean bill of health, it is probable that it will secure a renewal of license and avoid the loss of its New York business, said to be the choicest on its books, with the excise risks excepted, and these will expire in September. It is quite likely, however, that Superintendent Hotchkiss will insist upon a change of home office management, subject to his approval, before acting on the license, as he did in another very recent case where a company's license was arrested.

South Carolina Relents.

The South Carolina department has rescinded its action and relicensed the company in view of the report made by the American Audit Company and such other data as was required by Commissioner McMaster. After carefully going over same, he decided to relicense the company.

MARYLAND CASUALTY READY.

The Maryland Casualty Company is now ready to write surety and fidelity bonds, as indicated by the announcement in this issue of "The Chronicle." The company has made the most remarkable record of any ever organized in America in any line. Beginning business eleven years ago, writing casualty lines, it rounded up 1909 with a premium income of \$3,849,798, a loss ratio of 41 per cent. and expense ratio of 44.5 per cent. It has paid dividends from the start, its first being 12 per cent. and its last 16 per cent.

In addition to these dividends the company has accumulated total assets of \$2,326,096, these figures having materially increased since December 31.

With the exception of the American Surety Company it will be the only company entered in every State and territory for surety business, a tremendous advantage equalled only by its splendid home office and field organization, probably not equalled by any other company.

In view of this very remarkable record what may reasonably be expected by its competitors for surety business?

M. Barratt Walker, of the Baltimore bar, is the author of a valuable work, "Fidelity Bonds." Mr. Walker's qualifications for dealing with the subject authoritatively come from his long connection with the law department of one of the surety companies and the book is described as of particular value to adjusters and attorneys.

Organized 1871

Life Ins. Co. of Virginia

Home Office, Richmond, Virginia.

J. G. WALKER, President.
T. W. PEMBERTON, 1st Vice-President.
W. L. T. ROGERSON, 2d Vice-President.
E. D. HARRIS, Secretary.

The OLDEST Southern Life Insurance Company.
The LARGEST and STRONGEST Southern Life Insurance Company.
The PIONEER Southern Industrial Life Insurance Company.
Its policies are clear and definite in their provisions and their values are absolutely guaranteed.

Assets Dec. 31, 1909.....	\$5,372,691.99
Liabilities Dec. 31, 1909.....	4,312,405.32
Insurance in Force Dec. 31, 1909.....	68,337,613.00
Total Payments to Policyholders since Organization	9,820,412.49

Hanover Fire

INSURANCE
COMPANY
of New York



Agencies
in all the Principal Places
in the United States.

OUR BOND—YOUR SECURITY.

T. J. FALVEY, JOHN T. BURNETT,
President, Sec'y & Treasurer.



Massachusetts
Bonding and
Insurance Co.

Organized under
the Laws of the
Commonwealth of
Massachusetts.

Home Office, 77-81 State Street, Boston.

Capital	\$500,000.00
Surplus	\$250,000.00

SURETY BONDS and BURGLARY and
THEFT INSURANCE.

1860 50th YEAR 1910

HOME LIFE

Insurance Company of New York.

GEORGE E. IDE, President.

Assets	\$23,626,018.63
Liabilities	21,858,691.52
(Including Deferred Dividend Fund)	
Dividend Endowment Fund	
(Deferred Dividends)	2,119,044.00
Net Surplus	1,767,327.00
Insurance in Force	92,532,583.00

The record for 1909 shows the following
GAINS:

Insurance in Force	\$4,164,239.00
Assets	1,917,117.00
Deferred Dividend Reserve...	148,581.00
Contingency Reserve (Surplus)	655,149.17

COMPARATIVE RESERVE TABLES

BY

MILES M. DAWSON

Consulting Actuary.

Containing Mean and Terminal Reserves for the
usual forms of policies and by the
following standards:

American Experience, Select and Ultimate $3\frac{1}{2}$ per cent.
American Experience, Select and Ultimate 3 per cent.
American Experience, Modified Preliminary Term $3\frac{1}{2}$ per cent.
American Experience, Modified Preliminary Term 3 per cent.
American Experience, Select and Ultimate 4 per cent.
Actuaries', Modified Preliminary Term 4 per cent.
American Experience, Committee of Fifteen, $3\frac{1}{2}$ per cent.
American Experience, Illinois and Tennessee, $3\frac{1}{2}$ per cent.
American Experience, Michigan, $3\frac{1}{2}$ per cent.
American Experience, Wisconsin, $3\frac{1}{2}$ per cent.
American Experience, New Jersey, $3\frac{1}{2}$ per cent.
H^M, Canadian Life Officers' Association, $3\frac{1}{2}$ per cent.
O^[M], Select and Ultimate, $3\frac{1}{2}$ per cent.

THIS covers all the standards, other than the net level
premiums, in use in this country. Tables showing
the first year margins set free by each method of valu-
ation are given.

Send all orders to the Publishers,

The Chronicle Co., Ltd.

No. 90 William St.

NEW YORK

THE
American Credit-Indemnity Co.
OF NEW YORK.

CREDIT INSURANCE ONLY.

Insures Wholesalers and Manufacturers against Excessive Annual
Loss through the Insolvency of their Customers.

We can always use a few high-grade solicitors.

ST. LOUIS, MO.

NEW YORK, N. Y.

Offices in All Principal Cities.

A. B. TREAT, General Agent,
302 Broadway, : : : : : New York.

PARTNERSHIP
AND
CORPORATION INSURANCE

pays the life agent better in proportion to the time and work involved
than any other form of life underwriting. Agents who make a spe-
cialty of corporation insurance find it necessary to represent a company
impregnable in strength and capable of accepting application for large
amounts.

THE EQUITABLE LIFE ASSURANCE SOCIETY
OF THE UNITED STATES

by reason of its strength, size and prominence, affords exceptional in-
ducements to life agents of standing and ability who desire to take up
corporation insurance as a specialty.

ADDRESS:

GEORGE T. WILSON, 2d Vice-President,
120 Broadway : : : ; ; : : : NEW YORK

The Chronicle.

1866

Published by THE CHRONICLE COMPANY, Ltd., 90 William St., New York City.

1910

VOLUME LXXXV.

New York, June 9, 1910.

NUMBER 23

INCORPORATED 1833.

British America Assurance Company

HEAD OFFICE, TORONTO, CANADA

UNITED STATES BRANCH.
JANUARY 1, 1910.

Assets	\$1,556,740.94
Liabilities	902,438.61
Surplus	\$ 654,302.33

Hon. GEORGE A. COX, President.
JOHN HOSKIN } Vice-Presidents.
W. R. BROCK }
W. B. MEIKLE, General Mgr.

BONDS--CASUALTY

AGENTS { Can Command Bond or Casualty business
IF { Are seeking an Agency connection
YOU { Are not representing another like Company

ADDRESS, AGENCY DEPARTMENT,

The Empire State Surety Co.
NEW YORK

PARTNERSHIP AND CORPORATION INSURANCE

pays the life agent better in proportion to the time and work involved than any other form of life underwriting. Agents who make a specialty of corporation insurance find it necessary to represent a company impregnable in strength and capable of accepting application for large amounts.

THE EQUITABLE LIFE ASSURANCE SOCIETY OF THE UNITED STATES

by reason of its strength, size and prominence, affords exceptional inducements to life agents of standing and ability who desire to take up corporation insurance as a specialty.

ADDRESS:

GEORGE T. WILSON, 2d Vice-President,

120 Broadway : : : : : : : : : : NEW YORK

EDITION ALMOST EXHAUSTED

SAVES TIME AND LABOR

Various Derived Tables

AMERICAN EXPERIENCE

3 and 3½%

BY
MILES M. DAWSON

TABLE OF CONTENTS.

Single Premiums, Pure Endowment.
Accumulations, Pure Endowment.
Forborne Immediate Annuities.
Accumulated Temporary Insurances.
Accumulated Increasing Insurance.
Single Premiums Endowment Insurance.
Single Premiums Temporary Insurance.
Immediate Temporary Annuities.
Valuation Columns.
SELECT AND ULTIMATE VALUES.
Single Premiums, Whole Life.
Life Annuities.
Terminal Reserves, Life, Limited Payment, Endowment.
Mean Reserves, Life, Limited Payment, Endowment.
LOGARITHMS, SEVEN PLACES.
Forborne Immediate Annuities.
Curtate Summations of D Column.
Immediate Temporary Annuities.

USES.

Computing Annual Term Insurance Premiums:
Divide temporary insurance values by immediate temporary annuities.
Computing Annual Endowment Insurance Premiums:
Divide endowment insurance values by immediate temporary annuities.
Computing Annual Pure Endowment Premiums:
Divide pure endowment values by immediate temporary annuities or take reciprocals of forborne immediate annuities.
By these means, the net extra premium for a special guaranty can be quickly and accurately computed.
Computing Annual Semi or Double Endowment Premiums:
Add temporary insurance and pure endowment values for proper amounts and divide by immediate temporary annuity.
Computing Limited Premiums:
Divide the proper single premiums by immediate temporary annuity.
Computing Surrender Values:
Extended Insurance. Find the temporary insurance value next lower than the sum to purchase extension. This gives even number of years. Apply remainder to pay for additional days according to daily differences in the table.
Extended Insurance with Fractional Paid-up Endowment:
Deduct from purchase money, value of insurance for unexpired term; multiply remainder by accumulation, pure endowment, to get amount of endowment.
Computing Terminal Reserves:
Unvarying Benefits. Multiply net premiums by forborne immediate annuity and deduct accumulated temporary insurance.
Return Premium, Full Reserve. Multiply net premium by forborne immediate annuity and deduct accumulated temporary insurance and accumulated increasing insurance, multiplied by gross premiums to be reduced.
Return Premium, Extra Reserve. Multiply net extra premiums by forborne immediate annuity and deduct accumulated increasing insurance, multiplied by gross premiums to be returned.
Warranted Commissions for New Business.
Surrender Values.
Dividends.
For these purposes the "select and ultimate" will be most useful.

SEND ALL ORDERS TO

THE CHRONICLE CO. (Ltd.)

90 William Street, New York.

The Chronicle

VOLUME LXXXV.

NEW YORK, THURSDAY JUNE 9, 1910.

NUMBER 23

MILES M. DAWSON, President.
R. B. Dawson, Treasurer. Chas. D. O'Brien, Secretary.
Emil Schwab, Manager New England Department,
178 Devonshire Street, Boston, Mass.

All communications should be addressed to and remittances should be made to The Chronicle Company, Limited.
Entered at the Post Office, New York, N. Y., as Second Class Mail Matter.

PUBLISHED EVERY THURSDAY BY
THE CHRONICLE COMPANY, Limited.
No. 90 WILLIAM ST., NEW YORK.
Phone "567 John." Cable Address, "Chronogram," New York.

Subscription Price:
Three Dollars a Year. Single Copies, Twenty-five Cents.
Postage Prepaid in the United States and Canada.

"Employers Liability Insurance with Compensation."

A New and Valuable Policy Offered by the Travelers.

The Travelers Insurance Company, with its usual enterprise, is anticipating the rising tide of the demand for a different method of dealing with the compensation of employes and their dependents of the consequences of industrial accidents, by putting out a new policy, copyrighted by Walter G. Cowles, manager of the liability department and entitled "Manufacturers' Employers Liability Policy with Compensation."

In addition to fully covering the employers' liability under the negligence laws, the policy promises to indemnify the employer for all sums paid by him to compensate workmen who "shall sustain an injury while engaged in an occupation covered by this policy," up to as follows:

Scale of Compensations.

For temporary disability, permanent disability (while totally disabled) or minor dismemberment (i. e., severance of two or more fingers), one-half actual weekly wages after the eighth day, for not more than 52 weeks.

For permanent partial disability, after total disability ceases or after 52 weeks, one-fourth average weekly wages for one year past, until compensation has been paid for 104 weeks altogether.

For minor disablement, after total disability ceases or after 52 weeks, one-third average weekly wages for one year past, until compensation has been paid for 130 weeks altogether.

For major dismemberment (either hand, either foot or loss of eye), one-

half average weekly wages for 156 weeks.

For permanent total disability or death, one-half average weekly wages for 208 weeks.

The Conditions Few and Simple.

The total indemnities by reason of one accident to one man must not exceed one-half average weekly wages for 208 weeks and the total indemnities for one accident are limited to \$25,000.

The sole conditions are that the claimant must release the employer from liability and that the injury must not be "self-inflicted or caused by the willful misconduct of the injured or his willful violation" of rules or "while the injured is intoxicated or under the influence of any self-administered narcotic," or be "due wholly or in part to the failure or refusal of the injured to use any guard or safety appliance furnished" by the employer.

Travelers a Pioneer Always.

This is high-water mark in such insurance to date and, indeed, very probably goes quite or nearly as far as the laws are likely soon to extend the liability. It will doubtlessly be widely welcomed by the more liberal and just employers. The Travelers is a pioneer as from the beginning.

President Dunham's Advanced Position.

The officers of the Travelers have long favored a change of basis for compensation. President Dunham's first public announcement of his support and advocacy of the new view of the matter was set forth in a signed statement, published in "The

Chronicle" more than two years ago. In his letter sending out the new policy form, President Dunham reaffirms his adherence to the views then set forth, as follows:

No less than six years ago (and ever since), officers of the Travelers Insurance Company, in public addresses and in communications to their agents, pointed out some of the objections to the present method of furnishing compensation to employes for occupational injuries.

At that time public opinion had begun to show a tendency in favor of making all such injuries a charge upon the cost of production, to be paid by the employer and ultimately, under the operation of the well-known economic law, by the public.

Progress has since been so rapid in that direction that the weight of opinion will now probably support a measure in most of the United States somewhat like the workmen's compensation law enacted in England in 1897 and since with appropriate modifications in many of the English colonies, including the Provinces of Quebec and Alberta.

Commissions have since been appointed to consider the same subject in Connecticut and Massachusetts where the measures advocated failed to pass, largely perhaps because they were somewhat in advance of public sentiment in those States.

Like commissions are now engaged in thorough investigation of the same questions in the States of New York, Minnesota and Wisconsin, in which reports are likely to be made within a year. Similar commissions will probably be appointed in other States, or bills introduced without awaiting the more formal inquiry and action of committees.

There is a reason to believe that such laws, when enacted, will be founded upon the principle of the English act, which leaves employes sustaining injuries free to resort to their legal remedies, but which furnishes compensation to be paid by the employer according to a fixed scale for death and for temporary and per-

manent disability resulting from all accidents of employment.

Much may be said in support of this principle. It should save a vast amount of money now expended in litigation and it would furnish reasonable and equal compensation for all industrial accidents without regard to the various and variously interpreted doctrines of negligence, contributory negligence, comparative negligence, common employment and acceptance of the hazard, all which modern industrial conditions have made obsolete.

The rates, it is said, will be approximately two and one-half times the rates for insurance against employers liability only.

A CLEVER BOOK FOR LIFE AGENTS.

An Old Field Man's "Objections and Answers."

Under the name, "Objections and Answers," Ira C. Edwards, of Minneapolis, Minn., has put out a clever and useful book for life insurance fieldmen, the ripe harvest of more than twenty years' thoughtful and successful work in the field. Here are his "rules of conduct" for a beginner:

First—I will be absolutely truthful.
Second—I will write my insurance on the policy contract.

Third—I will sell insurance for protection and not for profit to the policyholder.

Fourth—If anybody asks me a question which I cannot answer, I will tell him I do not know, and not try to hatch up an answer that may be wrong.

Fifth—I will so work and act that I will be a welcome visitor on any part of my field at any time.

Sixth—I will under all circumstances and in all my work be Dead Square.

Lastly—I will have a heart to heart talk with at least three men a day on the question of life insurance.

With these rules as your basis and a fair knowledge of the policy contracts which you are to sell, you are better equipped for business success than the crooked solicitor who has been at it for twenty years.

And here is yet another go at him:

By what process of Darwinian descent he had finally reached the lowest level attained by the life underwriter—that of a professional twister—it is difficult to determine. He had (mis) represented nearly all of the old line companies at different times and had left behind him in almost every case a ledger balance that did not appear in the annual reports as "secured," and when the cyclone struck the big companies and the papers were teeming with "editorials" (?) written by editors (?) who were unable to distinguish between reserve and surplus, but were catering to a public demand for clap-trap, and when the whole country was throbbing over sensational reports and howling for "investigation," Keezel saw his opportunity. Here, at last, was an opening for the "twister." He seized upon it with the avidity of a pup after a flea and as a

necessary preparation for his new occupation he loaded up with a grip full of newspaper clippings, selected only such as reeked with vilification and prophetic warnings of impending disaster. Committing the most virulent of these to memory, and thus supplied with sufficient virus to inoculate his proposed victims with a fever of distrust, he sallied forth on his insidious career.

The Twister.

His detestation of the "twister" is not less than his scorn of the "crooked agent." What he says about the former is too good to lose a word of. So here it is, in full:

To do justice to this pernicious specimen of the genus homo would require a vocabulary of greater length and variety than the writer ever expects to achieve. Of one thing we are certain; he is self made, for neither God or the devil ever had any hand in his creation. He is neither of human or divine origin. His only human attribute is the science of lying, which he has reduced to a fine art. He would not know the truth if he met it face to face in broad daylight. He is as smooth as greased lightning. If all the honesty in his body was tried out into a juice, there would not be enough moisture to lay the dust on a flea's back. He has not the manliness or ability to create a demand for a life policy, and therefore his scheme is to go about hunting for some easy minded man who has a life policy and then proceed to "knock it out" and replace it with an inferior policy and pocket his ill-gotten commissions. He is as devoid of conscientious scruples as is the buzzard that fouls its own nest. He is of obvious ancestry and doubtful destiny.

Affable, attractive and boastful of his own "great honesty," he, by reason of long practice, is able to hoodwink his victim, and leaves behind him the trail of a serpent reeking with slime and stench. Never dependable or honest, he soon runs his course and is dismissed by his employer, when he puts up a good front, contracts with some other company and sets out again on his work of destruction on some other field.

He is a wrecker rather than a builder; for he often succeeds in unsettling the policy holder's confidence in his protection without selling him another policy, causing his prospect to lapse and die uninsured, in which case he becomes a deliberate robber of the vilest type, for he has robbed a widow and her fatherless children. The twister is worse than the highwayman.

In sharp contrast with this exhortation of greed under the guise of disinterestedness is the following tribute to the good done by fraternal insurance:

"You old liners are down on fraternal insurance, ain't you?"

"Indeed, I am not. I hold that any institution that goes into a man's home and pays his widow a thousand dollars when he is dead and gone, is a Godsend, and is too good a thing for an agent to be down on just because the system upon which the in-

stitution operates differs from the system which he represents."

"Then you admit that the fraternal do some good in the world."

"Most assuredly, I admit it and bid them God speed in their good work."

"Then why do you old liners fight the fraternal so?"

"I for one do not fight them. There is no comparison between them and our system and therefore should be no rivalry. Each has its place independently of the other. There are thousands of poor workingmen who cannot possibly buy the best policies because they cannot afford it. But they can buy a fraternal policy that costs but a small amount a month, which is good protection while it lasts, and has brought comfort to many a stricken home. Homes that we could not reach. Some men cannot buy fine clothes for their wives and children, or ride in fine carriages or even start a small bank account, because it takes all they can possibly earn to provide the bare necessities of life, and it is the same in the matter of life insurance. These men must cut their garments according to the cloth, and while they cannot carry the best policy, it is a blessing that such men can find at least temporary protection in a fraternal society which comes within their reach."

The author of this book has a clear notion of the true functions of life insurance and puts it thus:

"Never buy life insurance as an investment. It is a saving with protection."

This has led him apparently to prefer non-participating, also, for he says of it:

We have written both participating and non-participating insurance with equal profit to the agent and equal satisfaction to the assured. Eliminating the investment feature from the scheme of life insurance and emphasizing the savings and protection as the

(Continued on Page 5.)

New England Mutual Life

Insurance Company

BOSTON, : : : MASS.

Chartered 1835

Assets, January 1, 1910..	\$51,316,543.00
Liabilities	47,050,672.15
Surplus	\$4,265,870.85

Sixty-six years of honorable dealing with its policyholders has placed the **NEW ENGLAND MUTUAL LIFE INSURANCE COMPANY** in the front rank of Life Insurance Companies of the Country.

ALFRED D. FOSTER, President.
D. F. APPEL, Vice-President.
J. A. BARBEY, Secretary.
WM. F. DAVIS, Assistant Sec'y.
J. G. WILDMAN, Assist. Sec'y

EDWARD W. ALLEN, Manager,
220 Broadway, New York
LATHROPE E. BALDWIN, Manager,
141 Broadway New York
CHARLES H. STRAUSS, Gen. Ag't,
200 Fifth Ave., New York

AMERICAN TEMPERANCE SKELETONS.

Examination by the New York Department.

The same fellows who came, unpleasantly, into the limelight two or three years ago in connection with the reinsurance of the Traders Life, an assessment association, in the American Temperance Life, are having another experience of the same sort, as a result of the exposure of the mismanagement of the American Temperance Life, which the examiners of the New York Insurance Department have included in their report of an examination of that concern.

Loans to Officers and Directors.

The department required three mortgage loans to be repaid as follows: \$14,000 to the wife of the president, Frank Delano; \$4,500 to Stacey Wilson, a director and the manager; and \$15,000 to the wife of George W. Godward, a director.

The superintendent also insisted upon the company cancelling a "tape-worm" contract for a "rake-off," entered into November 24, 1907, with the National Security Company, in which (and in a previous contract placed by it), the three persons named were interested.

The company was also criticized for issuing literature containing the following statement, though it is an assessment concern: "This association furnishes insurance on the Safety Premium Plan in accordance with the law of New York."

Orders were also given for the withdrawal of a "free policy" privilege, given to each director under the following resolution, on November 20, 1894:

It was resolved and carried that in part consideration for past services rendered and to be rendered hereafter by members of the board of directors of the association as such, the premiums accruing on the policies carried by them respectively in this association be remitted and a receipt therefor be given to each such member at the beginning of each association year.

The following is a list of directors' policies now in force:

Name of Director.	Date of Issue.	Amt. of Ins.
Frank Delano.....	Dec., 1889	\$5,000
Geo. E. Godward....	Nov., 1901	5,000
Geo. W. Godward....	Nov., 1901	5,000
Stacey Wilson.....	Nov., 1901	5,000
A. A. Hopkins.....	July, 1897	2,000
James H. Pettit....	Nov., 1899	4,000
A. Judson Stone....	Nov., 1907	2,000
W. H. W. Youngs....	Dec., 1889	5,000
Edgar S. Marvin....	Aug., 1893	4,000
Edgar S. Marvin....	Dec., 1893	1,000

The assets were put at \$255,266 and the liabilities at \$155,366. The company does not maintain the legal re-

serve, which accordingly is not charged as a liability.

Also that certain real estate in Newark, acquired by a reinsurance, be sold within six months; and \$7,280.13 advanced the president "for payment on a house which he is building" be returned.

The ghouls are still in office and on the board, however, at last report.

EX-SUPERINTENDENT VAN CLEAVE IMPLICATED.

The big politician, who is implicated in the frauds connected with the merger of the Fraternal Tribunes and the American Home Circle in Illinois, the scandal concerning which was reported recently in "The Chronicle," turns out to be ex-Superintendent of Insurance James R. B. Van Cleave.

According to a special correspondent of the "Chicago Tribune," Van Cleave and his attorney, George W. Kenney, who was also "in on the deal," have been in Rock Island, on their own invitation, seeking to convince the district attorney that their testimony is of such value that they should be permitted to tell their stories to the Grand Jury and thus secure immunity. They are represented as even pleading for the chance. The account runs as follows:

Van Cleave and Kenney came to Rock Island without subpoena. They sought out State's Attorney Magill and pleaded with him to permit them to tell the Grand Jury what they know of the fraternal insurance frauds.

Kenney went so far as to appeal to the State's Attorney's sympathy and pity. He almost wept as he told Magill that, because of his family, he could not bear the disgrace of an indictment.

But Magill turned a deaf ear to all the entreaties and when Kenney became too insistent he was asked to leave the prosecutor's office. The State's Attorney plainly told Kenney that he would not be permitted to go before the Grand Jury upon any condition whatever.

And Van Cleave was told that he need not return to Rock Island unless he would come prepared to furnish the Grand Jury with certain evidence

which the State's Attorney regards as of sufficient weight to insure the conviction of a number of men after the indictment.

It is said that the Grand Jury now has evidence tending to show that the insurance swindlers made at least \$200,000 out of the merger of the Fraternal Tribunes and the American Home Circle.

The State's Attorney is so sure of his case against the accused men that he will not receive the testimony of any suspected person excepting upon the terms dictated by the prosecution.

The sudden influx of voluntary witnesses has put Magill on his guard.

The scheme was similar to that which was attempted in the People's Mutual affair at Syracuse, recently frustrated by Superintendent Hotchkiss, i. e., the officers were paid to resign and the looters reimbursed themselves, with a handsome rake-off, out of the reserve funds.

Facts concerning similar frauds in connection with the merger of the Independent Order of Mutual Aid with the American Home Circle are also coming out, the same parties on one side being involved. And the operations of another "band of merger manipulators" which missed fire, are being exposed.

Meanwhile, how long before there will be proper merger laws with suitable safeguards?

The Commercial Life Insurance and Casualty Company is being organized in Savannah, to be capitalized at \$200,000.

JOHN C. PAIGE & CO.

INSURANCE

65 KILBY STREET

BOSTON

I notice that a number of agents are making changes from the Companies they were formerly with to other Companies. Also, that none of these agents have been in correspondence with the Philadelphia Life. Perhaps it is due to the fact that they do not read our advertisements, and I think that it would pay the agents, whether they are working for this company or not, to read these advertisements, as many a time there appear in the advertisements little arguments that would help them to secure business. For instances:—How many agents to-day are using the argument that they are insuring income, which is really what you do on every policy that you have caused to be issued by a Life Insurance Company? Now why don't you get in touch with the new up-to-date income policy of the Philadelphia Life that is different in all details from that issued by any other Life Insurance Company? Write Perry to-day.

"LIFE INSURANCE AND EXPENSE REFORM."

A comparison of the extravagant and wasteful methods of life insurance management in 1900 and 1909, a ten-year period, affords a gratifying view of what has been accomplished by the leading companies in the way of reform. This comparison will be sufficiently indicative of results if we consider for each of the years named the companies whose exhibits are found in the New York insurance reports. Whether we compare the expense of management with total income or with premium income we see clearly the trend in ten years of the expense reform, for 1900 about fairly indicates the record made for several years down to 1905.

Taking the former year, we find that the total income of the companies reporting to the New York Department was \$392,358,740, and that the expense management was \$94,782,023, or 24.20 per cent. of the income. In 1909 the total income was \$691,059,558 and the management expense \$130,470,816, the percentage of expense to income being 18.87 per cent. or a difference in favor of 1909 of 5.33 per cent. If the 1900 percentage had prevailed in 1909 the income would have been depleted by nearly thirty-seven millions, to be exact, by \$36,856,510, which is a good deal of money. For both years we have included in management expense all expenditures other than for payments of all kinds to policyholders and their beneficiaries, for annuities and loss on sale or maturity of the ledger assets.

* * * * *

All this of course means a lower cost to the policyholder, but it means much more. It means a better and more stable class of business, for no longer do the reputable companies employ the spectacular business-getters of the former times, at enormous commissions and extra bonuses, to exploit the field for volume, with the result that fully half the terminations each year from all causes were from the lapsed business that was procured by drum-beating and expensive methods. Reliable men of integrity and square dealing with the insured, as a rule, now represent the companies in the field at a reasonable expense and they are building for the future with reliable material and not with illusive promises and windy stories. It is true that there are still adventurers in the field working their confidence games for present gain, but their day will be a short one, for the results of sane, economical and honest management as placed before an intelligent

public by the reputable companies are fast differentiating between delusive, high-pressure methods and the methods of legitimate life insurance protection which promises only what it can and does perform.—"Underwriters Review," Des Moines.

NEW YORK'S NEW LAWS.

Of the ten insurance bills passed by the recent legislature of New York three have been signed by Governor Hughes and the remaining seven are under consideration by him during the thirty days' period allotted.

The three bills signed were:

The fire and marine bill which amends the reinsurance reserve law and also some minor changes in section 25 relating to foreign corporations, section 110 relating to incorporation, and section 121 which amends the standard fire policy.

The co-operative live stock bill which is a law. It prohibits the incorporation of any more live stock insurance companies under the co-operative law.

The town and county co-operative fire bill which places town and county co-operative fire companies under the jurisdiction of the Superintendent of Insurance.

The seven bills under consideration are:

The bill providing for standard health and accident provisions.

The bill amending section 1, providing that a stock corporation must have at time of incorporation a surplus equal to 50 per cent. of its capital. The bill also changes the deposit provisions so that the deposit with the Superintendent of Insurance can only be made in Government or municipal bonds. It also provides for examination of insurance corporations other than life once in five years.

The bill amending section 70, which is the section governing the different purposes for which insurance companies may be incorporated. This provides among other things what companies insure against loss by automobile damage, live stock, fly wheels, use and occupancy under the steam boiler act and enlarges the field of surety bonds.

The so-called combination standard fire policy bill which permits underwriters' policies to be approved by the Superintendent of Insurance.

The so-called Lloyds bill which gives the Superintendent of Insurance more supervision over organizations of Lloyds.

The bill amending the non-forfeiture law, applying to life companies providing for automatic extended insurance if the policy itself does not direct what option shall become operative in default of selection by the policyholder.

The bill amending sections 96 and 97 permitting companies to increase the volume of life companies' annual new business above \$150,000,000 in such percentage as their economy of administration permits. Section 97 is amended to remedy some of the defects on account of the decision in

the Travelers case and also it permits compensation to agents in the form of Nylie.

A PERSONAL VICTORY.

The stockholders of the Dutchess Fire Insurance Company met at Poughkeepsie on Tuesday and re-elected all the old directors except Public Service Commissioner James E. Sague. Frank B. Lown was elected in his place. Mr. Lown is the man through whose efforts the Dutchess Insurance Company, predecessor of the Dutchess Fire Insurance Company, was saved from bankruptcy at the time of the San Francisco earthquake.

Lewis H. Vail, whose removal as president of the Dutchess Fire Insurance Company, was demanded by Superintendent Hotchkiss, was re-elected president. Milton H. Fowler, legal adviser of the company, was re-elected vice-president. Frank B. Lown was put on the executive committee in place of S. H. More.

Mr. Sague was the only director to side with Superintendent Hotchkiss in his demand for the removal of President Vail. His decapitation is the logical sequence of his opposition to the directors and stockholders who supported President Vail in his contest with the insurance department.

T H E PROVIDENT LIFE AND TRUST COMPANY OF PHILADELPHIA

Insurance in Force, \$214,509,255.00
(Paid for Basis)

Assets \$70,514,350.45
(Market Value, Dec. 31, 1909)

Contingency Reserve . \$9,207,276.38
(Inclusive of Capital Stock, \$1,000,000.)

The Provident has been particularly distinguished for the development of a highly trained force of agents. The systematic instruction which its agents receive has resulted in their being recognized as representatives of exceptional knowledge of the business and of marked efficiency.

A CLEVER BOOK FOR LIFE AGENTS.

(Continued from Page 5.)

dominant features should be and doubtless is the true purpose of the management of both plans. Whatever disappointments the holder of an old line policy may meet at the maturity of his contract is chargeable to the agent rather than to the company. In the matter of either annual or deferred dividends, the mutuals have made such an excellent showing as to evidence great executive ability and splendid honesty, but nevertheless, it is true that the life underwriter who sells his goods on the investment feature, and places investment above protection, is seldom found carrying the rate book of a non-participating company. The reason for this is not found in the management or plan of either system, but lies in the head of the agent alone. A participating policy is as valuable and will prove as satisfactory to the policyholder as any insurance on the market, if it is sold right, but it must be admitted that the scheme of estimated dividends affords large opportunities for misrepresentation which disappear under a guaranteed dividend table plainly printed on the policy and is entirely eliminated by a non-participating contract.

"The Chronicle" finds it queer* that so discerning a mind could find anything honest in the contradiction, "guaranteed dividends," which the more conscientious commissioners have been putting under the ban because itself a flagrant misrepresentation and leading to other evils, yet more reprehensible.

Mr. Edwards strongly advises insisting upon a settlement with the application and gives many clever pointers about how to get it. The following, however, concerning handling "backsliders," after settlement, is still better:

One of the most trying things that come our way is that of the man who signs up, settles for the policy and then backs out before he takes the examination, and it is right there that the agent's patience and ingenuity are put to the greatest test. Either he has the work to do all over again, and is doubly handicapped by the new opposition of the applicant, or he may return the premium with a smile while inside he is swearing like a pirate.

The better way, however, is to treat it as a purely business transaction and a closed incident. Before going to see the backslider get your ammunition ready. Go to the postoffice and buy a postoffice order for the full amount of the premium and send it to the home office. Take the receipt with you and call on the man and put into your face all the sympathy you can summon, if you have to borrow a supply from somebody for the occasion. Tell him that you are mighty sorry, but that you have already sent the money to the home office, and show him the receipt; that as much as you would like to accommodate him it is too late. That the only way under

the sun that he can get his money back is for him to take the examination. If he is not insurable he won't get a policy, and to look at the binding receipt which you gave him, that provides for a return of the money if he is rejected. Put your doctor onto him, and above everything else see to it that the home office has the whole thing in detail. If he is foxy enough he will at once decide to fool 'em by so answering the questions at the examination as to assure a rejection. You are right onto that scheme, and it is up to you to have a heart to heart talk with him along the line that any false answer to the examiner which he may make, will certainly be discovered, and that the courts would doubtless construe such false answer as an attempt to procure money under false representation and that is a penal offense punishable by fine or imprisonment or both, at the discretion of the court. This line of argument on your part is perfectly legitimate. You did your work honestly; sold him a good policy and are entitled to your compensation, even if you have to scare the stuffing out of him to get it. Of course you go over again the value of protection and use all the arguments at your command to reconvert him, but if he is obstinate, determined and inclined to be ugly, smilingly bid him goodbye, hang onto the dough and let him whistle. If he goes to talking about having been beaten and is creating a bad impression in the neighborhood, tell the people just what happened; your helplessness in the matter, and they will decide with you every time. If you emphasize the fact that every man ought to know his own mind and that you are in no wise responsible for such weakness, every mother's son of them will agree with you.

The following tribute to the insurance press is the more valuable because it comes from a fieldman who is both wise and frank:

It is difficult to estimate the value to the field man to be derived from the various insurance journals published in the country. Every life insurance man should subscribe for as many of the insurance periodicals as he can find the time to read and the money to pay for. You will find something in every issue that will help you write an "ap" and the money is well invested.

OIL AND WATER.

The committee of fifteen appointed at a general conference of the leading fire insurance companies about ten days ago to devise some action to relieve the rate war apprehensions has held several sessions which are reported as being rather devoid of promise.

The committee was made up of five each from the union, non-union and neutral forces for the tentative purpose of devising a new working organization. The Eastern Union has not made good. Its days are numbered and unless some organization is effected there is sure to result a rate war that will make previous ones seem like a pleasant dream.

Each representative of the Eastern Union, the Insurance Information Exchange and the non-affiliated companies, recognizes and admits that there should be a general reduction of expenses in the New England and middle States. There is no unanimity as to the method of reduction. The Eastern Union representatives suggest that a flat commission of 15 per cent. be paid all round. Another interest suggests a flat commission of 30 per cent. Another wants 25. Still another wants to split the difference between 20 and 15 per cent. and make it 17½ per cent. Then there are those who want to pay contingent commissions, while others assert that they will not join a body which does not pay graded commissions.

All of which indicates a singleness of aim, considerable confusion and that history regarding fire insurance repeats itself. In the meantime, the Eastern Union is slated to go out of existence on June 20. It is thought that somebody, before that time, may be able to draw up an instrument which a majority of the companies interested will sign.

THE NATIONAL LIFE U. S. A. Wants Good Producers for District and General Agents

A SPLENDID CHANCE

to grow with a Western Company more than forty years old, operating in thirty States and Territories.

WORK FOR YOURSELF!

We have a Special Proposition for 1910. Why not write us?
CHICAGO'S OLDEST AND STRONGEST COMPANY

Robert D. Lay, Secretary, 159 La Salle Street, Chicago.

Will They Cohere?

Chicago (Special.)—Viewed from almost any point, the organization at Chicago last week of the Western Insurance Bureau is of exceeding interest. Whether the forming of this organization with thirty-one non-union companies as members at the start is to prove one of the most important events in recent fire underwriting history or a mere flash in the pan will depend upon the fidelity of its members. That thirty-one non-union companies can agree upon several important points will be a revelation to those who, judging from the past, had concluded that no two of them could agree upon any one point.

The membership of the new organization may be divided roughly into four classes of companies, as follows.

Seven companies with Western departments—American, Connecticut, Firemens, Germania, Security, Williamsburgh City and the Prussian National, whose United States headquarters is at Chicago.

Four Eastern companies which handle the West from their home offices—Agricultural, Camden, National Union and Spring Garden.

Twelve companies which are handled in three "fleets" by Western general agents—Delaware, Reliance and Rochester German, managed by O. C. Kemp, of Chicago; Boston, Michigan Commercial and Old Colony, managed by A. D. Baker & Co., of Lansing, Mich.; Farmers and Merchants, German American of Baltimore, State of Pennsylvania, Union of Philadelphia, Jefferson and Western of Pittsburg, managed by Montgomery & Funkhouser, of Chicago.

Eight Western companies—Concordia, Milwaukee Fire, Milwaukee Mechanics and Northwestern National of Milwaukee; American National, Dubuque, German of Peoria and State of Illinois.

Officers are as follows: Chairman, E. G. Halle, Western manager Germania; vice-chairman, Neal Bassett, Western manager Firemens; secretary, George H. Batchelder, assistant manager O. C. Kemp general agency; treasurer, Harold W. Letton, United States manager Prussian National; executive, relief and grievance committee—Charles E. Sheldon, Western manager American; J. J. McDonald, Western manager Connecticut; W. M. Patton, president Northwestern National; F. M. Gund, Western manager Williamsburgh City; M. L. C. Funk-

houser, Montgomery & Funkhouser general agency.

The Objects of the Bureau.

The prime object of the organization is to fix maximum commissions to local agents outside of the "excepted cities." Other subjects to be regulated are agency expense allowances, which will be restricted to postage and exchange, adjustment of small losses by agents, collection of balances and credit to be allowed agencies. In addition to these objects the bureau will undertake publicity and educational work. Rate making will not be taken up, as the inspection bureaus already have that well in hand.

The commission scale, it is understood, will follow that of the Western Union—15, 20 and 25 per cent.—except that bureau companies will pay 20 per cent. on mercantile stocks, for which union companies pay only 15 per cent. The bureau scale is exactly that of the Firemens of Newark.

The Northwestern National's Surprise Party.

In connection with the organization of the Western Insurance Bureau there were several surprises. Perhaps the greatest was the coming in of the Northwestern National of Milwaukee. If there has been one company more non-affiliating than all others it has been the Northwestern National. Of late years the Milwaukee Mechanics has not been far behind it. Another surprise is that the Glens Falls is not in. Few, if any, managers in the West have apparently been more desirous of an organization on broad lines than has Manager J. L. Whitlock. He would not consider joining the Western Union, but wanted an organization of all the companies that desire to do business in a legitimate way. He objects to the 20 per cent. commission on stocks and is said to have made a further condition that he would come in if all of a certain list of companies he named would, and not all of them have done so. His staying out has caused considerable irritation on the part of some of those who have joined.

There are about 125 non-union companies doing business in the West, so the membership of the new bureau on the start is but a small minority, but additional members are expected at once. It is noticeable, however, only a few of the large number of companies which have not

joined are active and important agency companies over a large field. Some are specialty companies, a good number operate only in a limited field and most of the others are either so small or so conservative in their underwriting policy that they are of little value to agents. But few non-union agents in the West could do a large general business without the representation of several of the companies already in the bureau.

Recognized the Gravity of Existing Conditions.

That the organization was formed is sufficient evidence of the fact that prominent non-union managers are impressed with the gravity of the present situation and prospects. Several of them have in the past belonged to the Western Union, but withdrew. They all withstood the pressure to join that organization when the Continental unionized. Their inability to agree upon any plan of co-operation in the past has been marked. It was no trifling matter that could make so many of them agree now to bury their differences and come together for what they believe to be the good of all. Their inability individually to hold down expenses and still make progress in the face of excess commission competition, and the strong prospects of legislation on the subject of expense have been the chief factors in bringing them together.

Will They Hang Together or Separately?

Before any organization has been tried out it is impossible to tell whether its members will prove faithful to it and whether it contains the elements of permanence. If this bureau has these elements of permanence, there is little room for doubt that it will play a very important part in Western fire underwriting.

Ten years ago when the Western Union began enforcing separation, most of the agencies that did a general business were obliged to unionize in order to handle their lines. The non-union companies of that day were of little value in carrying either mercantile stocks or special hazards. Both these classes were rated too low and most companies lost money on them. Since then they have been rated up where they belong, the non-union companies have grown in size and in liberality of underwriting policy, until non-union agents are no longer handicapped in doing a gen-

eral business. Most of the oldest large agencies in the West are still union, but in ten years many young agencies have grown into prominence and are now more active than the older ones. In late years a number of companies have been doing to the leading non-union companies just what they did to the union companies before the days of separation—by excess commissions they have been buying the cream of the business and leaving the companies which paid only reasonable commissions but wrote general lines to bear the burdens but not get the rewards.

The thirty-one companies in the bureau have it in their power to correct much of this evil. Their best agents must have them in order to handle their lines and they can, if they see fit, force these agents to resign their excess commission companies or agree not to accept excess commissions on pain of losing their really valuable companies. It is some such plan as this that is to be put into operation, first in a few States and then throughout union territory, unless the laws forbid in some States.

Time Only Can Tell.

As to whether it was wiser to organize this bureau than for these companies to have joined the Western Union is a question on which there is plenty of room for difference of opinion. Presumably union members believe one organization better than two with similar objects, and theoretically they are right. But, if these companies can accomplish for themselves the same ends through the organization as they would have done through the union, they have effected a vast saving in work, in loss of business, in hardship upon agents and in possibilities of rate wars by going by themselves and not forcing a reorganization of a large per cent. of the non-union agencies in the West.

Relations of the Western Union and the Bureau.

This new move brings up important possibilities as regards the relations between union and non-union companies. In the past the Western Union has been the only general company organization in the West. It took the initiative in every movement in which all companies were concerned, and it generally dictated what should be done, for there was nobody representing the non-union companies with which it could hold negotiations. The governing committee has indicated the policy of the union field organizations. They conferred with the non-union field clubs, but had no power to agree to anything not according to their instructions from above. The

governing committee could not treat with the non-union field clubs for they had no power to bind their companies, nor could the union managers stultify their own field men by dealing with non-union field men as if they were of managerial work. Accordingly co-operation among field organizations practically amounted to the non-union clubs accepting the dictates of the governing committee of the union.

The Outlook Appears Generally Fair.

Now the union will have a body of its own rank to deal with on matters of general interest. If it grants relief rates the non-union bureau can do the same. When it voices the union sentiments regarding inspection bureaus or any other subject, there will be a body to voice the non-union sentiments also. There are chances for much more effective co-operation than in the past and also for sharper clashes, if the two bodies do not agree.

However, regardless of any possibilities for trouble, the organization of the Western Insurance Bureau is a subject for profound congratulation. It means more effort to reduce expenses, to stop abuses on the part of agents, to drive into a corner the parasite class of companies that bribe the agents to give them the choice business to which the companies that carry the less desirable risks are fairly entitled.

MAY FIRE LOSSES.

According to the figures given out by the "Journal of Commerce" fire losses for May were \$18,823,000, nearly a million and a half increase over last year. Total losses since January \$86,045,300, against \$89,367,100 last year and \$105,985,150 in 1908. These figures might be some slight comfort were it not for the fact that rates in numerous instances had been lowered thus disturbing the loss and income average ratios.

THE SURETY ASSOCIATION.

The Surety Association of America, which is composed of the executives only, held a meeting at the Hotel Astor, this city, yesterday, and gave its attention to the amazing situation presented by the clear sky thunder-clap from the Massachusetts insurance department in demanding a \$100,000 deposit in that State under a mysterious discovery and re-interpretation of the law.

No action was or could be taken on such short notice, but the association was evidently much agitated and there is little doubt but that some vigorous action is impending.

MEN OF ENERGY ARE OFFERED WORK OF MOMENT

in desirable localities representing a sixty-year old institution, with modern, liberal, law-conforming policies, and helpful Home office co-operation. Much good territory available. Many opportunities for advantageous positions. Inquire NOW.

UNION MUTUAL LIFE INSURANCE COMPANY PORTLAND, MAINE

FRED E. RICHARDS, President,

Address
either:

ALBERT E. AWDE,
Supt., 386 Congress St.,
Portland, Maine.
THORNTON CHASE,
Supt., 405 Exch. Bldg.,
Los Angeles, Cal.

The Preferred
ACCIDENT INSURANCE COMPANY
of New York

SUPERIOR POLICIES

KIMBALL C. ATWOOD, President
290-292 Broadway, New York.

CHICAGO'S GREATEST COMPANY

ILLINOIS LIFE INSURANCE CO.

OLDEST IN CHICAGO **CHICAGO** LARGEST IN ILLINOIS

JAMES W. STEVENS, PRESIDENT

We Guarantee where others Promise

The year 1909 was the most successful in this company's already splendid record of successful years.

INSURANCE IN FORCE
FIFTY MILLION DOLLARS

IN NEW ENGLAND

UNITED STATES FIDELITY & GUARANTY BRANCHES OUT IN MASSACHUSETTS.

Availing itself of the provisions embodied in a law enacted this year in Massachusetts, the United States Fidelity and Guarantee Company has been licensed to transact steam boiler, fly wheel, accident and liability and plate glass insurance in Massachusetts, in addition to the lines it had already been authorized to write, namely, bonding and burglary insurance. The extension of the company's authority will doubtless mean a substantial addition to the business of Messrs. O'Neil and Parker, its Boston representatives.

Taking Time by the Forelock.

Anticipating the possible enactment of workmen's compensation acts in a number of the States of the Union, the Travelers Insurance Company of Hartford has taken time by the forelock by issuing a policy based upon the workmen's compensation requirements in force in Great Britain. This in addition to the requirements of the present employer's liability laws, and, as a consequence the rates are somewhat higher than those in force for plain liability policies.

Wants a Hearing.

Being of the opinion that the Civil Service Commission did not exercise proper care in examining into his qualifications, when it failed to approve of his nomination as fire commissioner of Boston, Mr. McCarthy, surveyor of the port of that city, has stated that he will appeal to Governor Draper for a public hearing on the matter. Should this be granted, it is likely that some interesting interchange of opinion may ensue between accuser and accused. Meanwhile the fire department of Boston gets along as best it can under the able leadership of Chief Mullen, and with Attorney Carroll as acting fire commissioner.

New England Brevities.

A movement is on foot, and is being actively pushed by prominent members of the New England Insurance Exchange, for the adoption of a form for farm property insurance, similar to that now in use in New York State.

The committee on insurance of the Massachusetts Legislature has reported in the senate a bill to incorporate

the Independent Companions of America, a fraternal insurance order for working women.

John W. Talbot, of South Bend, Ind., president of the Order of Owls, has instituted injunction proceedings against the Massachusetts nest of the order, seeking to restrain it from representing itself as a member of the order or doing anything else which might lead to identification therewith. It is also sought to prevent the defendant from circulating any stories alleging misuse of funds by the supreme officers.

The annual outing of the New England Insurance Exchange is to take place on the 17th inst. at the Pomham Club, down on Providence river, the same place which provided such delightful entertainment to the field men last year. The exchange meetings for the summer months will be held on these dates—June 18, July 23, August 20—while the regular meetings will be resumed September 24.

UNIFORMITY WITH A VENGEANCE.

The Supreme Court of Virginia has held a restrictive clause in a life policy of no effect because printed in type not "as large or larger than long primer." The latter-day underwriter has developed new lines of contest because the printers have new plans and machines, necessitating the adaptation of the old to the modern conditions, and the printers now use the so-called "point system" for measuring the size of type. An inch is divided into 72 points and type is designated according to the number of points contained in each line. Thus long primer is the old fashioned name for 10 point type. That is, there are 72-10 lines of long primer to the inch, each line containing ten points.

IT IS TO LAUGH.

Texas passed an act creating a fire rating board for the purpose of spanking the companies rates and the board has been so very active that instead of performing the expected spanking the rates have been raised 400 per cent. in some instances and that has raised—well, a reminder of the famous Seward message to Sullivan.

Now, Governor Campbell is all "het up" and avers that if the board does not promptly put the rates way down when it meets on the 21st inst., he will call a special session of the legislature to repeal the law.

This is amusing to the companies, as well as instructive to the people of Texas, and illustrates the inevitable results of monkeying with a gun that was not known to be loaded.

Another Laugh.

The new insurance commissioner of Texas, William E. Hawkins, has "caught" the Glens Falls Fire with a single risk of \$100,000 and has notified it to reduce to \$20,000 or get out of Egypt a la Roosevelt, to John Bull. He also found a single \$50,000 risk on the person of the Globe and Rutgers and notified it to reduce to \$40,000 or accept its passport to the Lone Star State line.

The reinsurance offset on these risks counts for naught with this fresh wielder of the broom. It's do or skidoo.

The Glens Falls has only \$5,105,506 assets and the Globe and Rutgers has only the bagatelle of \$5,177,134, not sufficient for the great State of Texas, says "Mr. 'Awkins, sir."

Governor Campbell would do well to call his legislature together if only for taking this laugh off his State, even if the other one remains.

Sam Wassell of Little Rock has been appointed state agent of the Great Eastern Casualty Company of New York.

THE HOME LIFE INSURANCE COMPANY OF AMERICA

Incorporated 1899.



THE COMPANY FOR THE AMBITIOUS AGENT who desires to sell "COMMON SENSE" insurance at LOWEST COST, and who seeks, through most liberal first year and guaranteed renewal commissions, to receive just recognition of service. All policies registered, signed and sealed by the Insurance Commissioner of the State of Delaware, making them truly

SAFE AS GOVERNMENT BONDS.

Address Executive Offices, 416-18-20 Walnut Street, PHILADELPHIA, PA.

JOHN LANGHAM, Jr.,
President.

JOSEPH L. DURKIN,
Secretary.

GEORGE M. NETTLESHIP,
Manager of Agencies.

TO MAKE LABOR SAFE.

Industrial accidents and diseases, which with the kindred subject of workmen's compensation have occupied a good deal of the time of the recent meetings of such bodies as the National Civic Federation and the National Association of Manufacturers, will be considered in three national conferences, to be held to-morrow and Saturday at the Auditorium Hotel, Chicago.

The first of these conventions is that of the National Conference on Industrial Accidents and Workmen's Compensation. The chairman of this is Charles P. Neill, Commissioner of the United States Bureau of Labor, and among the members will be the State commissions, which have been appointed to consider this matter in New York, New Jersey, Wisconsin, Minnesota, Illinois and Ohio, and official delegates nominated by the Governors of States.

This is the third meeting of the conference, the others being held in Atlantic City last July, and in Washington in January. Its published proceedings include reports from the State commissions and criticism of tentative bills. There will be present at Chicago, Senator Wainwright, Professor Seager, John Mitchell and Miss Crystal Eastman, of New York; Frederick Hoffman, of Newark; Senator A. W. Sanborn, of Wisconsin; H. V. Mercer, George Gillette, and William McEwen, of Minnesota, and Edwin R. Wright, of Illinois, besides representatives of manufacturers' associations, trade unions, insurance companies and the Russell Sage Foundation.

The second conference will consider the diseases which result from certain kinds of employments. It is reckoned that they cost the country each year in the expenses of sickness, loss of wages and of economic loss to industry not less than \$1,250,000,000. Yet recent investigations have shown that they are in large measure preventable. Thus in Europe such poisons as yellow phosphorus have in many instances been given up in favor of harmless substitutes.

Dr. Henry B. Favill, president of the Chicago Tuberculosis Institute, will be in the chair, and among those giving addresses will be Prof. Charles R. Henderson, of the University of Chicago, and Secretary of the Illinois State Commission on Occupational Diseases; Dr. John B. Andrews, of New York, author of a Government report on "Phosphorus Poisoning in the Match Industry"; Profs. Henry W. Farnham and Irving Fisher, of Yale; Frederick L. Hoffman, statistician of the Prudential Insurance

Company, and Dr. Alice Hamilton, of Hull House, Chicago, secretary of the International Congress on Industrial Hygiene.

The American Association for Labor Legislation will also meet and will elect delegates to attend the International Congresses on Industrial Insurance, Occupational Diseases, Unemployment and Labor Legislation, which are to meet in Europe in September. Among the members of this association are: Louis D. Brandeis, of Boston; Miss Jane Addams, of Hull House, Chicago; Prof. J. W. Jenks, of Cornell; Ernst Freund, of Chicago; John M. Glenn, of the Russell Sage Foundation; Seth Low, Rowland Hazard, of Rhode Island, and Frederick Judson, of St. Louis.

THE BURGLARY SITUATION.

The Burglary Underwriters Association of America has actually passed a month without an acute attack of intermittent fever and is now looking for a secretary. As usual the matter of salary is of widely varying opinions. The economist with his penurious ideas, and the broad business man who knows from experience that the best is the cheapest, and that it comes high, are at issue.

The former wants a clerk and the latter wants a type of Seward, Lott, Stone, Alexander, Joyce and that long list of doers of things, and both sides are now out with their telescopes looking for a star—one from the cellar and the other from the roof.

The
Columbian National Life
INSURANCE COMPANY
OF BOSTON, MASS.

LIFE, ACCIDENT AND HEALTH INSURANCE.

The Only Massachusetts
Non-Participating Company

The New Columbian Policies are
Unexcelled in Clearness and Liberality.

Good Contracts and Territory for
Good Producers.

ARTHUR E. CHILDS, President.

201ST YEAR.

SUN
Insurance Office
OF LONDON.

FOUNDED 1710.

UNITED STATES BRANCH:

54 PINE STREET, NEW YORK.

WESTERN DEPARTMENT:

171 LA SALLE ST., CHICAGO.

PACIFIC DEPARTMENT:

Sansome & Sacramento Sts.,
SAN FRANCISCO, CAL.

AGENTS WANTED
AT UNREPRESENTED POINTS.

**OLDEST
IN
AMERICA**

**STRONGEST
IN THE
WORLD**

THE MUTUAL LIFE
Insurance Company of New York

Mutual Life Agents Make Most Money
Because Mutual Life Policies Sell Most Freely

For terms to producing agents, address

GEORGE T. DEXTER

2nd Vice-President

34 Nassau Street

New York, N. Y.

A PROFESSIONAL SWINDLE.

That was a good catch on Monday when the Alliance Against Accident Fraud landed one of the post-graduates in accident swindling in the Tombs on charges of grand larceny.

The prisoner is Mrs. Anna A. Strula, of Hazlet, N. J., age 45, a widow, good looking and of excellent address. She was indicted last week for the larceny of \$500 from the New York Central. F. L. Arnold, secretary of the Alliance collected the evidence on which the indictment was returned.

According to Mr. Arnold the woman suffers from a chronic ailment and she has been using this affliction as her stock in trade in each case, claiming that the injury had resulted from the carelessness of the companies which she picked out for her victims. Sometimes, but not often, she would allege that she had been hurt by a jar, due to the sudden stopping of a train or car, but in a majority of instances banana peels or grape skins would be found under her after she had been picked up seemingly in great pain, after a fall. Negligence in leaving such slippery things on stairs or platforms would then be made the basis of her suit.

\$1,000 from Pennsylvania.

So far as Mr. Arnold's investigations show Mrs. Strula began getting hurt on June 16, 1906, when she brought suit against the Pennsylvania road. This initial venture netted her \$1,000 on a compromise, and, inspired apparently by her success, she proceeded without loss of time to file more claims.

In addition to the \$1,000 from the Pennsylvania and the \$500 from the New York Central it is set forth that she collected, always under settlement of court, \$150 from the Central of New Jersey, \$250 from the Reading, \$300 from the Erie, \$50 from the B. R. T., \$250 from the Reading, \$150 from the Lackawanna and \$150 from the Casualty Company of America on account of a case against R. H. Macy & Co. Other suits are still pending.

Over-Confidence Her Undoing.

Over-confidence seems to have led to her undoing. When her second suit was filed against the Pennsylvania the claim department at Philadelphia showed her that she had already collected one claim for damages on an exactly similar basis. When the claim agent went further and showed her records of some of her other suits she decided to drop the second action and promised to get out of the State of Pennsylvania and never come back.

She also saw her way clear to an immediate abandonment of her suit against the Lehigh Valley when confronted with one or her sworn petitions stating that her alleged injuries dated back to a time prior to the date when she said she fell on a Lehigh Valley train.

Hazlet made a convenient headquarters for the litigations Mrs. Strula, for it was a quiet suburb within easy distances of New York, Philadelphia, Brooklyn and the principal cities of New Jersey. Her suit against the New York Central, and the one which forms the basis of the indictment against her, was begun after she had tumbled down the stairs of the Harlem station at One Hundred and Twenty-fifth street and Park avenue. An orange peeling was found where she fell, and she was carried to a hospital apparently in a serious condition.

After her discharge from the hospital she filed suit on the ground that she had suffered a permanent injury. An attorney for the road paid her \$500 as a compromise in the Hotel St. Denis, and because the whole transaction occurred in this county the district attorney elected to have her indicted for this alleged fraud.

An Object Lesson.

This indicates the possibilities of the Alliance Against Accident Fraud in prevention of fraudulent claims. There is a surprisingly large number of these professionals who make a regular business of getting hurt, and it is only by a central co-operative bureau of information that their itineraries can be kept up with. This is what the alliance does, but at present only in a limited way, because of lack of sufficient financial support to establish a thoroughly comprehensive reference system covering the entire country.

It deserves the cordial support of the casualty companies, railway and manufacturing concerns, and, in fact, all responsible interests that have been or may be made the subject of attack.

At the forthcoming convention of State insurance commissioners an effort will be made to attach what is known as Schedule N to blanks for fidelity companies. These officers will then be compelled to give their classification on 120 different kinds of business. The assigned reason for this action is that it will provide the commissioners with a proper basis for reserve making. It is surmised that its real intent is to suggest rates.

CHICAGO'S AUTO DEATH TOLL.

All Chicago stood aghast as the grim record of the death dealing automobile toll on the city's streets for the month of May was given out by the police department to-day.

The list of killed and injured mounted higher than for any previous month in the city's history. Steadily it has climbed, despite laws and ordinances and the efforts of police authorities to force automobilists to respect the lives of others, until the speed mania chauffeurs last month made a record of six killed and eighty-five injured. To offset this is a record of one chauffeur held over to the Grand Jury charge of manslaughter.—Chicago "Daily News," Saturday.

MILLER BUSY.

It is understood that the Continental Casualty is soon to secure a man to look after its commercial accident department in the downtown district of Chicago and will push that branch of its work in its home city. The company already has a downtown office, but it devotes its time largely to industrial business, getting such commercial business as comes to it naturally. The company has started a campaign of daily newspaper advertising, in charge of Chauncey S. S. Miller, formerly secretary and treasurer of the Casualty Company of America.

FEDERAL LIFE INSURANCE COMPANY CHICAGO

ISAAC MILLER HAMILTON, ; ; President

Admitted assets.....	\$2,447,499.17
Capital stock.....	177,300.00
Surplus apportioned and unapportioned	77,510.61
Excess security to policy holders	254,810.61
1909 insurance in force increased over.....	\$6,300,000.00
Surplus increased over....	100,000.00

HIGH-GRADE MANAGERS AND AGENTS WANTED.
ATTRACTIVE POLICIES.
DESIRABLE CONTRACTS.
WILL ENTER NEW TERRITORY.

Address,
CHARLES M. TURNER,
General Manager,
Marquette Building, CHICAGO, ILL.

A CASE OF FORCED DEFENSE.

For several years "The Chronicle" has pointed out that the successful casualty company of the future must of necessity cover all lines in order to compete effectually. The Fidelity and Casualty afforded the model object lesson. Its extended operations have always given it a powerful advantage over its dull rivals who could not see an inch beyond their noses.

But the great light has dawned upon them at last and the morning of the new era is at hand. Some have cheerfully accepted the inevitable and shouldered arms; others are still clinging doggedly to their own opinions, either because of incapacity to navigate the new waters or because of brute stubbornness. However, they are losing in the race and it may be too late to catch up when they do awake.

It is refreshing to follow President John T. Stone in his characteristically clear and equally frank statement of why the Maryland Casualty added fidelity and surety business to its writings. He says:

* * * * The business or corporate suretyship has greatly increased in volume during the intervening twelve years, but there are only a few classes or forms of bonds now written which were not issued then. The number of companies engaged in the business in a general way now, is fully double the number in 1898, not to mention the numerous companies doing a limited class of business in a small territory.

The usual result of a multiplication of companies—unwholesome competition rates—was, during the past decade, carried to the extreme point, so that it became a matter of common talk that more than one surety company was on very thin ice financially.

Within the past two years the surety companies have brought about among themselves a marked improvement in the conditions under which their business is transacted, so that at this time the imminent dangers which threatened some of them appear to have been averted. The man in the street might naturally assume that there would be entire content in the enjoyment of this change for the better, and a positive unwillingness to invite, for a long time at least, either new troubles or a return to those so recently escaped.

Mr. Stone lets the family closet door open and exposes the skeleton, which has for so long been concealed, in paying his respects to his surety neighbors of Baltimore in this wise: (It will be remembered that this revolution began there.)

There are some people, however, who cannot stand real prosperity, but must always live in the fool's paradise which deludes those who move in an automobile world on a pushcart net income. About the beginning of

1910 the little bird which keeps busy carrying advance information began to whisper that some of the surety companies were going into the casualty business also; and soon it was definitely announced that such was the case. It at once became evident that the advance in the casualty field of these additional employers of agency and home office personnel might render defensive measures on the part of those already in that field highly necessary.

Hence the Maryland has decided to add a fidelity and surety department to the branches of business we are already transacting, as the most effective, the most practical, and the least dangerous defensive measure it could adopt.

Highly Strained Family Relations.

The strained relations between the Maryland companies was highly accentuated by the resignation of Seymour Mandelbaum as vice-president of the Maryland Casualty. It was stated that this was due to the fact that he was also vice-president and chairman of the executive committee of the Fidelity and Deposit, which proposed to become a formidable competitor, and it would be inconsistent for him to hold both. But that little bird referred to by Mr. Stone whispers an entirely different reason and it is fair to assume that Mr. Stone's remarkable success has aroused not only the jealousy but also the cupidity of some of his quondam friends, so-called, but who are friends of no man and whose pledges are only made to be broken. And so there is to be war to the knife.

Nobody doubts the strict intent of Mr. Stone's conclusion:

* * * * Notwithstanding our establishment of this department was not, in a sense, voluntary, but was brought about by circumstances beyond our control, yet, being established, it will be developed and administered with absolute and unqualified purpose to make it an eminent success.

Condition General.

The same general condition as that which confronted Mr. Stone prevails with every company, although some shut their eyes and refuse to see it. Exactly what forced the Maryland to act—and act promptly—must compel all companies of any weight or consequence to do likewise, if they expect to be in the running, not only out of consideration for their agency staffs but as an economic measure. Mr. Stone will operate his new department at an expense ratio probably less than half that of other companies, because of his splendid and efficient home office and agency organization, necessitating practically no appreciable increase.

It is unreliably reported that the

Casualty Company of America will follow the Maryland's lead into the surety camp. The National Surety is preparing to follow the lead of the United States Fidelity and Guaranty, and the Fidelity and Deposit into the casualty camp. Thus the merry dance goes on.

The small new companies are negligible in this titanic contest. They are in a plight and state of helplessness that is pitiable, and their only hope is to find shelter while there is yet time. There seems even slight hope of consolidating enough of them to make a real strong concern. There are too many officials to be cared for. None is willing to retire, hence the case seems hopeless and the future of this small craft involved in grave apprehensions.

The rate for automobile collision insurance in Chicago is now 4½ per cent., including fire and all other features, and it is estimated that at least a 5 per cent. rate is necessary, by reason of the excessive losses in that line. Some of the more conservative companies decline to write this hazard, claiming it is productive of more loss than all other automobile hazards combined.

The Employers' Liability

Assurance Corporation. Ltd.

LIABILITY, STEAM BOILER,
ACCIDENT, HEALTH, FIDELITY
and BURGLARY INSURANCE.

UNITED STATES BRANCH.

SAMUEL APPLETON, United States
Manager,

Employers' Liability Building,
33 BROAD STREET, BOSTON, MASS.

EDMUND DWIGHT,
Resident Manager for New York State,
56 MAIDEN LANE, NEW YORK.

AGENTS WANTED.

1860 50th YEAR 1910

HOME LIFE

Insurance Company of New York.

GEORGE E. IDE, President.

Assets	\$23,626,018.63
Liabilities	21,858,691.52
(Including Deferred Dividend Fund)	
Dividend Endowment Fund	
(Deferred Dividends)	2,119,044.00
Net Surplus	1,767,327.00
Insurance in Force	92,532,583.00

The record for 1909 shows the following
GAINS:

Insurance in Force	\$4,164,239.00
Assets	1,917,117.00
Deferred Dividend Reserve	148,581.00
Contingency Reserve (Surplus)	655,149.17

VOLUNTARY COMPENSATION FOR ACCIDENTS.

The old reproach that corporations are soulless seems in a fair way of losing its edge, judging from the attitude that some of the largest and presumably most soulless of them (if there are degrees of soullessness) are adopting toward their employes nowadays. Of course, it may be a matter of dispute as to whether soul development or an increase of long-headedness has been the moving cause of the new policy of voluntary compensation to injured workmen and pensions to aged ones, but most people at any rate will probably agree that the effect must be conducive to a certain peace of mind on the part of many men to whom the day's work holds an ever-present possibility of disabling accident or sudden death, and who besides have learned from the experience of others that the courts are not very favorably disposed toward the man seeking damages from an employer. One of these recent cases of soul-development is that of the International Harvester Company—the "harvester trust," as it is called—which voluntarily divests itself of the benefit of those barbaric common law defenses known as "contributory negligence," "fellow-servant act" and "assumed risk," and announces that hereafter an injured employee shall be compensated without recourse to law. The scale of compensation runs this way: For the loss of a hand or foot, one and one-half years' average wages, or not less than \$1,500 or more than \$2,000; both hands or feet, or one hand and one foot, four years' wages, or not less than \$2,000; other injuries, one-fourth wages during the first thirty day of disability, or if over thirty days, one-half wages, but not for over two years; thereafter, if injury is permanent, a pension; in the case of a fatal accident, three years' average wages will be paid, but not less than \$1,500 or more than \$4,000. The United States Steel Corporation comes across with an allowance, in the event of temporary disability through accident, of 35 per cent. of the average wage to single men and 50 per cent. to married employes, with 5 per cent. additional for each child under sixteen, and 2 per cent. for each year of service over five; for permanent disability a lump sum is allowed, based on the extent of the injury and the annual wages of the employe; in the case of a fatal accident one and one-half years' wages are paid, with 10 per cent. additional for each child under sixteen, and 3 per cent. for each year of service over five. Of

course, it is well known that a number of railroads also have adopted the policy of providing for the future of employes who, through injury or old age, are incapacitated from work; and it is all very kind and nice, no doubt, but one wishes this type of relief could be less of a gratuity and more of a legal obligation on the part of the corporations, or of the Government and corporations combined. They seem to handle this kind of thing better abroad.—"Electrocraft."

INSURANCE OF AVIATORS.

It is stated that one of our large accident companies has notified its policyholders that it is not prepared to cover risks of accidents to aeronauts, and that it is only prepared to receive the renewal premium subject to the exclusion of such risks from the conditions. At the present time aviation is in the hands of a few experimenters, who are testing the capabilities of various flying machines of a more or less flimsy type. Until the experimental stage is over, we do not think insurance will be taken up in any large way. It appears that at Lloyds the risks can be insured against, and this provision will do for the present. But when aviation becomes general no one will be safe, whether indoors or out, from a descending wreck. From motor cars, and all other monstrosities of the road, we can generally deliver ourselves by keeping to the path, but the old term, "a bolt from the blue," will soon be taking on a very practical and unpleasant meaning. It will add materially to humanity's daily risk of accident, and insurance will come more by its own. But those days are a long way ahead. Candidly, we hope so, on personal grounds.—"Review," London.

A ROYAL ROAD TO WEALTH.

Notwithstanding the adages of the sages there is a royal road to wealth—at least temporary wealth. The secret is to buy, beg or borrow control of a surety company and make it guarantee your borrowings from the banks, a la Knabe's \$115,000 loan from the Metropolitan Trust Company, for which he had his United Surety Company make bond as collateral indemnity.

It is important, however, to follow the Knabe example and avoid making any record of the transaction on the books of the surety company. Then you may have what in vulgar parlance is called a "cinch."

Frank Lock, manager of the Atlas Assurance Company, arrived home from Europe Monday.

READY FOR BUSINESS SOON.

W. L. Taylor, assistant general manager of the Missouri Fidelity and Casualty, which is in process of organization at Springfield, Mo., advises the "Insurance Field" that the company hopes to be ready to be examined for its license by the middle of July. The work of selling stock has not been completed, but the agency force is being organized and policies have been printed in order to show prospective agents what kind of business the company will transact.

Mr. Taylor says that the company has three hundred stockholders, most of them manufacturers, bankers and business men living in Missouri and Eastern Kansas. The authorized capital stock is \$250,000 and S. E. Austin is acting as manager. The president is W. L. Garrett and the secretary J. L. Hine.

The executive committee of the International Association of Accident Underwriters will hold its annual convention at Bretton Woods, N. H., four days, September 20-23 inclusive. Herebefore the annual meetings have been held in July.

Germania Fire

INSURANCE CO.,

NEW YORK.

ORGANIZED 1859.

Cash Capital.....\$1,000,000.00
Assets.....\$6,562,329.14
Net Surplus.....\$2,008,419.02
Surplus for Policyholders,\$3,008,419.02

HEAD OFFICE:

Cor. William and Cedar Streets.

Organized 1871

Life Ins. Co. of Virginia

Home Office, Richmond, Virginia.

J. G. WALKER, President.
T. W. PEMBERTON, 1st Vice-President.
W. L. T. ROGERSON, 2d Vice-President.
E. D. HARRIS, Secretary.

The OLDEST Southern Life Insurance Company.
The LARGEST and STRONGEST Southern Life Insurance Company.
The PIONEER Southern Industrial Life Insurance Company.

Its policies are clear and definite in their provisions and their values are absolutely guaranteed.

Assets Dec. 31, 1909.....\$5,372,691.99
Liabilities Dec. 31, 1909.....4,312,405.32
Insurance In Force Dec. 31, 1909.....68,337,613.00
Total Payments to Policyholders since Organization 9,820,412.49

ANOTHER RAINBOW.

Colonel Sellers and his splendid eye water scheme, with millions in it, is not without imitators in other lines. A Philadelphia Sellers, named F. T. Crichton, has issued a prospectus for a strike insurance company—the Employers Indemnity, of West Virginia—and it is a gem of its kind. He pins his faith, it seems, to London Lloyds and a namesake of his proposed company of small caliber and Philadelphia. If he has no greater success than several other recent promotions in that city he may have to seek fresher fields Westward for the exercise of talents that are irrepresible.

Mr. Crichton plans a capital of \$500,000 and presents his ambitious scheme in the following enticing manner:

Employers of labor will not hesitate in paying a premium of \$300 per annum for \$30,000 of protection payable at the rate of \$100 per day for 300 working days in the event of a strike. By procuring only 1 per cent. of the 200,000 manufacturers the following results can be realized:

Annual premium income from 2,000 manufacturers	\$600,000
Total losses to be paid by the company, estimating these losses at 200 per cent. above the actual experience of foreign companies—\$180,000. Cost of procuring business, estimated at 100 per cent. above the actual experience of foreign companies—\$240,000	420,000

Net profit annually.....\$180,000

This net profit of \$180,000 will pay a dividend of 20 per cent. on a capital of \$500,000, after allowing \$80,000 to be placed to the company's surplus account. The field for operating the Employers Indemnity Company for the writing of strike insurance is practically unlimited.

A reinsurance arrangement will be entered into between the Employers Indemnity Company and the Lloyds of London and some of the representative German companies to underwrite the surplus business applied for in excess of the limit of liability accepted on any one risk. This will enable an employer to insure his plant for the full amount of his profits and fixed charges.

Colonel Sellers over-figured on sore eyes and perhaps Mr. Crichton is over-estimating on purchasers of his shares of stock, but you never can tell. There's a birth of one every minute.

STRYKER ON VACATION.

H. H. Stryker is taking a trip of recuperation to Europe before taking up his new duties as managing head of the recently created bureau of reinsurance of the Surety Association of America. He has been somewhat run down by the exacting demands

on his time during the past year or so and wants to be fit and ready for the arduous and exacting requirements of the new job in which he will have a dozen or more masters to satisfy.

He has been trying to devise some basis of a plan that will automatically accomplish a satisfactory division of reinsurances between the members of the association. Last year reinsurance premiums amounted to \$900,000, and it will require the wisdom of a near-Solomon to divide this sugar plum in such a way as to avoid some fights in the school yard when a big boy takes a small one's share from him.

Mr. Stryker's plan so far is to base each company's allotment on the ratio of business turned in by each. This looks like trouble to begin with, because the big ones will naturally turn in a volume, while some of the little fellows may turn in an inconsiderable amount of business and possibly none.

Another problem is as to how to placate the companies which do not write certain lines. None of them are uniform in that respect, each having its own method and rule of selection.

Mr. Stryker is wise to train up. He will need it when he takes the wheel.

The suit of Gerald E. Hart in the Municipal Court against the Great Eastern Casualty Company, has been dismissed. The plaintiff wanted \$500 for expert advice on burglary insurance. Louis H. Fibel, president of the Great Eastern, testified that he got the benefit of Mr. Hart's wisdom while he was buying the latter a luncheon one day.

The Income Insurance Company of Austin, Texas, has been chartered. The capital is \$100,000. The incorporators are J. C. Kerbey, T. J. Caldwell and F. M. Covert, of Austin, and T. A. McLean, of San Antonio.

SELL LIFE INSURANCE

Get into a business that not only pays well when you begin, but that will pay you better the longer you are in it.

The PRUDENTIAL WANTS AGENTS. WRITE TO-DAY FOR PARTICULARS.

THE PRUDENTIAL

Insurance Company of America.

Incorporated as a Stock Company by the State of New Jersey.

JOHN F. DRYDEN,
President.

Home Office,
NEWARK, N. J.

COMMERCIAL - UNION

ASSURANCE CO.,

(LIMITED)

OF LONDON.

OFFICE;

Cor. Pine & William Sts.

NEW YORK.

SPECIAL OPPORTUNITIES offered now in Southern States to Representatives of

**CITIZENS
NATIONAL LIFE
INSURANCE
CO.**

W. H. GREGORY,
President.

BONDS OF SURETYSHIP.

The Guarantee Company of North America
HEAD OFFICE, MONTREAL

Edward Rawlings, President.

H. E. Rawlings, Asst. Mgr.

Richard B. Scott, Secretary & Treasurer.

It is the Pioneer Company, was established in 1872, and is conducted under a conservative management of over 55 years experience.

It has recouped to employers over \$2,190,000 for losses sustained by the infidelity of employees and has a surplus of \$1,041,423.23 to credit of shareholders and total resources of \$1,919,892.38 for the security of insured.

Branch Offices:

NEW YORK: 111 Broadway,
D. J. Tompkins, Secretary.
BOSTON: 114 Milk Street,
W. A. Hamilton, Agent and Attorney.
CHICAGO: Room 400, The Temple,
J. R. Pruyn, Resident Sec. and Atty.
PHILADELPHIA: 500 Arcade Bldg.
W. H. Jackson, Res. Secretary.
PITTSBURG: 1120 Farmers Bank Bldg.
E. R. Munro, Resident Secretary.
LOUISVILLE: 316 Columbia Bldg.
P. N. Clarke & Co., Agents.

N. A. L. F. I. A.**Goes with the National Association.**

Robert S. Sturtevant, of New York, for the past twenty-five years employed in the shipping department of Hutchinson, Pierce & Co., a large shirt manufacturing company and distributing concern, will enter the service of the National Association of Local Fire Insurance Agents on August 15, as assistant to the secretary. Mr. Sturtevant will have charge of the office work, relieving the secretary of many details and thus enabling him to give attention to other matters of importance to the association and the "Bulletin."

Western Trip.

Secretary Putnam, of the National Association of Local Fire Insurance Agents, will attend the annual meeting of the New York State Association at Utica, June 10, and the Iowa Association meeting at Des Moines, June 16. While in the West he will confer with President Guenther at Detroit in regard to arrangements for the National convention and will also be in Chicago to confer with the local committee on the same subject.

Working on Brokerage Problem.

The joint conference committee has pretty thoroughly canvassed the situation in respect to trust lines and brokers and the agents on the committee will probably soon confer in regard to the matter with a view to considering the situation. Later on there will be a conference with the company members of the committee so that a report can be framed up and presented to the National convention in Chicago in September.

Increased Interest in Agency Organization.

The officers of the National Association are gratified to note that the State meetings thus far held indicate a decided increase in interest in the organized movement. This is especially gratifying in view of the claims made by many that the work of the National association was not being fully appreciated. The fact of the matter is, however, that agents generally are learning to appreciate more and more the value of the organization, and to utilize it more and more as a means of promoting good practice and toning up the general character of the business.

ONE WAY TO A SANE FOURTH.

Now that the mayor has definitely decided to refuse permits for the sale of fireworks a splendid opportunity is afforded the fire insurance companies to do yeoman service in further sup-

pressing the danger by notifying all policyholders that their policies are invalidated under their own terms.

Since the sale of fireworks is thus legally prohibited it is not unlikely that a more or less substantial volume will be sold surreptitiously, and it is therefore important that citizens be informed that the presence of fireworks in their premises would invalidate their policies, stipulation to that effect being embraced in lines 24 and 25 of the standard fire insurance policy of the State of New York.

LIABILITY INSPECTIONS.

More than all the State laws and supervision in America has insurance inspection of dangerous machinery done in the protection of life and limb.

Some of the most dangerous plants have been so safeguarded that accidents are almost an impossibility. A few of the easiest methods of safeguarding machinery is by providing railings for exposed cog wheels, belts and stairways, replacing worn threads on stairways, counter sinking set-screws and by safety devices on elevators.

Two works of extraordinary value on the subject of prevention were recently issued by the Fidelity and Casualty, and the Aetna Life, the leading companies on conservation, in fact the only ones that have developed the principle of inspections and safeguarding to an effective level. These works are of the most vital importance to manufacturers employing dangerous machinery and should be in every manager's, superintendent's and foreman's office.

ILLINOIS SURETY SUED.

The Illinois Surety Company is defendant in a suit instituted by the County of Milwaukee for the collection of a bond of \$50,000. In 1906 this surety company went on the bond of Henry J. Weeks who had contracted to complete a system of tract indices for the county at a cost of \$66,690. Several times Weeks abandoned the work and the county contends that this was a breach of contract for which the surety was liable.

Mrs. Eloise Acosta Greene, the widow of a Southern physician, whose fashionable dwelling in the Flatbush section of Brooklyn was burned on March 16, has been required to furnish \$5,000 bond to answer the action of the Grand Jury on evidence that the fire was of incendiary origin. The proceedings was taken at the instigation of Acting Fire Marshal Brophy, of Brooklyn.

A SPRINKLER TRUST.

The Automatic Sprinkler Company has purchased the Niagara Fire Extinguisher Company, the Manufacturers Automatic Sprinkler Company, the Standard Fire Extinguisher Company and the entire capital stock of the International Sprinkler Company. This practically reduces the competition in the sprinkler line to the General Fire Extinguisher Company, which maintains the Rockwood Sprinkler Company as a subsidiary, and the Automatic Sprinkler Company.

"The Leading Fire Insurance Company of America."



WM. B. CLARK, President.
W. H. KING, Vice-President.
HENRY E. REES, Secretary.

Assistant Secretaries,
A. N. WILLIAMS, E. S. ALLEN,
E. J. SLOAN, GUY E. BEARDSLEY.

NATIONAL LIFE

Insurance Company,
MONTPELIER, VERMONT.

Established in 1850.
Operating in 37 States.

JOSEPH A. DE BOER, President.

FRED A. HOWLAND, Vice-President
JAMES B. ESTEE, 2nd Vice-President
OSMAN D. CLARK, Secretary
H. M. CUTLER, Treasurer
A. B. BISBEE, Medical Director
C. E. MOULTON, Actuary

This Company held January 1, 1910,
and gained during the past decade:

ASSETS . . .	\$47,490,998.98
GAIN, 167 PER CENT.	
LIABILITIES . . .	\$41,661,130.12
GAIN, 162 PER CENT.	
SURPLUS . . .	\$5,829,868.86
GAIN, 211 PER CENT.	
INSURANCE . .	\$161,423,115.00
GAIN, 79 PER CENT.	

**Absolute Security and
Economy of
Management**

On All Agency Matters Address
CHAS. F. COFFIN, Second Vice Pres., 1231 State Life Bldg.

THE GREATEST EVER.

That "94 variety" insurance holding concern so flamboyantly announced some months ago by the Hon. Harry M. Coudrey, member of Congress from Missouri, is apparently playing truant, as it has not put in an appearance as yet, nor has it explained its broken date of entry. The "Hon. Harry" has been having a whole lot of vexation lately by reason of his promotive proclivities.

For instance, note the following news item which is floating around in the insurance press:

Wakefield, Morley & Co., general agents at Hartford, have brought suit for \$100,000 damages against the International Fire of St. Louis for breach of contract to give them the sole general agency for New England. The contract had been made by former President Coudrey, afterward removed.

Mr. Coudrey will probably have a chastened spirit and reduced hat-band before he gets his \$15,000,000 concern going and saving 94 insurance designs, as he has promised. Cases like this, and that of Armstrong, and Van Laningham afford ample study and observation for the psychologist in particular, and all men in general.

ANOTHER ARIZONA PROMOTION.

The loose territorial laws of Arizona have given recent birth to a number of insurance promotion schemes, not a single one of which has yet developed anything tangible except the promoters rake-off as the sales of stock are made.

Now comes the Arizona Fire Insurance Company, capital \$200,000, surplus \$400,000, promoted by the Arizona Finance Company, shares, par, \$1.00, and a premium. Officers: Elliott Evans, president; Lloyd B. Christy, treasurer, and E. E. Forstall, secretary.

These philanthropic gentlemen naively announce that positively the organization expenses will be limited to 20 per cent. of the moneys paid in. That would yield a return to the promoters of the neat round sum of \$120,000, something not to be sneezed at, even in cactus-land.

When Commissioners Hotchkiss, Hartigan, Barry and a few others get on to that 20 per cent. it is quite likely that they will put a little red card in the reference cabinet in their offices, merely to refresh their memory if need be at some future time.

There is in the mind of many business men of vast experience the query as to what sort of mental pabulum actuates the going to Arizona, West

Virginia, Delaware and others for a charter for a concern that proposes a square deal.

WANTED: AN INSURANCE EXPERT.

The committee on insurance of the American Street and Interurban Railway Association met in New York this month for the first time since its appointment. Reports have been received from 98 companies as to their business in 1900, showing a lower average rate and a larger amount of insurance carried than for any year since 1901. It decided to call upon those that had not reported their figures that its statistics might be more accurate.

The committee recommended the appointment of an insurance expert, with authority to employ assistants, to advise the members of the association on all matters relating to fire insurance, including forms, appraisals, schedules, adjustments, reduction of hazards and "the elimination of the payment of unnecessary commissions." Use-and-occupancy insurance, fire drills, central rating bureaus and other topics were discussed.

The Connecticut Mutual

That means the best life insurance to have and the best to sell. If you can sell life insurance, you can sell more of it for the CONNECTICUT MUTUAL.

Men of Character and Ability are invited to apply.

Conn. Mutual Life Ins. Co.,
Hartford, Conn.

Please mention this paper.

**LEADING FIRE COMPANY
OF THE WORLD**



[of Liverpool,

England.]

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS is unsurpassed for net low cost and care of interests of all members.

THE PENN MUTUAL LIFE INSURANCE COMPANY OF PHILADELPHIA

On January 1, 1909, rates were reduced and values increased to full 3% reserve.

WESTERN ASSURANCE Co.

**HEAD OFFICE,
TORONTO, - - CANADA.**

Incorporated 1851.

Hon. GEORGE A. COX.....President
W. R. BROCK and JOHN
HOSKIN, K. C. LL. D., Vice-Presidents
W. B. MEIKLE.....General Manager

United States Statement, Jan. 1, 1910.
Assets\$2,377,303.37
Surplus in United States..... 839,268.07

THE Philadelphia Casualty Co.

WALTER LE MAR TALBOT, Pres't.

Our New Accident Policy Is Perfection.

**It's the Policy Your Client Wants.
It's the Policy That's Easy to Sell.**

**Personal Accident, Health, Liability
Automobile, Plate Glass and
Credit Insurance.**

Agency Correspondence Solicited.

IT PAYS THE AGENT

To represent the best company. There are many excellent standard life insurance companies. Which is the best? In stability, progressiveness, liberal contracts to agents and low cost to policy-holders no company surpasses

**The Union Central Life
Insurance Co. of Cincinnati.**

Assets, \$74,523,966.28
Liabilities, \$72,324,302.92

Good openings are occurring from time to time. Address

JESSE R. CLARK, President.
ALLAN WATERS, Sup't of Agents.

COMPARATIVE RESERVE TABLES

BY

MILES M. DAWSON

Consulting Actuary.

Containing Mean and Terminal Reserves for the
usual forms of policies and by the
following standards:

American Experience, Select and Ultimate $3\frac{1}{2}$ per cent.
American Experience, Select and Ultimate 3 per cent.
American Experience, Modified Preliminary Term $3\frac{1}{2}$ per cent.
American Experience, Modified Preliminary Term 3 per cent.
American Experience, Select and Ultimate 4 per cent.
Actuaries', Modified Preliminary Term 4 per cent.
American Experience, Committee of Fifteen, $3\frac{1}{2}$ per cent.
American Experience, Illinois and Tennessee, $3\frac{1}{2}$ per cent.
American Experience, Michigan, $3\frac{1}{2}$ per cent.
American Experience, Wisconsin, $3\frac{1}{2}$ per cent.
American Experience, New Jersey, $3\frac{1}{2}$ per cent.
H^M, Canadian Life Officers' Association, $3\frac{1}{2}$ per cent.
O^[M], Select and Ultimate, $3\frac{1}{2}$ per cent.

THIS covers all the standards, other than the net level
premiums, in use in this country. Tables showing
the first year margins set free by each method of valu-
ation are given.

Send all orders to the Publishers,

The Chronicle Co., Ltd.

No. 90 William St.

NEW YORK

FOUNDED 1792

INSURANCE COMPANY OF NORTH AMERICA. OF PHILADELPHIA, PA.

ASSETS.		January 1, 1910.
Real Estate		\$ 364,410.00
First Mortgages on Real Estate		373,803.43
Philadelphia, New York, Boston and other City and State Loans	1,134,390.00	
Pennsylvania, Philadelphia and Erie, Lehigh Valley and other Companies' Bonds and Stocks	8,909,150.32	
Cash in Bank and Bankers' hands	1,134,635.88	
Notes Receivable and Unsettled Marine Premiums....	347,440.69	
Net Cash Fire Premiums in course of Transmission....	1,069,510.62	
Accrued Interest, and all other property	52,160.57	
Total Assets	\$13,385,501.56	
LIABILITIES.		
Capital Stock	\$ 3,000,000.00	
Reserve for Re-Insurance ..	6,813,862.47	
Reserve for Losses	877,250.00	
All other Liabilities	104,982.45	
Surplus over all Liabilities..	2,589,406.64	
	\$13,385,501.56	

Surplus to Policyholders.....	\$5,589,406.64
Increase in Reinsurance Reserve	349,934.71
Increase in Net Surplus.....	838,500.98
Increase in Assets.....	1,371,438.93
Eugene L. Ellison.....	President
Benjamin Rush.....	Vice-President
T. Howard Wright.....	Secretary
Henry W. Farnum.....	Assistant Secretary
John O. Platt	Assistant Secretary
Agencies in all Prominent Cities & Towns.	

COME AND PROSPER

Among the 15 largest American companies (excluding industrials) this is our 1909 ranking:

First place in percentage of gain in insurance in force; *third place* in gain over 1908 in amount of paid-for new business.

New business first quarter of 1910 far in excess of first quarter of 1909. Our agents are busy and prosperous—and are not driven by the Home Office.

New York Agency: 1401 Empire Building, 71 Broadway.

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY,

Springfield, Mass.

Incorporated 1851

THE FRANKFORT MARINE, ACCIDENT AND PLATE GLASS INSURANCE CO.

OF FRANKFORT-ON-THE-MAIN - - - - - GERMANY
ESTABLISHED 1865.

United States Department, - - - 100 William Street, New York, N. Y.

TRUSTEES:

RICHARD DELAFIELD, Pres. of National Park Bank
ERNST THALMANN, of Ladenburg, Thalmann & Co.
STUYVESANT FISH, 214 Broadway, New York City.

C. H. FRANKLIN, U. S. Mgr. and Attorney JNO. M. SMITH, Sec. U. S. Branch

INSURANCES TRANSACTED

LIABILITY—
Employers, General, Vessel Owners, Burglary
Public, Landlords, Contingent, Workmen's Collective
Teams, Elevator, Druggists & Physicians. Individual Accident & Health
Industrial Accident & Health

AGENTS WANTED FOR UNOCCUPIED TERRITORY

HOME OFFICE OF THE

Metropolitan Life Insurance Co.

(INCORPORATED BY THE STATE OF NEW YORK, STOCK COMPANY)

The Company OF the People, BY the People, FOR the People

PROOF OF PUBLIC CONFIDENCE

This company has more premium paying business in force in the United States than any other Company, and for each of the last 16 years has had more New Insurance accepted and issued in America than any other Company.

The number of Policies in force is greater than that of any other Company in America, greater than all the Regular Life Insurance Companies put together (less one), and can only be appreciated by comparison. It is a greater number than the Combined Population of Greater New York, Chicago, Philadelphia, Boston, St. Louis, Cleveland, Cincinnati, San Francisco, Pittsburg, Baltimore, New Orleans and Buffalo.

ASSETS.

Municipal and R. R. Bonds and Stocks	\$123,345,161.39
Bonds and Mortgages	105,183,172.02
Real Estate	23,311,215.72
Cash	5,420,643.42
Demand Loans on Collateral	172,930.00
Loans to Policyholders	11,193,245.61
Prem. deferred and in course of collection (net)	5,190,238.45
Accrued Int., Rents, etc.	3,290,211.85
Total	\$277,107,868.49

LIABILITIES.

Reinsurance Fund and Special Reserves	237,213,384.00
All other Liabilities	9,992,264.48
Capital and Surplus	29,902,219.98
Total	\$277,107,868.48



Largest Office Building in the World—Madison Avenue, Fourth Avenue, 23d Street and 24th Street, New York City.

THE DAILY AVERAGE OF THE COMPANY'S BUSINESS DURING 1909 WAS:
456 per day in number of Claims paid.
6,535 per day in number of Policies placed and paid for.
11,463,755 per day in New Insurance placed and paid for.
\$183,403.75 per day in Payments to Policyholders and addition to Reserve.
\$132,172.72 per day in Increase of Assets.

OFFICERS

JOHN R. HEGEMAN.....	President
HALEY FISKE.....	Vice-President
GEORGE H. GASTON.....	2d Vice President
GEORGE E. WOODWARD.....	3d Vice President
FRANK O. AYERS.....	4th Vice President
F. F. TAYLOR.....	5th Vice President
JAMES M. CRAIG.....	Actuary
STEWART L. WOODFORD.....	Counsel
WM. J. TULLY.....	General Solicitor
FRED'K. H. ECKER.....	Treasurer
WALTER STABLER.....	Comptroller
JAMES S. ROBERTS.....	Secretary
JOHN R. HEGEMAN, JR.....	Asst. Secretary
J. J. THOMPSON.....	Asst. Secretary
T. R. RICHARDSON.....	Asst. Secretary
GEO. E. SCOTT.....	Asst. Secretary
FRED'K. A. BETTS.....	Asst. Secretary
GEORGE C. PENHALLOW.....	Asst. Secretary
THOMAS H. WILLARD, M. D.....	Med. Dir.
AUGUSTUS S. KNIGHT, M. D.....	Med. Dir.
E. M. HOLDEN, M. D.....	Asst. Med. Director
W. S. MANNERS, M. D.....	Asst. Med. Director
J. BERGEN OGDEN, M. D.....	Asst. Med. Director
D. M. GEDGE, M. D.....	Asst. Med. Director
I. J. CAHEN.....	Manager Ordinary Dept.
LEE H. FRANKEL, Ph. D.....	Mgr. Indus. Dep.
JACOB CHADEAYNE.....	Mgr. Intermediate Br.
CHAS. G. REITER.....	Asst. Actuary
JAMES C. BROWN.....	Asst. Actuary
JAMES D. CRAIG.....	Asst. Actuary
RAYMOND V. CARPENTER.....	Asst. Actuary

Paid to Policyholders since Organization, plus the Amount now invested for their Security, \$537,223,523.83.
Number of Policies, 1 Force, December 31, 1909, \$10,621,679. Total Outstanding Insurance Placed and Paid for, December 31, 1909, \$2,041,951,700.00.

In its Ordinary Department policies are issued for from \$1,000 to \$1,000,000 on individual lives, premiums payable annually, semi-annually and quarterly. In its Industrial Department policies are issued on all the insurable members of the family for weekly premiums.

Full particulars regarding the plans of the Metropolitan may be obtained at its Home Office, 1 Madison Avenue, New York City, or its Agents in all the principal cities of the United States and Canada.

The Chronicle.

1866

Published by THE CHRONICLE COMPANY, Ltd., 90 William St., New York City.

1910

VOLUME LXXXV.

New York, June 16, 1910.

NUMBER 24

THE American Credit-Indemnity Co. OF NEW YORK.

CREDIT INSURANCE ONLY.

Insures Wholesalers and Manufacturers against Excessive Annual Loss through the Insolvency of their Customers.

We can always use a few high-grade solicitors.

ST. LOUIS, MO.

NEW YORK, N. Y.

Offices in All Principal Cities.

A. B. TREAT, General Agent,

302 Broadway, : : : : : New York.

THE BANKERS LIFE ASSOCIATION

DES MOINES, IOWA.

ERNEST E. CLARK, President.

Exceptional Record During twenty-nine years for

LOW RATE OF MORTALITY
ECONOMY OF MANAGEMENT
PROMPT PAYMENT OF CLAIMS
SECURITY OF ITS FUNDS

and satisfactory results
for its policyholders.

FOUNDED 1792

118th ANNUAL STATEMENT INSURANCE COMPANY OF NORTH AMERICA. OF PHILADELPHIA, PA.

ASSETS.

Real Estate	January 1, 1910.
First Mortgages on Real Estate	\$ 364,410.00
Philadelphia, New York, Boston and other City and State Loans	373,803.43
Pennsylvania, Philadelphia and Erie, Lehigh Valley and other Companies' Bonds and Stocks	1,134,390.00
Cash in Bank and Bankers' hands	8,909,150.32
Notes Receivable and Unsettled Marine Premiums....	1,134,635.83
Net Cash Fire Premiums in course of Transmission....	347,440.69
Accrued Interest, and all other property	1,069,510.62
	52,160.57

Total Assets\$13,385,501.56

LIABILITIES.

Capital Stock	\$ 3,000,000.00
Reserve for Re-Insurance ..	6,813,852.47
Reserve for Losses	877,250.00
All other Liabilities	104,982.45
Surplus over all Liabilities..	2,589,406.64
	\$13,385,501.56

Surplus to Policyholders....	\$5,589,406.64
Increase in Reinsurance Reserve	349,934.71
Increase in Net Surplus.....	838,500.98
Increase in Assets.....	1,371,438.93

Eugene L. Ellison.....President
Benjamin Rush.....Vice-President
T. Howard Wright.....Secretary
Henry W. Farnum.....Assistant Secretary
John O. Platt.....Assistant Secretary

Agencies in all Prominent Cities & Towns.

Pittsburgh Life & Trust Company

THE FIRST COMPANY LICENSED

By the New York Insurance Department to Transact Business in That State Since the Armstrong Laws Were Enacted

Ratio of Insurance Expense to Premium Income Only Sixty-five Per Cent. of Amount Allowed by the New York Law

SEVENTH ANNUAL STATEMENT, JANUARY 1, 1910

W. C. BALDWIN, President.

ASSETS

Real Estate.....	\$10,153,664.87
Mortgage Loans.....	3,437,899.00
Loans Secured by Collateral	20,657.82
Loans to Policy Holders	3,565,544.82
Bonds and Stocks.....	5,316,057.00
Cash	711,114.62
Accrued Interest and Rents	176,274.24
Due and Deferred Premiums	270,977.15
TOTAL	\$23,652,189.52

LIABILITIES

Liabilities to Policy Holders	\$21,697,064.82
Capital Stock ...	\$1,000,000.00
Unassigned Funds ...	955,124.70
Leaving a sum for security to Policy Holders in Excess of Legal Liabilities of...	1,955,124.70
TOTAL	\$23,652,189.52

EDITION ALMOST EXHAUSTED

SAVES TIME AND LABO^r

Various Derived Tables

AMERICAN EXPERIENCE

3 and 3½%

BY

MILES M. DAWSON

TABLE OF CONTENTS.

Single Premiums, Pure Endowment.
 Accumulations, Pure Endowment.
 Forborne Immediate Annuities.
 Accumulated Temporary Insurances.
 Accumulated Increasing Insurance.
 Single Premiums Endowment Insurance.
 Single Premiums Temporary Insurance.
 Immediate Temporary Annuities.
 Valuation Columns.
SELECT AND ULTIMATE VALUES.
 Single Premiums, Whole Life.
 Life Annuities.
 Terminal Reserves, Life, Limited Payment, Endowment.
 Mean Reserves, Life, Limited Payment, Endowment.
LOGARITHMS, SEVEN PLACES.
 Forborne Immediate Annuities.
 Curtate Summations of D Column.
 Immediate Temporary Annuities.

USES.

Computing Annual Term Insurance Premiums:
 Divide temporary insurance values by immediate temporary annuities.

Computing Annual Endowment Insurance Premiums:
 Divide endowment insurance values by immediate temporary annuities.

Computing Annual Pure Endowment Premiums:
 Divide pure endowment values by immediate temporary annuities or take reciprocals of forborne immediate annuities.
 By these means, the net extra premium for a special guaranty can be quickly and accurately computed.

Computing Annual Semi or Double Endowment Premiums:
 Add temporary insurance and pure endowment values for proper amounts and divide by immediate temporary annuity.

Computing Limited Premiums:
 Divide the proper single premiums by immediate temporary annuity.

Computing Surrender Values:
 Extended Insurance. Find the temporary insurance value next lower than the sum to purchase extension. This gives even number of years. Apply remainder to pay for additional days according to daily differences in the table.

Extended Insurance with Fractional Paid-up Endowment:
 Deduct from purchase money, value of insurance for unexpired term; multiply remainder by accumulation, pure endowment, to get amount of endowment.

Computing Terminal Reserves:
 Unvarying Benefits. Multiply net premiums by forborne immediate annuity and deduct accumulated temporary insurance.
 Return Premium, Full Reserve. Multiply net premium by forborne immediate annuity and deduct accumulated temporary insurance and accumulated increasing insurance, multiplied by gross premiums to be reduced.
 Return Premium, Extra Reserve. Multiply net extra premiums by forborne immediate annuity and deduct accumulated increasing insurance, multiplied by gross premiums to be returned.

Warranted Commissions for New Business.
Surrender Values.
Dividends.
 For these purposes the "select and ultimate" will be most useful.

SEND ALL ORDERS TO

THE CHRONICLE CO. (Ltd.)

90 William Street, New York.

The Chronicle

VOLUME LXXXV.

NEW YORK, THURSDAY JUNE 16, 1910.

NUMBER 24

MILES M. DAWSON, President.
R. B. Dawson, Treasurer. Chas. D. O'Brien, Secretary.
Emil Schwab, Manager New England Department,
178 Devonshire Street, Boston, Mass.

All communications should be addressed to and remittances should be made to The Chronicle Company, Limited.
Entered at the Post Office, New York, N. Y., as Second Class Mail Matter.

PUBLISHED EVERY THURSDAY BY
THE CHRONICLE COMPANY, Limited.
No. 90 WILLIAM ST., NEW YORK.
Phone "567 John." Cable Address, "Chronogram," New York.

Subscription Price:
Three Dollars a Year. Single Copies, Twenty-five Cents.
Postage Prepaid in the United States and Canada.

J. P. Morgan in Full Charge.

Trustees of Voting Trust in Equitable Stock Resigned Wednesday—It Is Expected That New Trustees Will Be Appointed Shortly.

Up to the close, on Wednesday of this week, of the five-year voting trust of the stock of the Equitable Life Assurance Society, created by Thomas F. Ryan in 1905, there were many open questions, for instance, as to whether J. P. Morgan, who bought control of the interest from Mr. Ryan and from the estate of E. H. Harri-man, intended at once to mutualize the Equitable, as had been intimated, to continue the voting trust, or to terminate the same and take the management directly.

All of these questions are still left undetermined by the action taken by the surviving trustees, ex-Justice Morgan J. O'Brien of New York, and George Westinghouse of Pittsburgh, who on Tuesday last made public a letter addressed by them to J. P. Morgan on May 6 last, setting forth that they will not insist upon the ninth paragraph in the agreement, constituting the voting trust which bound Mr. Ryan, and presumably would bind the purchaser of his interest to "execute an instrument continuing a further period of five years this agreement and the powers of the trustees hereunder," in case the trustees should deem it advisable.

Letter of Trustees to Mr. Morgan.

The following is the full text of the letter sent to Mr. Morgan, and in which the trustees express the fullest confidence that, either under a continuance of the voting trust or otherwise, the new owner of the stock will look

out for the interests of the policyholders:

New York City,
May 6, 1910.

J. Pierpont Morgan, Esq.:

Dear Sir: On June 15, 1905, the trust agreement between Thomas F. Ryan and Grover Cleveland, Morgan J. O'Brien and George Westinghouse, trustees, was executed and the ninth paragraph thereof provides as follows:

"Ninth—This agreement shall continue in force for the full period authorized by section 20 of the General Corporation Law of the State of New York, viz.: Five (5) years from the date hereof. It shall be continued thereafter so long as the trustees shall deem advisable, and the party of the first part hereby agrees that, upon the expiration of any period of five (5) years, he will, upon the request of the trustees, execute an instrument continuing, for a further period of five (5) years, this agreement and the powers of the trustees hereunder, including said power to require an extension hereof. This agreement may, however, be terminated by the trustees in their discretion whenever in their opinion its purposes have been accomplished, or for any reason its termination is, in their opinion, advisable."

As the five years therein mentioned will expire on the 15th of next month, it is imperative that the undersigned, who, because of the death of Mr. Cleveland, are acting alone as trustees, should acquaint you with their present attitude and views regarding the trust.

The purpose which was sought to be subserved by the trust is fully set forth in the correspondence which passed between Mr. Ryan and the trustees, a copy of which is herewith sent you. In view of the results accomplished, though the labor was gratuitous, we feel that we are amply repaid in that we were of service in putting an end to the conditions which existed in the company at the time of our appointment, and it was largely due to the wisdom and judgment of our late chairman, the Hon. Grover Cleveland, that the loss of public confidence, which affected a

great public trust of more than \$400,000,000, representing the savings of over 600,000 policyholders, has been restored and the society placed again in its rightful position as one of the largest and strongest of the insurance companies in the United States.

We advert to this not to enhance the value of our services, but to point out the wisdom of the plan devised by Mr. Ryan of placing in a board of trustees the voting power, with a view of giving policyholders representation in the board of directors, a plan approved by the Superintendent of Insurance.

Although it was provided that the policyholders should in each year make known their preference for directors of their own class, their position after the first year under the agreement was to commit the selection of the policyholding directors to the judgment exclusively of the trustees. The result, therefore, has been that all the directors elected during the five years have been those selected by the trustees, thus showing the confidence which not only the stockholders but the policyholders had in the plan devised of promoting the welfare and progress of the society.

With such an experience we cannot but feel that it would be wise to continue the voting trust agreement. The change in ownership and the rights which you have secured as the owner of a majority of the stock of the society have altered the situation to some extent, and while we would recommend that the plan of a voting trust agreement should be continued, we do not feel that you should be embarrassed in carrying it out by trustees not of your own selection, and that you should be entirely free to adopt that course which in your judgment seems wise and best. If, therefore, you have other plans, or should you deem it advisable to continue the voting trust, we will leave you entirely free to select such trustees as you may think proper by failing to make a request upon you to execute an agreement continuing it for a further period of five years, as provided in the ninth paragraph above quoted.

It would be impossible, in view of

our relations to the society, not to be deeply interested in its welfare, and we shall at all times be ready and willing to do what we can to promote its success and prosperity. Your interest, because of your ownership of a majority of the stock, will necessarily in the future be exceedingly great, and this, added to the knowledge we possess of your high position in the public esteem, and your broad public spirit, which would influence you to do that which you believed was for the best interests of the society and its policyholders, has led us to conclude that we should relegate to you the right and power of doing what in the premises you think is proper and just.

We regret that your absence in Europe has prevented our stating our views to you personally, but in sending this communication we beg to add that if there is any further information or expression that you desire from us, we will gladly furnish it upon your request.

With sentiments of respect and esteem, we beg to subscribe ourselves,

Yours very truly,
MORGAN J. O'BRIEN,
GEORGE WESTINGHOUSE.

Appointment of New Trustees Expected.

Ex-Justice O'Brien, acting as spokesman for the two trustees, says:

I am credibly informed that Mr. Morgan has concluded to execute a new voting trust agreement. He is now on the ocean returning home, and on his arrival will name the new trustees.

Mr. Morgan's Non-committal Cable.

Mr. Morgan is not expected in New York until next week, and neither George W. Perkins, his partner and adviser in this matter, who is understood to have been in frequent conference with Superintendent Hotchkiss as to the proposed mutualization or the appointment of trustees, or both, nor J. P. Morgan, Jr., was ready to add anything to the following cable received yesterday from Mr. Morgan:

June 14, 1910.

The Hon. Morgan J. O'Brien and George Westinghouse, Esq., Voting Trustees Equitable Life Assurance Society, New York City:

Gentlemen: I received your communication in relation to the future of the Equitable Life Assurance Society, and to your administration of the trust under which you have for five years voted upon the stock of the company.

The delay in answering this communication has been due to my absence from the country, in consequence of which I did not receive your letter until a short time ago.

I wish to assure you of my high appreciation of the disinterested and valuable services that you, in connection with your deceased colleague, President Cleveland, have rendered to the company and its policyholders by your administration of the trust, and personally to thank you for your devotion which resulted so advantageously to the company and its policyholders. Very truly yours,

J. PIERPONT MORGAN.

The foregoing seems to leave every-

thing in about the same position as before, so far as the program hereafter to be followed is concerned; that is, it is still uncertain whether Mr. Morgan will manage the company directly through his control or will appoint new trustees or will endeavor to carry out the mutualization plan. The difficulty about the last-mentioned is to secure a return of the amount invested in the stock. It is supposed that this amount was not less than \$2,500,000, which was paid by Mr. Ryan, and it may have been more, whereas the par value of the stock so purchased was only a little over \$50,000. The "New York Times" is responsible for the statement that the two trustees have been in touch with influential policyholders of the company for several months, canvassing the sentiment as to the termination of the trusteeship. It is not known whether they also canvassed, as to the willingness of policyholders to have the cost of the stock reimbursed out of the surplus of the company, as a condition to mutualization.

DOWN LIKE A STICK.

The Continental Life Insurance Company and the International Fire Insurance Company of America, both Missouri corporations with headquarters in St. Louis, have been placed in the hands of a receiver, in an action brought by some of their stockholders for the purpose of blocking an alleged movement of the secretary, Harry B. Gardner, secretary of both companies, to consolidate the life insurance company with another St. Louis company.

Gardner and his friends recently purchased a controlling interest in the St. Louis National Life, of which he has been elected president. The Continental was to be merged with it.

Among the accusations is that Walter J. Miller was elected president of those companies, together with a board of directors that were not friendly to Gardner and to Harry M. Coudrey, the former president who had co-operated in organizing them—and that Gardner refused to permit the board of directors, thus elected, to obtain possession of the company. It is also alleged that he has transferred \$400,000 of the companies' funds to Alabama, which is out of the jurisdiction of the Missouri courts; and that he has appropriated to his individual use \$53,000.

The West Coast Life of San Francisco has voted to increase its capital stock from \$250,000 to \$300,000 and has opened an oriental office, appointing John Northcott as general agent for the Philippines. A department will be opened later in China.

ORGANIZED TWISTING.

The Baltimore Life Underwriters Association has taken cognizance of an organized system of twisting life insurance policies, the details of which were reported by a special committee, of which E. J. Clark, a prominent member of the National Association, was chairman.

It is said that the twisting is being carried on by so-called "audit and abstract companies," the persons connected with them calling themselves "mathematicians," "auditors," "abstractors" and pretending to be "disinterested insurance experts." The committee thus describes the method of doing this work: "We understand they approach policyholders of the different companies, especially those carrying large lines of insurance, and state that, if such policyholders will submit their policies to the experts for review and examination, the latter will probably be able to save them considerable money, no charge being made unless it can be shown that a saving can be effected, and the charge then to be only a percentage of the saving"; and finds that "this practice can readily lend itself by confusing a statement of half truths and distortion of facts, to a cleverly contrived scheme of 'twisting.' Of course, the general agent, 'as a rule, knows nothing about the matter,' until the policyholder has been safely twisted.

The subject has been called to the attention of Commissioner Crouse, and it is believed that he will do everything in his power to put a stop to the practice.

AMERICAN BANKERS LAUNCHED IN CHICAGO.

The American Bankers Life Insurance Company, of Chicago, has commenced business with \$119,250 cash capital and \$95,400 paid-in surplus. Ernest W. Spicer, most active in the organization of the company and who previously organized the Wisconsin National Life Insurance Company, of Oshkosh, Wis., has been elected president.

Among his previous connections were the Phoenix Mutual in the Pacific Northwest, and the Provident Savings in Salt Lake City. The other officers are James P. Whedon, formerly connected with the McCormick Harvester Company, vice-president and treasurer; William C. Bryan, second vice-president, a well-known Chicago life insurance man; George H. Bresec, superintendent of agents; Harris E. Vineberg, secretary and actuary, who resigns the position of actuary of the Security Life and Annuity at Greensboro, N. C., to accept the position.

MEETING OF FRATERNAL COMMITTEE.

The Fraternal Insurance Committee of the National Convention of Insurance Commissioners is in session this week in New York, at which the various provisions of the proposed uniform bill, brought up at the meeting of the committee in Chicago, are under discussion.

At the meeting in Chicago great dissatisfaction with many of the provisions of the bill was expressed by representatives of nearly all the fraternities which had not readjusted their rates, and by the representatives of some of those which had readjusted. Included among the societies so protesting were several of the largest in point of membership.

Among the provisions which are most strenuously opposed are those providing for adequate rates for new members after a fixed date and for valuation of certificates.

There are many other points of difference, but these appear at the present time to be of the greatest importance.

Compulsory Readjustment Abandoned?

The idea of attempting to compel the societies to readjust their rates for all their members is still adhered to in some quarters, but in view of the recent adverse decisions of the court of highest resort in New York, to the effect that such readjustments are a violation of constitutional rights, it is believed that this must be abandoned as impracticable.

That the view of the New York courts is likely to be widely accepted is perhaps as plainly indicated in the following from the recently issued report of Commissioner Macdonald, of Connecticut, heartily endorsing the principle laid down in the decisions:

Commissioner McDonald on Readjustment.

It has been the custom of fraternalists to increase the rates of assessments whenever it became necessary to do so in order to prolong their existence. Such increases always fall heaviest upon the older members. It has been contended that the right to do this lay in the fact that certificates were issued upon the expressly stated condition that the members insured must comply with all the rules and laws of the order.

The use, or rather abuse, of this condition has forced many thousands of persons of long standing in fraternal orders either to pay prohibitive rates of assessments in their later days or to drop out of the organization they had been supporting.

This practice has been the subject of numerous actions in both the State and Federal courts, but the decisions have been conflicting. The Court of

Appeals in New York State, however, has recently met the situation fairly. This court, while recognizing the fact that increased assessments are necessary because of the early inadequacy of the rates, rendered a logical decision, in which it emphasized the doctrine that the value of the contracts in force could not be impaired and that the customary increases in the rates charged on certificates previously issued would not be permitted.

A contract which authorizes one party to change it in any respect that he chooses would, in effect, be binding upon the other party only and would leave him at the mercy of the former, and we have said that human language is not strong enough to place a person in that situation.

If fraternal associations are bound to insure for a specific rate, which cannot be increased at pleasure as heretofore, the orders will naturally turn to the adequate rate, reserving properly for future increased mortality. The importance and far-reaching effect of such a decision cannot be easily overestimated.

SECURITY MUTUAL'S NEW DIRECTOR.

Clarence F. Hotchkiss, president of the Dare County Lumber Company, the largest lumber concern in North Carolina, with its principal mills at Elizabeth City, N. C., and also president of the Stowe Manufacturing Company and the Marvin Electric Company of Binghamton, N. Y., where he maintains his residence, has been elected a member of the board of directors of the Security Mutual Life Insurance Company of Binghamton. Mr. Hotchkiss has for some time carried the limit of insurance on his life in this high-class mutual company, and is one of the most valued policyholders.

MARSH RESIGNS.

Roy M. Marsh, for some time manager of the Chicago Life Insurance Company and later superintendent of agents of the Security Life of Chicago, has just resigned as superintendent of agencies of the Continental Life and Investment Company of Salt Lake City, Utah. The company's cashier, a close personal friend of Mr. Marsh, also resigned.

The reason for the resignation is said to have been mutual dissatisfaction of the superintendent and the president, each with the work of the other.

LEGAL RESERVE HEREAFTER.

The Midland Life Insurance Association of St. Paul is to become a legal reserve company. It has made application to Commissioner Hartigan for permission to amend its articles.

NATIONAL U. S. A. WINS AGAIN.

The absurd statements made some time ago against the National Life U. S. A. by Gustave Myers, a former employe, were exploded by the report filed recently by Master in Chancery Sigmund Zeisler, to whom they were referred. In this the Master declared that the management of the company was honest, the salaries of its officers moderate and the valuation of their home office building eminently fair. The official report says in part:

"Every essential element of a conspiracy between Myers and McEldowney, wrongfully and maliciously to destroy the reputation, property and business of the complainant * * * * * is here present." and "I conclude that in the various steps taken by Myers as hereinabove outlined, his purpose was to frighten the officers of the complainant into paying him tribute in the shape of money or a favorable agency contract, or other things of value, so as to induce him to cease his attacks on the standing of the complainant and the good name of its officers."

I conclude, as a matter of law, that the company is entitled to a decree perpetually enjoining the defendants as prayed in the bill of complaint.

The company's bill of complaint prayed for a decree perpetually enjoining Myers and his associate from conspiring among themselves or with others to write, print, publish, circulate, mail or distribute any matter derogatory to the National Life, its officers or methods of doing business.

In New York city twenty-two persons were killed and 104 injured last month. Automobiles killed eleven, wagons five, trolley cars three, auto trucks two and motorcycles one.

New England Mutual Life

Insurance Company

BOSTON, : : : : MASS.

Chartered 1835

Assets, January 1, 1910. \$51,316,543.00
Liabilities 47,050,672.15

Surplus \$4,265,870.85

Sixty-six years of honorable dealing with its policyholders has placed the NEW ENGLAND MUTUAL LIFE INSURANCE COMPANY in the front rank of Life Insurance Companies of the Country.

ALFRED D. FOSTER, President.
D. F. APPEL, Vice-President.
J. A. BARBEY, Secretary.
WM. F. DAVIS, Assistant Sec'y.
J. G. WILDMAN, Assist. Sec'y

EDWARD W. ALLEN, Manager,
220 Broadway, New York
LATHROPE E. BAIJWIN, Manager,
141 Broadway New York
CHARLES H. STRAUSS, Gen. Ag't,
200 Fifth Ave., New York

INTERESTING LITIGATION.

The Supreme Lodge, A. O. U. W., composed of various grand lodges, who send representatives to the Supreme Lodge, enacted, in 1906 a law by which there was created a "Fraternal Aid Fund," having for its purpose the assistance of over-burdened jurisdictions in the payment of excessive death losses. Several of the grand lodges were slow in paying over this fund. Some refused to pay, and tried to separate, or, in other words, secede—notably Nebraska and Kansas. They collected a large amount from their members for this specific purpose. Persuasion proving of no avail, an action was begun in the United States Circuit Court against each of those grand lodges. Each filed a demurrer, which was overruled. In the Nebraska case no memorandum was filed, but in the Kansas case just decided, Judge Phillips of the United States Circuit Court holds:

The laws of both the plaintiff and defendant since 1873 had recognized a division of financial responsibility, hence it is provided that each Grand Lodge separate beneficiary jurisdiction shall collect and disburse beneficiary assessments in payment of death losses, and the law also made it the duty of the Supreme Lodge to collect other mortuary funds, known as relief, guaranty and fraternal aid funds, to be disbursed among the beneficiaries of deceased members any and all jurisdictions under the laws of the order. The representatives of the defendant lodge helped to enact these laws and were to that extent responsible for their provisions. The funds in question were collected by the defendant lodge and paid to it by the members of the lodge for the specific purpose of application and distribution by the Supreme Lodge. This being conceded it does not lie in the mouth of the defendants to say that the Grand Lodge was only authorized by its charter from the State of Kansas to do this or to do that, or that it is not competent for the Supreme Lodge to order or command it to collect such fund. This defendant "in recognition of its relation to the Supreme Lodge undertook to collect from the members of the order certain funds to be paid over to and appropriated and distributed by the Supreme Lodge, and that in pursuance of its undertaking it did collect a large amount of such funds, and that after having so collected it the other defendants to the bill, under the guise of authority, undertook to divert and apply it to a use not within the contemplation of the parties or the individual contributors of such fund at the time it was collected and paid.

Neither law nor good conscience will permit a corporation, any more than it will an individual, who thus receives a fund that does not belong to it—received by it for the benefit of a third party—to divert it to another use or appropriate it to its own benefit.

These decisions should secure for

some of the jurisdictions which have been relying upon these fraternal aid assessments to help them out, a large sum of money, running into the hundreds of thousands.

ACTUARIES MEET IN CHICAGO.

The American Institute of Actuaries met in Chicago on the 9th and 10th instants, with Lucius McAdam, president, in the chair. Mr. McAdam also read a paper on "Continuous Installments," but was compelled to retire from the meeting on account of sickness. Other papers were read as follows:

"Monthly Instalments Certain," E. R. Carter, of the National Life of U. S. A.

"Group Valuation," by R. M. Webb. "First Year Reserves," E. W. Hyde, of the Columbia Life of Cincinnati.

The last-mentioned paper attracted considerable attention, being a discussion of the various minimum standards now in use, including a suggestion of another method, being an artificial reduction of first year net level premium reserves gradually made good. The special point was that the amount of the reduction was determined by the author's view of what is required.

Officers for the year were elected as follows: President, H. W. Buttoff, Indianapolis; vice-president, O. J. Arnold, of the Illinois Life, Chicago; secretary, F. C. Seitz, Security Life, Chicago; treasurer, B. F. Campbell, Armour Institute, Chicago; librarian, E. R. Carter, National Life, U. S. A., Chicago.

It was voted to hold semi-annual meetings, and also that papers should not be given out in advance of publication by the institute.

ALABAMA TAKES ACTION.

Hon. Frank N. Julian, commissioner of Alabama, in pursuance of the provisions of the law of that State, which prohibits the sale of stocks in life insurance companies without permit from the insurance commissioner, has made a ruling concerning the granting of such permits, under which it will not be possible for promotion to be carried on in the State of Alabama except in obtaining increase of capital for companies of other States which are already transacting business and are duly licensed.

The Mystic Toilers of Des Moines, Iowa, and the Supreme Tribe of Ben Hur of Crawfordsville, Ind., will not be relicensed in Minnesota. The Aid Association for Lutherans, of Appleton, Wis., has withdrawn from the State.

THE CONNECTICUT GENERAL LEADS.

In a recent issue of "The Chronicle," a table was printed, purporting to show that the Massachusetts Mutual Life Insurance Company of Springfield, led all the companies reporting to the New York department, in the matter of the percentage of increase in insurance in force during the year 1909. The figures were taken, without careful comparison with the State reports, from the columns of a contemporary. It transpires that they relate only to the fifteen largest companies doing business in New York, of which in this regard the Massachusetts Mutual was the leader.

The leader of all the companies reporting to the New York department, however, was the Connecticut General Life Insurance Company, which showed an increase of 11.78 per cent. of insurance in force. The Phenix Mutual of Hartford, likewise showed an increase of 8.79 per cent., both of these being in excess of the increase in the Massachusetts Mutual, which was 8.03 per cent. The Union Central of Cincinnati, likewise, was in the same class, with a showing of 8.02 per cent.

T H E PROVIDENT LIFE AND TRUST COMPANY OF PHILADELPHIA

Insurance in Force, \$214,509,255.00
(Paid for Basis)

Assets \$70,514,350.45
(Market Value, Dec. 31, 1909)

Contingency Reserve . \$9,207,276.38
(Inclusive of Capital Stock, \$1,000,000.)

The Provident has been particularly distinguished for the development of a highly trained force of agents. The systematic instruction which its agents receive has resulted in their being recognized as representatives of exceptional knowledge of the business and of marked efficiency.

THE TRAVELERS A LEADER IN INSPECTION AND PREVENTION.

The Travelers Insurance Company of Hartford, a leader in all branches of accident insurance, ever since its foundation as the original accident insurance company of the world, is well to the fore in the matter of inspection and prevention. It has a corps of 80 trained inspectors, including graduate engineers who have become specialists. The duty of these is to keep the risks constantly inspected and to offer suggestions to the employers to protect the employees against accidents; and the service is constantly extending and improving.

Thus in 1907 no less than 1.34 per cent. of the gross premiums was expended for this purpose; in 1908, 1.61 per cent., and in 1909, \$143,588, or 1.8 per cent. Up to the first of June, in the year 1910, "The Chronicle" is informed, the expenditures have been no less than 2.05 per cent. of the premiums received during that period.

The importance of this service is fully appreciated by the company and its officers; and it is believed that the amount and quality of the service are not exceeded by any other insurance company in the world, as to effectiveness of organization, as to promptness or as to value of the service rendered.

SUIT GROWING OUT OF STOCK SALE.

The daily papers of New York City having published inaccurate and garbled accounts of the issues involved in a suit brought by Edward S. Munford, of Washington, and Hon. William Barrett Ridgeley against John G. Walker, president of the Life Insurance Company, of Virginia, and his sister, Miss Annie R. Walker, service of process in which was made upon them as they were about to board a steamer for Europe, at Hoboken, Saturday, June 4, the attorneys of record, Sommer, Colby & Whiting, of Newark, N. J., of which firm ex-Sheriff Sommer, of Essex County, is the head, and Senator Colby the second partner, has given out the following statement:

The actions brought by Edward S. Munford and William Barrett Ridgeley against John G. and Annie R. Walker, of Richmond, Va., the papers in which were served on Mr. and Miss Walker as they were preparing to board a steamer for Europe, in Hoboken, on Saturday, June 4, are stated by the attorneys of record, Sommer, Colby & Whiting of Newark, to involve the following controversy:

John G. Walker, who is the presi-

dent of the Life Insurance Company of Virginia, agreed on November 6, 1909, to sell, through Edward S. Munford, 1,381 shares, being the majority of the stock of the Life Insurance Company of Virginia, to such purchaser as Mr. Munford should secure, making him the net price of \$800 per share. He later agreed to deliver 500 additional shares upon which he had obtained an option, at the same price. On the other hand, Mr. Munford agreed that the purchaser should be bound to accept and pay for within a certain time all the additional shares of the company, if offered, at the same price. Munford was authorized to find a purchaser, and the contract promised him all that he could obtain in addition to the price of \$800 per share.

A purchaser was found in the person of Hon. William Barrett Ridgeley, formerly comptroller of the currency of the United States, yet more recently president of the leading bank in Kansas City, Mo., a well-known banker and capitalist. Mr. Ridgeley promised to purchase at the price of \$1,000 per share, and was offered by Mr. Munford as the purchaser, ready to fulfill the contract. Mr. Ridgeley meanwhile had made arrangements for yet another transfer under which, by reinsuring the company, he would have made a very considerable profit. This, it is said, came to the ears of Mr. Walker, who, seeing the possibility of making the profit for himself, refused to carry out his agreement, by naming terms which would have deprived Ridgeley of all the powers and benefits of property.

DULY CELEBRATED.

On the 9th inst., the 73d birthday of the veteran manager of agents of the Travelers Insurance Company, Major E. V. Preston, which was also the close of his 45th year in the service of the company, was celebrated by a testimonial luncheon at the Hartford Club, tendered by the other officers of the company. Major Preston's connection dates back to within one year of the organization of the company. He was at first a soliciting agent, then a special agent, and in 1868 was made superintendent of agencies.

REINSURES THE CORN BELT.

The LaSalle Life Insurance Company, Chicago, has reinsured the Corn Belt Life of Danville, Ill., taking over about \$700,000 of business formerly on the assessment plan, the policies being exchanged for old line policies, with a 40 per cent. impairment lien to be removed upon evidence of insurability.

The Columbian National Life INSURANCE COMPANY OF BOSTON, MASS.

LIFE, ACCIDENT AND HEALTH INSURANCE.

The Only Massachusetts
Non-Participating Company

The New Columbian Policies are
Unexcelled in Clearness and Liberality.

Good Contracts and Territory for
Good Producers.

ARTHUR E. CHILDS, President.

Organized 1871

"The Leading Fire Insurance Company
of America."



WM. B. CLARK, President.
W. H. KING, Vice-President.
HENRY E. REES, Secretary.

Assistant Secretaries,
A. N. WILLIAMS, E. S. ALLEN,
E. J. SLOAN, GUY E. BEARDSLEY.

THE FIDELITY MUTUAL LIFE INSURANCE COMPANY OF PHILADELPHIA

Has some excellent Agency Positions

FOR INFORMATION APPLY TO

ALEXANDER McKNIGHT, Vice-President
L. G. FOUSE, President.

Hotchkiss Before Fire Insurance Agents.

Hon. William H. Hotchkiss, Superintendent of Insurance, addressed the New York State Association of Fire Insurance Agents at their convention at Utica, on the 10th, giving his special attention to the question of insurance legislation and commencing with a quotation of a statement of a company officer in a recent address, as follows:

Laws are passed to govern our business that cripple it without any benefit to the insured. Laws are framed by those who have some political, revengeful or financial purpose in view and are passed by men who have given them no consideration.

An Erroneous "Company Point of View."

Mr. Hotchkiss said that while this is the company point of view, "a year's experience with fire insurance legislation in New York suggests either that this statement is much overdrawn, or that the Empire State is the exception which proves the rule."

It was not to be denied, he said, that companies do suffer because of prevailing prejudices against corporations, but that most of the legislation effecting this is passed for revengeful, political or financial reasons, is untrue. He believes supervision and regulation to be demanded by an enlightened public, and "that company officers have in the past approached the problem of legislation through the side, instead of the front door." It was his opinion that, notwithstanding the technical character of insurance bills and the introduction of some for purposes of revenge or politics or to enable one company to obtain an unfair advantage, the companies should not, as in the past, "skulk at home, their officers helplessly saying Cui bono and uttering cuss words against Government, or, if they come to the capital city, present signed check books to be filled out by so-called legislative agents."

Kinds of Bills and the Best Way to Handle Them.

The superintendent classifies bills as follows, stating, in his opinion, how each of these classes can best be handled:

(1) Those introduced for sinister or revengeful purposes;

(2) Those generally amending the law by increasing or restricting the powers of companies;

(3) Those offered by companies or interests which therefrom seek an advantage over their competitors.

The first are easily handled. In the present state of the public mind a real strike bill, once fairly exposed, has as

much chance of passage as would a bill to repeal the insurance law itself. While a bill voicing the grievance of some single policyholder is apt, unless the wrong aimed at is general, to die in committee or be buried by an adverse vote. I say, easily handled. That is by facts plainly stated and hammered home. If such bills get through the fault is more theirs who by silence or skulking fail to do their duty than of the legislators who vote aye thereon.

The second class includes by far the larger number of bills considered by a legislature. Some are good and some bad. True, some good bills fail and bad bills pass. But really, whose fault is it? The legislators? Or the companies, who, fearing perhaps the exaction of an ancient tribute or, what is more likely, denouncing the whole legislative business and wanting to be let alone, express only a dyspeptic interest in what is going on—and take the consequences? Discussion, argument, facts and some concert of action—which, when existing, is too often half-hearted and insincere—will accomplish the result. Money won't—at least in New York.

The third class is the most troublesome. Legislators and department representatives are quickly lost in a maze of representation and misrepresentation bandied back and forth between companies seeking laws that will give an advantage or cripple a mercurial rivalry immediately comes out. I know of no more hopeless situation in legislation than when one great interest wars on another and each apparently proves its case. Then is the time when the legislative philosopher may well take thought of "Punch's" famous advice about matrimony and—"Don't!"

The superintendent is of the opinion "that bills, if good, will pass, if properly explained and advocated and watched—particularly watched; and, conversely, if bad, will fail, and by the same method."

The Office of the State Department.

He is also of the opinion that "a supervising department holds the scales between the two" and enlarges upon this as follows:

No insurance dogma more justly merits contempt than that which asserts that departments think only of the policyholders. Of course their first care is of the individual—that is the principal duty of government—but companies rightly managed and properly sensitive to modern conditions are sure to receive that support which all the creatures of government claim. And so in legislation, the interests of companies may with confidence be placed in the hands of their insurance departments. Doing so, at least as conditions in our capital cities have been, the unholy toll of legislative agents and State taxes of a sinister kind may no longer be exacted. The companies will at last have opened the front door!

Though a pronounced advocate of

strong supervision, the superintendent declares that he is "not unconscious of the dangers which are hidden in these suggestions"; but he is of the opinion that in technical matters the legislator who knows the facts should "welcome rather than resent the assistance of a department able to furnish expert advice and deeply interested in the perfection of the law." This, he says, "was the case in a recent legislation in New York," which he declares largely eliminated the third house, kept strike bills out and caused bills of great importance to be passed, and "best of all, the companies learned that there really was a front door."

The Most Significant Statement as to the Future.

Perhaps the most significant statement in the entire address, in view of the present political situation and the possible introduction of other methods of legislative co-operation than the purely partisan method which has heretofore been employed, is the final portion of the superintendent's address, which is here given in full:

In present conditions, this is as it should be. The problem is, however, by no means solved. Conditions are changing. An aroused electorate is demanding the means whereby legislative processes will be changed. The autocracy of legislative leadership, partisan or bi-partisan, is disappearing before the rising tide of protest. Our average legislator will soon be freed of fear as to his tenure, and, with more time to give to the people's business, seek the reward of their commendation and renomination by study and open advocacy of bills, in the insurance, the banking, the public service and other fields. If he does, companies and citizens may at last turn to the open door given by the constitution, and from the legislature itself seek directly the legislation they desire. Then will the department approve bills, not often press them. And then will the evil era of the third house and political contributions that laws be born be forever at an end.

Commissioner E. Myron Wolf is still in charge of the California Insurance Department. E. C. Cooper, former private secretary to Governor Gillett is scheduled as California's new insurance commissioner, and unofficial advices state that he will assume charge of the department in a few days.

The Western Preferred Indemnity Company has been incorporated at Seattle, Wash., with a capital of \$100,000. The incorporators are George W. Barnes and E. J. Adams.

THE ST. JOE MEETING.

The Missouri Association of Local Fire Insurance Agents met at St. Joseph last Saturday. All sessions were executive. From reports given out it appears that only one subject was given much consideration, namely, legislation. It is said that there was harmony in the meeting, not because everybody held the same views, but because all were agreed that conditions in the State are so nearly intolerable that something must be done to improve the situation, and that must be done through legislation.

It will be recalled that a bill was put through the Missouri legislature in the session of 1909—and vetoed by Governor Hadley—which legalized the organization of local boards and permitted them to exercise rating powers. This bill represented the doctrine taught by George D. Markham, of St. Louis, for the past eight or ten years, the doctrine that the agents should have a voice in fixing the rates of insurance. This doctrine is anathema to the companies and it was after their attorney had presented arguments to the Governor of Missouri that he vetoed the bill, though he had appeared kindly disposed toward it previously. Should the agents of Missouri again secure the passage of a similar measure it is likely the companies again will do their utmost to kill it. The Western Union is not ready to see the making of rates turned over by law to local agents, subjected to local influences. It is committed to the system of advisory rates made by independent inspection bureaus. It has fought for that principle, has secured its adoption through most of the West, and apparently prefers present Missouri conditions for a while longer to giving local boards rating powers by statute.

Wants Stable Rates.

According to reports from St. Joseph the local agents of the State are by no means wedded to the board rating idea. Even the St. Louis agents, who worked hardest for the former bill, are not demanding its re-enactment. What is wanted is some kind of a measure that will permit stable rates in Missouri. Some agents would willingly have the State assume supervisory powers somewhat as Kansas has done. Others would be glad to deprive the companies of control of rates and turn it over to the local boards if only agreements to maintain those rates are legalized.

There was such diversity of opinion among the sixty agents of St. Joseph that they turned the whole question over to the executive committee

of the association. Whatever the five men on that committee agree upon will be backed up by the association.

So far as learned, the time-honored question of overhead writing, ownership of expirations, multiple agencies and outside brokers received little, if any, attention from the Missouri agents. In that State the St. Louis and Kansas City agents make up the most important part of the membership of the State association, and they are at the same time the leading "outside brokers," so far as the rest of the State is concerned. If any company is violating its overhead writing pledge in Missouri, the chances are it is doing so in favor of a St. Louis or Kansas City agent who is writing a large risk out in the State. Under the circumstances a discussion of these questions would be more academic than earnest, even if the agents had not other questions of much greater local importance.

INSURANCE IN TEXAS.

A new insurance law and a new governor and a new insurance commissioner in Texas have formed a potential trouble trinity. The new law made rates to be charged by fire insurance companies. These rates were in some instances increased, much to the arousing of amazed resentment on the part of the law's progenitors, who intended that all rates were to be scaled downward. Governor Campbell is all warmed-up and because Insurance Commissioner Hawkins does not agree with his views a resignation has been requested and respectively declined.

The Texas rating board is to meet on Tuesday next and Governor Campbell has suspended a sword of Damocles over its head in the form of a threat to call a special session of the legislature to repeal the present insurance laws and enact others.

THE PLATE GLASS SITUATION.

Owing to the high price of glass and the insane methods of some new competitors the officers and managers of some of the plate glass insurance companies are thinking seriously of retiring, according to the president of one of the local companies.

As an example of the methods of some companies, as he reports, one bid 1.10 on a certain risk in this city, another bid .95 and the company that landed the business took it for .23. "How can they do it?" he concludes.

1860 50th YEAR 1910

HOME LIFE

Insurance Company of New York.

GEORGE E. IDE, President.

Assets	\$23,626,018.63
Liabilities	21,858,691.52
(Including Deferred Dividend Fund)	
Dividend Endowment Fund	
(Deferred Dividends)	2,119,044.00
Net Surplus	1,767,327.00
Insurance in Force	92,532,583.00

The record for 1909 shows the following GAINS:

Insurance in Force	\$4,164,239.00
Assets	1,917,117.00
Deferred Dividend Reserve	148,581.00
Contingency Reserve (Surplus)	655,149.17

COMMERCIAL - UNION

ASSURANCE CO.,

(LIMITED)

OF LONDON.

OFFICE;

Cor. Pine & William Sts.

NEW YORK.

The Best, Safest, Most Liberal and Most Equitable Forms of Policy Contracts are Issued by the



LIFE INSURANCE COMPANY
OF BOSTON MASSACHUSETTS

ROLAND O. LAMB, President.

WALTON L. CROCKER, Secretary.

Issues the Most Perfect Forms of Life, Endowment, Instalment and Term Policies Greatest Sellers in the Market.

LIBERAL CONTRACTS TO THE RIGHT MEN.

ROBERT K. EATON, Supt. of Agencies, Boston.

WILLIAM N. COMPTON, General Agent, Metropolitan District.
St. Paul Building, 220 Broadway, New York.

TO REDUCE FIRE INSURANCE EXPENSES.

A committee of State insurance commissioners is in session this week at the Hotel Manhattan for the purpose of inquiring into the expenses of fire insurance companies and particularly commissions paid to brokers and agents, with a view to considering how much expenses may be reduced. Hon. Eugene V. McGivney, Insurance Commissioner of Louisiana, is chairman of the committee and in charge of the investigation.

Among those who have already appeared before the committee are Geo. W. Babb, vice-president of the National Board of Fire Underwriters; A. A. Stoddard, of the New York Board of Fire Underwriters; E. B. Richards, United States manager of the North British and Mercantile, and Secretary Coffin, of the German-American.

Mr. Richards expressed the opinion that a uniform scale of commissions for agents was impracticable and that competition in this regard could not be controlled. He was also of the opinion that the public would not be benefitted by adopting it, and that it would merely lead to injustice.

Commissioner McGivney asserted that cases of the brokers board receiving as high as 30 per cent. had been uncovered and commissions to agents as high as 40 per cent.; and that by reason of this, although 15 per cent. was the ruling commission in the smaller cities, the average had been increased to 21 per cent.

National Board Not Guilty.

Vice-President Babb, of the National Board of Fire Underwriters, explained that the board had nothing to do with the making of rates for fire insurance or fixing rates of commission, but Commissioner McGivney interrupted as follows:

But the National Board of Fire Underwriters controlled the question of commissions paid up to 1882. In that year it was a condition of membership that a uniform rate of 15 per cent. be established and adhered to as commissions for brokers. Why did the board cease to fix the commissions?

Vice-President Babb replied that the national board had not interfered with the matter for twenty-five years past, "because it was thought that might lead to destruction of the board, because of the complex interests involved."

Commissioner McGivney called attention to the fact that expense rates have about doubled in the last twenty-five years, which was met by the statement of Mr. Babb that the board had done all it could to keep down expenses and also to reduce the fire

rate. As an instance of this, he cited the fact that fire insurance companies are furnishing money to Professor Norton, of Columbia University, who is continually making researches and devising means for reducing the fire hazard. Relative to the commission situation he made the following statement:

The greatest evil is in the big cities like New York, Chicago and St. Louis, where the brokers have driven out the agents. I admit it would be better for the companies and the public to reduce the expenses, but I do not desire that to be construed as meaning that I favor control of commissions and rates by the States.

WHY OUT OF THE UNION.

There has been much speculation from lookers-on and the man-up-a-tree as to just exactly what the trouble is in the West about fire companies affiliating themselves with the Western Union.

This is the way the present unpleasantness is summarized by a layman among "The Chronicle's" readers:

1. When the separation movement was brought about the agents decided definitely for one class of companies or the other. The non-union companies promised to protect the agents who stood by them. It is not fair now to cause another separation. There are some 125 non-union companies operating in Western Union territory. It would not be possible to get nearly all these companies in and the agency system would be more or less disturbed.

2. While the non-union companies might reduce their commission expense to a certain extent, yet they believe their general expense is less than that of the average union company. Many non-union companies are now contributing to every form of co-operative expense except that of the Western Union.

3. The leading non-union companies declare that they are making satisfactory profits under existing conditions. Their plan is on the whole satisfactory. Why change a business system that is now rendering a reasonable profit for one in which some chance is taken and one that will require some notable changes?

4. Union rules do not permit the combined fire and tornado policy, which some of the outsiders regard as valuable.

5. Some of the outside companies have profitable contracts of reinsurance with companies that will not join the Western Union. Such contracts are prohibited by the Western Union. They are valuable and such that these companies would not care to abandon.

6. Evidence is claimed to be at hand to prove that certain union companies are not living up to their obligations. If the non-union companies that intend to play fair would enter the union they fear that advantage would be taken of them by these unfaithful union companies.

THE YOUNG EAGLES' GATHERING.

In expectation of the rich harvest for them, of the legislative investigation which is soon to be on foot and which, as now arranged for, will doubtless hit fire, casualty and industrial life insurance much harder than the corrupt legislators at which the regulation was originally directed, the Law Reporting Company is sending out the following letter:

Re Investigation of Corrupt Practices in Legislation and Insurance Companies, by Joint Committee of the New York Legislature.

Dear Sir: We are prepared to receive orders for transcripts of the testimony to be taken throughout the above investigation, to be held pursuant to the Senate concurrent resolution adopted to-day, a copy of which is enclosed. Transcripts of the testimony will be delivered or mailed daily, immediately after the adjournment of each session of the committee, and will be furnished at 5 cents per folio, of 100 words, an unusually low rate, which we are enabled to make on account of the large number of copies required.

This investigation will deal particularly with the relations of corporations to legislation. Counsel and officers of all the companies under investigation will find it important to keep closely in touch with the progress of the investigation, which can best be done from the daily reports of its proceedings. Your order is solicited, either for the entire testimony or such part thereof (relating to a particular subject) as you may indicate. If you desire to receive these reports please fill out and return the enclosed blank at your earliest convenience.

Respectfully,
T. W. ALLEN,
Secretary.

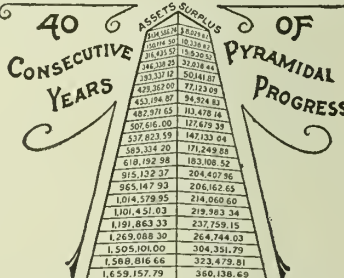
THE COMPANY WITH THE PYRAMID

40

CONSECUTIVE

YEARS

ASSETS SURPLUS



OF

PYRAMIDAL

PROGRESS

3,779,569.67	1,154,610.10
3,877,646.70	78
3,975,722.73	49
4,073,800.76	1,235,267.06
4,171,878.79	1,237,038.25
4,269,956.82	1,322,978.14
4,368,034.85	1,408,681.54
4,466,112.88	1,494,384.94
4,564,190.91	1,580,088.34
4,662,268.94	1,665,791.74
4,760,346.97	1,751,495.14
4,858,425.00	1,837,198.54
4,956,503.03	1,922,901.94
5,054,581.06	2,008,605.34
5,152,659.09	2,094,308.74
5,250,737.12	2,180,012.14
5,348,815.15	2,265,715.54
5,446,893.18	2,351,418.94
5,544,971.21	2,437,122.34
5,643,049.24	2,522,825.74
5,741,127.27	2,608,529.14
5,839,205.30	2,694,232.54
5,937,283.33	2,779,935.94
6,035,361.36	2,865,639.34
6,133,439.39	2,951,342.74
6,231,517.42	3,037,046.14
6,329,595.45	3,122,749.54
6,427,673.48	3,208,452.94
6,525,751.51	3,294,156.34
6,623,829.54	3,379,859.74
6,721,907.57	3,465,563.14
6,820,085.60	3,551,266.54
6,918,163.63	3,636,969.94
7,016,241.66	3,722,673.34
7,114,319.69	3,808,376.74
7,212,397.72	3,894,080.14
7,310,475.75	3,979,783.54
7,408,553.78	4,065,486.94
7,506,631.81	4,151,190.34
7,604,709.84	4,236,893.74
7,702,787.87	4,322,597.14
7,800,865.90	4,408,300.54
7,898,943.93	4,494,003.94
7,997,021.96	4,579,707.34
8,095,100.00	4,665,410.74
8,193,178.03	4,751,114.14
8,291,256.06	4,836,817.54
8,389,334.09	4,922,520.94
8,487,412.12	5,008,224.34
8,585,490.15	5,093,927.74
8,683,568.18	5,179,631.14
8,781,646.21	5,265,334.54
8,879,724.24	5,351,037.94
8,977,802.27	5,436,741.34
9,075,880.30	5,522,444.74
9,173,958.33	5,608,148.14
9,272,036.36	5,693,851.54
9,370,114.39	5,779,554.94
9,468,192.42	5,865,258.34
9,566,270.45	5,950,961.74
9,664,348.48	6,036,665.14
9,762,426.51	6,122,368.54
9,860,504.54	6,208,071.94
9,958,582.57	6,293,775.34
10,056,660.60	6,379,478.74
10,154,738.63	6,465,182.14
10,252,816.66	6,550,885.54
10,350,894.69	6,636,588.94
10,448,972.72	6,722,292.34
10,547,050.75	6,807,995.74
10,645,128.78	6,893,699.14
10,743,206.81	6,979,402.54
10,841,284.84	7,065,105.94
10,939,362.87	7,150,809.34
11,037,440.90	7,236,512.74
11,135,518.93	7,322,216.14
11,233,596.96	7,407,919.54
11,331,675.00	7,493,622.94
11,429,753.03	7,579,326.34
11,527,831.06	7,665,029.74
11,625,909.09	7,750,733.14
11,723,987.12	7,836,436.54
11,822,065.15	7,922,139.94
11,920,143.18	8,007,843.34
12,018,221.21	8,093,546.74
12,116,299.24	8,179,250.14
12,214,377.27	8,264,953.54
12,312,455.30	8,350,656.94
12,410,533.33	8,436,360.34
12,508,611.36	8,522,063.74
12,606,689.39	8,607,767.14
12,704,767.42	8,693,470.54
12,802,845.45	8,779,173.94
12,900,923.48	8,864,877.34
13,000,001.51	8,950,580.74
13,098,079.54	9,036,284.14
13,196,157.57	9,121,987.54
13,294,235.60	9,207,690.94
13,392,313.63	9,293,394.34
13,490,391.66	9,379,097.74
13,588,469.69	9,464,801.14
13,686,547.72	9,550,504.54
13,784,625.75	9,636,207.94
13,882,703.78	9,721,911.34
13,980,781.81	9,807,614.74
14,078,859.84	9,893,318.14
14,176,937.87	9,979,021.54
14,275,015.90	10,064,724.94
14,373,093.93	10,150,428.34
14,471,171.96	10,236,131.74
14,569,249.99	10,321,835.14
14,667,328.02	10,407,538.54
14,765,406.05	10,493,241.94
14,863,484.08	10,578,945.34
14,961,562.11	10,664,648.74
15,059,640.14	10,750,352.14
15,157,718.17	10,836,055.54
15,255,796.20	10,921,758.94
15,353,874.23	11,007,462.34
15,451,952.26	11,093,165.74
15,550,030.29	11,178,869.14
15,648,108.32	11,264,572.54
15,746,186.35	11,350,275.94
15,844,264.38	11,435,979.34
15,942,342.41	11,521,682.74
16,040,420.44	11,607,386.14
16,138,498.47	11,693,089.54
16,236,576.50	11,778,792.94
16,334,654.53	11,864,496.34
16,432,732.56	11,950,199.74
16,530,810.59	12,035,903.14
16,628,888.62	12,121,606.54
16,726,966.65	12,207,309.94
16,825,044.68	12,293,013.34
16,923,122.71	12,378,716.74
17,021,200.74	12,464,420.14
17,119,278.77	12,550,123.54
17,217,356.80	12,635,826.94
17,315,434.83	12,721,530.34
17,413,512.86	12,807,233.74
17,511,590.89	12,892,937.14
17,609,668.92	12,978,640.54
17,707,746.95	13,064,343.94
17,805,824.98	13,150,047.34
17,903,903.01	13,235,750.74
18,001,981.04	13,321,454.14
18,100,059.07	13,407,157.54
18,198,137.10	13,492,860.94
18,296,215.13	13,578,564.34
18,394,293.16	13,664,267.74
18,492,371.19	13,750,071.14
18,590,449.22	13,835,774.54
18,688,527.25	13,921,477.94
18,786,605.28	14,007,181.34
18,884,683.31	14,092,884.74
18,982,761.34	14,178,588.14
19,080,839.37	14,264,291.54
19,178,917.40	14,350,094.94
19,276,995.43	14,435,798.34
19,375,073.46	14,521,501.74
19,473,151.49	14,607,205.14
19,571,229.52	14,692,908.54
19,669,307.55	14,778,611.94
19,767,385.58	14,864,315.34
19,865,463.61	14,950,018.74
19,963,541.64	15,035,722.14
20,061,619.67	15,121,425.54
20,159,697.70	15,207,128.94
20,257,775.73	15,292,832.34
20,355,853.76	15,378,535.74
20,453,931.79	15,464,239.14
20,552,009.82	15,549,942.54
20,650,087.85	15,635,645.94
20,748,165.88	15,721,349.34
20,846,243.91	15,807,052.74
20,944,321.94	15,892,756.14
21,042,400.00	15,978,459.54
21,140,478.03	16,064,162.94
21,238,556.06	16,149,866.34
21,336,634.09	16,235,569.74
21,434,712.12	16,321,273.14
21,532,790.15	16,406,976.54
21,630,868.18	16,492,679.94
21,728,946.21	16,578,383.34
21,827,024.24	16,664,086.74
21,925,102.27	16,749,790.14
22,023,180.30	16,835,493.54
22,121,258.33	16,921,196.94
22,219,336.36	17,006,899.34
22,317,414.39	17,092,602.74
22,415,492.42	17,178,306.14
22,513,570.45	17,264,009.54
22,611,648.48	17,349,712.94
22,709,726.51	17,435,416.34
22,807,804.54	17,521,119.74
22,905,882.57	17,606,823.14
23,003,960.60	17,692,526.54
23,102,038.63	17,778,229.94
23,200,116.66	17,863,933.34
23,298,194.69	17,949,636.74
23,396,272.72	18,035,340.14
23,494,350.75	18,121,043.54
23,592,428.78	18,206,746.94
23,690,506.81	18,292,450.34
23,788,584.84	18,378,153.74
23,886,662.87	18,463,857.14
23,984,740.90	18,549,560.54
24,082,818.93	18,635,263.94
24,180,896.96	18,720,967.34
24,278,974.99	18,806,670.74
24,377,053.02	18,892,374.14
24,475,131.05	18,978,077.54
24,573,209.08	19,063,780.94
24,671,287.11	19,149,484.34
24,769,365.14	19,235,187.74
24,867,443.17	19,320,891.14
24,965,521.20	19,406,594.54
25,063,599.23	19,492,297.94
25,161,677.26	19,578,001.34
25,259,755.29	19,663,704.74

AS TO FEDERAL SUPERVISION.

Would Federal supervision of insurance relieve the present burdens of State supervision in anywise? This is the main point which that former Colorado Insurance Commissioner, Rittenhouse, now president of a leading company, made in an address to the Kansas association of underwriters last week.

This is the way he views the situation:

Would not the States still have the right to tax us as they do now; to demand annual statements as they do now; to regulate contracts as they do now; to examine companies as they do now; and, in fact, to practically continue their present form of regulation?

The only hope of improvement, that I can see, would come from the incentive to uniformity which the States might get from the national laws in enacting legislation upon this subject; and, while it may be worth while to fight for Federal supervision for this purpose alone, we should first be reasonably sure that we are not going to add another department to the forty-six we already have. It is safe to say that, if we had Federal supervision, it would add to our tax expense rather than reduce it.

I do not want to be understood as being opposed to any measure or any movement looking to uniformity of insurance regulation. I am most heartily in favor of any plan that will remove any of the difficulties under which we now labor. If Federal supervision will do it, I am for it; if it will still leave us with State supervision, I am against it.

THE WHEAT OR THE CHAFF?

Chicago (Special).—Announcement of the organization of the Western Insurance Bureau created very great interest in the Western field, especially among the field men and local agents of the non-union companies. They were anxious to learn details, which have not been rapidly forthcoming. The first impression was that the organization of the bureau meant the starting of a new separation at once, while the plans, as announced, contemplate the application of the bureau's principles in Illinois first, with gradual extension to other States. Even this plan is going to entail a lot of work. According to common report some of the bureau companies will have a vast amount of housecleaning to do in order to comply with the commission rules. A member of the non-union managerial set said the other day that non-union managers are prone to severe lapses of memory when they tell offhand the number of excess commission contracts they have outstanding. It is a fact that one or two companies that have helped organize the bureau have about the worst reputation for paying

excess commissions of any companies in the Western field.

Specials Are Pleased.

Special agents of companies which have joined the bureau seem generally to be much pleased with the new movement. They believe it means the beginning of a clean-up. Furthermore, they take pride in being organization men. It gives them a certain caste they did not have before. It separates them to some extent from the rest who have been designated by the negative term "non-union," which covered everything from State agents of the American or Connecticut to farm specials of the smallest Iowa or Nebraska local company.

Special agents whose companies now are non-affiliated do not appear so happy. They know as well as anybody does that when the bureau sees fit to start the separator they will have generally to seek new agents unless they already are in one-horse agencies that have no lines to carry which in big companies are necessary. Furthermore, it is humiliating to some of the good men who represent non-affiliated companies to feel that they are part of what is left after the cream of the fire insurance companies has been twice skimmed.

THE WESTERN BUREAU.

The Western Insurance Bureau, the practical successor of the Western Union, now has 38 companies on its roster, the following seven having joined the original 31:

Mechanics of Pittsburg, the Pittsburg, Lumbermen's of Philadelphia and German of West Virginia, all represented in the Herrick & Auerbach general agency; Girard, Central National of Illinois and Farmers of New York.

This is going some, and indicates that the new organization means to, can and will do business a la Chicago.

HARTFORD LIFE

INSURANCE COMPANY,
OF CONN.

1909 Policies are Participating, or Non-participating, with Lower Rates and Values based on FULL RESERVE.

For Right Contracts,
Address, Second Vice-President,
Home Office, HARTFORD, CONN.

The Preferred
ACCIDENT INSURANCE COMPANY
of New York

SUPERIOR POLICIES

KIMBALL C. ATWOOD, President
290-292 Broadway, New York.

SAFETY FUND INSURANCE

NIAGARA *

Fire Insurance Company

—OF—

NEW YORK

OFFICE:

46 CEDAR STREET, CITY.

THE HOME LIFE INSURANCE COMPANY OF AMERICA

Incorporated 1899.



THE COMPANY FOR THE AMBITIOUS AGENT who desires to sell "COMMON SENSE" insurance at LOWEST COST, and who seeks, through most liberal first year and guaranteed renewal commissions, to receive just recognition of service. All policies registered, signed and sealed by the Insurance Commissioner of the State of Delaware, making them truly

SAFE AS GOVERNMENT BONDS.

Address Executive Offices, 416-18-20 Walnut Street, PHILADELPHIA, PA.

JOHN LANGHAM, Jr.,
President.

JOSEPH L. DURKIN,
Secretary.

GEORGE M. NETTLESHIP,
Manager of Agencies.

IN NEW ENGLAND

BOSTON MUTUAL WANTS TO ESTABLISH GUARANTY CAPITAL OF \$150,000.

William A. Morse, counsel for the Boston Mutual Life, has certainly shown a capacity for putting things through. His petition for legislation, as outlined above, was admitted to the Massachusetts House last Thursday morning, under suspension of the rules, and the Senate concurred the same morning. It was referred by both branches to the legislative insurance committee, which reported the bill accompanying the petition in the house the same day, Mr. Cavanaugh of Boston dissenting. The bill thereupon received first and second reading in the house the same afternoon. The reason of Mr. Cavanaugh's dissent was that one of the rules of the Massachusetts Legislature provides that no bill or resolve affecting the rights of a private corporation, otherwise than as it affects generally the people of the whole Commonwealth shall be reported by a committee until proper notice has been given by public advertisement to all parties interested. The hearing of the committee on the bill had not been advertised. When the bill came up for third reading in the house Tuesday morning it was debated for an hour, and Speaker Walker finally ruled that a precedent established by former Speaker Barrett authorized the committee to use its discretion in the matter. The bill was then passed to third reading with an amendment providing that, in case the company should go into liquidation, the policyholders should be held to be preferred creditors.

The text of the bill (House bill 1781), excepting the amendment referred to above, is as follows:

AN ACT

To authorize the Boston Mutual Life Insurance Company to establish a Guaranty Capital.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

Section 1. The Boston Mutual Life Insurance Company, a corporation existing and doing business under the laws of this Commonwealth, is hereby authorized to establish a guaranty capital of one hundred and fifty thousand dollars, divided into shares of \$100 each, which shall be invested in the same securities in which insurance companies are now required by law to invest their capital.

Section 2. At all elections of directors the number shall be as provided in the by-laws of the corporation, one-half of whom shall be elected by the subscribers to the guaranty capital

stock, and the other half by the assured, voting in separate bodies. The directors shall either be stockholders or assured, and when they cease to be such stockholders or assured, they shall cease to hold office as directors.

Section 3. The stockholders of the guaranty capital shall be entitled to such annual dividends, not exceeding 7 per cent., payable from the net surplus, as may have been agreed upon in the subscription therefor. The guaranty capital shall be redeemed by an appropriation of surplus whenever said surplus shall be twice the amount of said capital, or at any time prior thereto should the assured by vote so direct.

Section 4. This act shall take effect upon its passage.

The Boston Mutual Life, in its annual statement for 1909, submitted to the Massachusetts Insurance Department, claimed assets of a little over \$1,075,000, of which a little over \$25,000 stands for surplus. Should the establishment of the guaranty capital be allowed, while it would figure as a liability in the general statement of the company, it would add \$150,000 to the surplus to policyholders, and strengthen the company to that extent as an applicant for public favor. To put the bill through all the stages of legislation required before it reaches the governor for signature, will mean extraordinary quick work, as at this writing (Tuesday afternoon) prorogation of the legislature is expected by Thursday of this week. It is understood that the insurance department has no objection to the legislation sought, and the fact that the Boston Securities Company, which has been financing the Boston Mutual Life, under a contract to provide agency expenses, etc., in return for certain rights as to the company's income, has already sustained net costs of about \$1,000,000, would seem to make it desirable that the financial position of the company should be improved by the establishment of the guaranty capital. It may be remembered that John W. Wheeler, president of the company since its establishment, died a few weeks ago, and Vice-President Edgerton, who has been an active factor in the company's development, is now in charge.

Boston, Wednesday, 5 p. m.—The bill to establish a \$150,000 guarantee capital for the Boston Mutual Life has been passed in the Massachusetts House. The legislature adjourns tonight for the year, and it is regarded as certain that the bill will be put through all stages of legislation at the final session of the senate this evening, and thereupon be immediately signed by Governor Draper, and that it will be in effect when these lines appear in print.

Massachusetts Fire and Marine Report.

The text of the fifty-fifth annual report, Part I, covering fire and marine insurance, of Commissioner Hardison, of Massachusetts, is given to the public this week, and contains so much and so much that is well put of general, yes, even national interest, that "The Chronicle" presents the following liberal extracts therefrom to its readers:

Gains in Losses in 1909.

An innovation in this report is the publication of a table showing sources of the gain or loss in surplus by the various companies during the year 1909. It shows that the gains have had the better of it, and consequently that the year, considered by itself, was a very good one, and helps the companies in making up for the San Francisco and Chelsea conflagrations, not to mention others. It appears from this table that 217 companies made a net gain during the year in their underwriting account of \$38,787,993 and in their investment account of \$28,664,451, making a total of \$67,452,444. The full story is told by the table on the opposite page.

This exhibit is made up on the basis of the actual experience of the calendar year. It charges a company with only those premiums pertaining to or belonging to the business of that year, also the income from investments and other sources during the year, and offsets these charges with all the losses and expenses paid and unpaid which belong to that year. In other words, the business of the year is treated as though it were separate and apart from the business of the preceding or succeeding year, leaving for the succeeding year or years a due proportion of the premiums to carry to maturity the policies outstanding at the end of the year.

Expenses of Fire Insurance Companies.

In the text of his report of last year the Insurance Commissioner suggested that it might be necessary to limit by statute the expenses of fire insurance companies. The reason for the suggestion was the well-known fact in insurance circles that a larger proportion of the premiums are being used for commissions to agents by some companies than seems fair or necessary. That 40 cents out of \$1 of a premium should go to an agent for his commission in placing a policy seems a rather large amount when compared with the 60 cents which goes to the company for paying losses and all the other expenses to which the company is subject, such as maintenance of office, salaries, clerk hire, taxes, fees, costs of adjustment of losses, and the like. To be sure, not all premiums are subject to so large a commission as 40 per cent. In fact, at present it is true of only a small proportion. But the tendency is in that direction for a certain class of risks known as "preferred," meaning by that term a class on which the loss ratio, or the percentage of loss to premiums, is small, consequently on these risks there is a good profit. This is the

class of business all companies desire to procure, and in order to obtain it not a few of them will offer the agent who controls such risks a higher commission than he is at present receiving. As a result, commissions have advanced on this class of business to 40 per cent. in some cases at the present time, with a tendency still upwards.

Another Potent Factor in Raising Commissions.

There is another influence at work for increasing commissions and that is the effort of new companies and companies of indifferent financial standing to obtain business. For example, a company with a capital of only \$200,000 and a small surplus seeks for agents in the various communities. Agents of standing who command the best patronage of a place have a long list of old companies with high financial standing and naturally would give all their business to such companies—at any rate the cream of it—and usually they do not care to take on new companies

basis. The companies want the business and their demand works up the commission instead of lowering the premiums. Were the business done direct with the customer, the natural way for the companies to get it in competition would be by reducing the premiums, and thus the competition would inure to the assured's benefit. But as the business is done through agents, who have come to control it, the competition for it must be in a form attractive to the agent. The assured is eliminated from consideration and influences are brought to bear upon the agent. From time to time he is offered higher prices for what he has to sell or controls, and thus gets the benefit of the present system. An estimate from the data at hand makes the increase in commissions as a whole during the last 10 years close to 3 per cent., the present average being about 21½ per cent., which gives the agents about seven and a half millions a year more than they would have received on the basis of ten years ago.

And here it should be observed that

convention of insurance commissioners, which was held in August at Colorado Springs, and consists of the following commissioners:

James V. Barry, Michigan.

Eugene J. McGivney, Louisiana.

Charles C. Lemert, Ohio.

Thomas H. MacDonald, Connecticut.

James R. Young, North Carolina.

Already several hearings have been given to the fire insurance interests, and the facts, as hitherto set forth, have been generally admitted. But thus far fire insurance men generally seem to be at sea as to the possibility of a remedy, although admitting the unsatisfactory conditions, which the companies are not apparently able or do not see their way clear to control.

It is strongly argued, and seems plausible, that any legislation which fixes the expense which may be incurred on account of the fire insurance business will have the effect to give a monopoly of it to a few great companies, for, to accomplish any change in rates which would benefit

	LOSS.		GAIN.		TOTAL.	
	No. Co's.	Amount.	No. Co's.	Amount.	No. Co's.	Net Gain.
Underwriting Account.						
Massachusetts Mutuels, excluding Manufacturers'	2	\$6,527	28	\$937,041	30	\$930,514
Other States Mutuels, excluding Manufacturers' .....	..	.....	8	1,688,687	8	1,688,687
Mass. Manufacturers' Mutuels.....	..	.....	8	6,079,360	8	6,079,360
Other States Manufacturers' Mutuels.....	..	.....	16	8,517,729	16	8,517,729
Massachusetts stock companies.....	1	17,586	4	544,144	5	526,558
Other States stock companies	34	1,650,658	79	13,385,090	113	11,735,032
United States branches.....	2	124,027	35	9,434,110	37	9,310,113
Totals	39	\$1,798,798	178	\$40,586,791	217	\$38,787,993
Investment Account.						
Massachusetts Mutuels, excluding Manufacturers' .....	..	.....	30	\$449,614	30	\$449,614
Other States Mutuels, excluding Manufacturers' .....	..	.....	8	1,072,827	8	1,072,827
Mass. Manufacturers' Mutuels.....	..	.....	8	277,164	8	277,164
Other States Manufacturers' Mutuels.....	..	.....	16	820,540	16	820,540
Massachusetts stock companies.....	..	.....	5	1,187,069	5	1,187,069
Other States stock companies.....	1	\$12,144	112	21,057,645	113	21,045,501
United States branches.....	..	.....	37	3,811,736	37	3,811,736
Totals	1	\$12,144	216	\$28,676,595	217	\$28,664,451

except to make them the dumping ground for such poor risks as their old and conservative companies object to taking. To get into such agencies and obtain any part of the good business they control, it is necessary for weak and fledgling companies to offer a larger remuneration to the agents than they are getting from old and tried companies, and thus competition forces the commissions up and is continually doing it. It is true that not all agents will take on new companies, even though these seductive offers are made to them. But on the other hand there are those who will listen to the ready-dollar argument; and in addition use the offered increase in commissions as a lever to pry up the commissions paid by their other companies.

The Outcome Not Unnatural.

Now, this is all a very natural outgrowth of the method of carrying on the business on a commission

this commission is a yearly charge if the business is renewed yearly, and is a charge on the premiums of the whole term if the policy runs say for a period of five years. Unlike the commission for writing a life insurance policy, the great bulk or the whole of which is paid when the risk is covered, the fire insurance commission is a continued burden on the policy or anywhere from 15 to upwards of 40 per cent. If the latter commission is paid, one whole premium in every two and one-half years goes to the agent.

What the Insurance Commissioners Are Doing.

In view of this increasing cost of carrying on the fire insurance business, the insurance commissioners of the country have undertaken to make an investigation, through a committee of the association of insurance commissioners of the United States. This committee was appointed at the last

the public, the cut in expenses must be such as to render it certain that the small and weak company would get little business, as it could not afford a larger inducement to the agents than what the larger companies are willing to pay. The larger companies would consequently get the best of the business, and would otherwise conduct their business at a less proportionate expense, as the ratio of fixed charges need be much less for a large company than for a small one.

The problem appears, therefore, to be one of great perplexity, and the commissioners as a whole have an important task set before them, both in the matter of making investigations to discover the real facts in the case, and in coming to a conclusion as to whether legislation will be of any advantage to the public, and if so, what that legislation ought to be.

But it is manifest that whatever is agreed upon and whatever legislation results should be uniform in es-

entials in all the States. A law in one State limiting expenses to 45 per cent., and in others to different percentages varying all the way down to 30 per cent., would make it exceedingly embarrassing for the companies, and might in fact be only a degree more tolerable than a situation in which every State would fix the rate of premium for all classes of hazards through its insurance commissioner or some State board, which would try to make those rates for its own State as low as possible, thus before very long having for each class of risks as many different rates as there are State-rating boards, all based on local and thus narrow and unsound considerations.

This suggests the pertinent question as to how long States without State-rating boards are going to permit companies which they have authorized to do business within their borders to continue to have such authority, if those companies remain in States which have State-rating boards, which, to please the insurers in those States, are constantly forcing down premiums to a level below that on the same class of risks in other States, and below a fair and legitimate rate. Although this may not be done with any thought of relieving one State at the expense of another, still that result would be the natural and almost inevitable outcome of a system by virtue of which each State has its own rate-maker, not yet brought into such relations with other similar officials as to consider broadly the interests of the country as a whole and not merely his own little portion of it.

This view of it must make it evident that uniformity in State laws relating to such vital matters as this is not only of concern to the insurance companies which do business in all the States, but is of supreme importance to the public. It is therefore worth the while to consider whether a much closer relation than now exists between the States in respect to insurance interests cannot be effected by the several States granting to their respective insurance commissioners, by statute, authority to act in certain matters upon an agreement having been reached, upon the questions involved, by the insurance commissioners of the country. Uniformity can come in these matters only as the result of conference and agreement.

New England Brevities.

R. S. Hoffman & Co., of Boston, have been appointed general agents for Massachusetts of the Eastern Casualty, the appointment having taken effect the 8th inst., and covering health and accident business.

Governor Draper has sent the following nominations for the Workmen's Compensation Commission to the executive council: James A. Lowell, Boston, chairman; Amos T. Saunders, Clinton; Eugene W. Alexander, Lynn; Henry Howard, Brookline, and Joseph A. Parks, Fall River.

In the Massachusetts Senate, last Friday, the committee on ways and

means reported a resolve that the director of the bureau of statistics shall investigate and determine the cost of establishing an old age pension system for county employes and also for State employes, and that he report his findings to the next General Court. He may employ experts, the expense to come out of the appropriation for statistics.

The New England Mutual Life has been admitted to Vermont, and has appointed as State agent Glenn A. Wielkins, of Morrisville.

Franklin B. Wentworth will deliver an address at the meeting of the Massachusetts Mutual Fire Insurance Union, to be held at Pittsfield, Mass., Friday of this week.

Charles Schuchhardt has been appointed to succeed Howard C. Buck as special agent of the Norwich Union for Connecticut, Western Massachusetts and Vermont.

The Standard Fire of Hartford has appointed W. D. Kellogg as its special agent for New York and New Jersey.

The annual convention of the International Association of Accident Underwriters is to take place at Bretton Woods, New Hampshire, from September 20 to 23, inclusive.

Following the resignation of Thos. Turnbull as secretary of the Hartford Fire, the directors have elected Frederick Samson and Sidney E. Locke secretaries in the underwriting department and have appointed Daniel J. Glazier recording secretary, who in addition to keeping the official records of the company, will assist President Charles E. Chase in handling investment matters.

The Aetna Indemnity is seeking re-admission to Colorado, from which it was ousted by former Commissioner Rittenhouse because of certain mining securities held among its assets. The company also hopes to get back into Minnesota soon, the company having been barred from that State also because of objection raised to certain securities. Since its reorganization the new management has been cleaning out the securities of questionable character and putting its investments in good shape.

George T. Wilson, vice-president of the Equitable, was the honorary presiding officer yesterday at the annual convention of the British agents of the company in London.

WON'T LET UP.

Hon. William H. Hotchkiss, New York's Superintendent of Insurance, has turned over to the district attorney at Poughkeepsie, to be presented to the Grand Jury, charges of mismanagement against the Dutchess Fire Insurance Company, which took over business and assets of the old Dutchess Insurance Company. Mr. Hotchkiss' examiners declare that the company's management has misrepresented its liabilities in reports to the insurance departments of several States, has carried out a reinsurance contract with the old company in a manner open to criticism, and adopted questionable methods to reduce its agents' balances in quarterly and annual statements of the department.

This is the new round of the fight between the Insurance Department and the Dutchess. It will be remembered that Hotchkiss demanded the head of President Vail, "for reasons," and the board of directors defied him, openly and flagrantly, by re-electing President Vail last week. Thus is the issue clear and unmistakable. The stockholders and directors deny the superintendent's supremacy and dictatorship of their affairs and—well, wait.

NOTEWORTHY ADVANCE.

The BERKSHIRE LIFE Insurance Company,

OF PITTSFIELD, MASSACHUSETTS,

takes an advanced step in the interest of the policyholder by the adoption of the following liberal features in its new policy contract:

Low premium rates.
Large surrender values.
Dividends at the end of each policy year.

Thirty-one days of grace in payment of all premiums after the first year.

Paid-up insurance or cash surrender value or extended insurance after two years' premiums have been paid.

Loans for the full cash surrender value.

Policy payable in one sum or in instalments for terms of years.

Policy has no restrictions upon residence or travel and is incontestable after the first policy year, except for non-payment of premiums.

Right of the insured to change the beneficiary.

Liberal re-instatement privileges.

Every effort has been made to make this new policy the very perfection in a life insurance contract.

For further information apply to
JOHN H. ROBINSON, General Agent
FRANK ALLEN, Associate General Agent
For New York and New Jersey,
Postal Building,
253 Broadway, - - - NEW YORK.

POOR INSPECTIONS.**At Montreal.**

Monday's press dispatches contained two items of interest to both fire and liability insurance companies, as well as to employers, as illustrative of the intensive value of efficient inspection service.

One related the story of the collapse of the "Herald" building in Montreal, due to the excessive weight of its automatic fire sprinkler water tank on the roof, of some forty tons bearing. The loss of life is unknown, but will probably number fifty.

There were about 375 persons at work in the building, and reports vary as to the number of missing, especially from the top floor where the girls were at work in the bindery. Scores who were on the upper floors owe their lives to the prompt appearance of the firemen with extension ladders.

Flames broke out in the ruins; the gas pipes were broken and fed the flames which spread from the stereotyping furnaces and the typesetting machines.

The financial loss, according to the "Herald" management will reach in the neighborhood of \$500,000, mostly covered by insurance.

At Baltimore.

The nine-story warehouse of the Gwynbrook Distilling Company collapsed Monday with a loss of \$250,000.

It seems that the foundations of the warehouse were overtaxed by the superstructure and the rain of Sunday undermined them, causing the collapse.

These two incidents are fairly useful as indicating not only the inefficiency of some building architects, and municipal bureaus, so-called, but also that of the inspectors of the fire and liability insurance companies. Last week "The Chronicle" pointed out the value of efficient and competent inspection in the preservation of life and limb and the conservation of public energies. The Montreal calamity, following so close upon the heels of the Quebec bridge disaster, would indicate that the rule of incompetency prevails equally in this Western Hemisphere without the least regard for boundary lines or fishing disputes.

"If those who are selected for public service in legislature and parliament, municipal and national, would give attention to the people's interests, instead of building political hedges, there would come about some such civic conditions as exist in Switzerland, the model republic of the

world to-day," says a prominent underwriter.

Here at Home.

Now comes, right here in New York and since the foregoing was written, an instance of the ridiculous inefficiency of building inspection, a reminder of the building regime of Buddensieck, the notorious Tammany leader and contractor, who died in prison, because of the wholesale slaughter of people, due to his building tenement houses that crumbled to atoms almost before completed.

This occurred at Park Place, a block off Broadway, and in one of the most densely populated business sections of the city, and near the site of another collapse in 1891, in which nearly 100 people were killed and burned in the inevitable fire that resulted.

Commissioner of Buildings Miller says that the cause of the collapse might have been an explosion of gas between the ceiling and the floor of the second story. There is also a theory that printing presses on the third floor shook the buildings gradually into a dangerous state. The losses of the tenants may total \$75,000.

The other Park place disaster occurred on Saturday afternoon, August 22, 1891. An explosion in one of the upper floors of the Taylor building at 68-72 Park place caused the whole building, including many heavy printing presses, to fall on the heads of about a hundred people who were dining in the restaurant on the ground floor. Sixty-one bodies were recovered and twenty persons were reported missing after the accident.

How soon, with such careless inspection, will a steel skyscraper go down?

After July 1 the Texas agents of the Fidelity-Phenix will report to the home office in New York instead of to Chicago, the change being made to conform to the system of the Continental and the Fidelity Underwriters.

Commissioner Hartigan, of Minnesota, calls attention of the insurance companies to the requirement that all policies covering personal accident, health, employers liability, fidelity, surety, plate glass, steam boiler, burglary and theft, workmen's collective, credit, sprinkler leakage and automobile insurance, issued in that State, must be countersigned by a licensed resident agent.

The Provident Casualty Company, of Detroit, which has been writing industrial business for two years, has retired, owing to unprofitable business.

The Connecticut Mutual

That means the best life insurance to have and the best to sell. If you can sell life insurance, you can sell more of it for the CONNECTICUT MUTUAL.

Men of Character and Ability are invited to apply.

Conn. Mutual Life Ins. Co.,
Hartford, Conn.

Please mention this paper.

WESTERN
ASSURANCE Co.

HEAD OFFICE,
TORONTO, - - CANADA.

Incorporated 1851.

Hon. GEORGE A. COX.....President
W. R. BROCK and JOHN
HOSKIN, K. C. LL. D., Vice-Presidents
W. B. MEIKLE.....General Manager

United States Statement, Jan. 1, 1910.
Assets\$2,377,303.37
Surplus in United States..... 839,268.07

COME AND PROSPER

Among the 15 largest American companies (excluding industrials) this is our 1909 ranking:

First place in percentage of gain in insurance in force; third place in gain over 1908 in amount of paid-for new business.

New business first quarter of 1910 far in excess of first quarter of 1909. Our agents are busy and prosperous—and are not driven by the Home Office.

New York Agency: 1401 Empire Building, 71 Broadway.

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY,
Springfield, Mass.

Incorporated 1851

CONFERENCE ON EMPLOYERS LIABILITY AT CHICAGO.

The third meeting of the Conference on Compensation for Industrial Accidents took place at the Auditorium Hotel, Chicago, on June 10 and 11, meeting simultaneously with the Conference on Industrial Diseases and the American Association for Labor Legislation.

The conference was largely attended by members of the State commissions now in existence, including those of New York, Illinois, Wisconsin and Minnesota. No members of the New Jersey commission were present, and the Ohio commission, though provided for by the legislature, has not yet been appointed. Several other States, however, were represented by delegates appointed by governors; and among those present in this capacity were noted Hon. James V. Barry, Insurance Commissioner of Michigan.

In the absence of Hon. Charles P. Neill, United States Commissioner of Labor, who is chairman of the conference, H. V. Mercer, a member of the Minnesota commission and secretary of the conference, presided at all the meetings.

An Official Body Intended.

Permanent organization was completed by the adoption of by-laws which stated the purposes to be to bring together members of commissions, delegates appointed by governors and other persons, to discuss the subject, provided against resolutions declaring the principle or policy of the conference except by unanimous consent, constituted only members of commissions, delegates of governors and ten persons at large to be appointed by the board, voting members of the conference, and for associate members who are entitled to the privileges of the floor and to receive the publications. The conference elected a board composed of ten members, in addition to the five principal officers, and elected officers as follows:

Hon. Charles P. Neill, United States Commissioner of Labor, Washington, chairman.

Charles G. McCarthy, State librarian, Madison, Wis., vice-chairman.

H. V. Mercer, member of Minnesota commission, Minneapolis, secretary.

John B. Andrews, Ph.D., secretary of American Association for Labor Legislation, No. 1 Madison avenue, New York, assistant secretary.

Professor H. W. Farnum, Yale University, treasurer.

Subjects Discussed.

The subject for discussion was ex-

clusively the practicability of various provisions in a skeleton bill presented for consideration in accordance with a resolution adopted at the conference held in Washington early this year. The bill was discussed by sections, the discussion on the second day being limited, by reason of the limited time, to special topics selected by a committee appointed for the purpose.

The discussion was wholly upon a plan for workmen's compensation, the liability to fall upon the employers who might cover the same by insurance or not, as they preferred. The Wisconsin plan of permissive legislation with strong encouragement by diminishing the defenses against negligence suits, the New York plan partly permissive and partly compulsory, and the suggestion from Minnesota of a completely compulsory plan were all under discussion. In addition to this the special questions as to whether compensation should be paid in annuities or lump payments, of whether the right to proceed under the common law of the employers liability acts should be retained and of whether compensation should be confined to extra-hazardous employments were given special consideration.

International Congress Invited Here.

Resolutions were adopted, both at the meeting of the American Association of Labor Legislation and at the meeting of the conference, inviting the International Congress of Social Insurance to meet in the United States in 1912, and appointing and authorizing the following to represent the conference and the American Association at the International Conference upon Social Insurance and Employers Liability, to be held at The Hague early in September:

Hon. Charles P. Neill, Commissioner of Labor, Washington, D. C.

H. V. Mercer, Minneapolis, Minn.

John B. Andrews, Ph.D., secretary

of American Association for Labor Legislation, New York.

Miles M. Dawson, consulting actuary, New York.

Lee K. Frankel, of the Metropolitan Life Insurance Company, of New York.

William H. Tollman, Ph.D., American Museum of Safety and Hygiene, New York.

Rumors are rife that the United Surety would reinsure if they can find a taker. It is reported that the Fidelity and Deposit had negotiated unsuccessfully.

INCORPORATED 1833.

British America Assurance Company

HEAD OFFICE, TORONTO, CANADA

UNITED STATES BRANCH.

JANUARY 1, 1910.

Assets	\$1,556,740.94
Liabilities	902,438.61
Surplus	\$ 654,302.33

Hon. GEORGE A. COX, President.
JOHN HOSKIN } Vice-Presidents.
W. R. BROCK }
W. B. MEIKLE, General Mgr.

IT PAYS THE AGENT

To represent the best company. There are many excellent standard life insurance companies. Which is the best? In stability, progressiveness, liberal contracts to agents and low cost to policy-holders no company surpasses

The Union Central Life Insurance Co. of Cincinnati.

Assets, \$74,523,966.28
Liabilities, \$72,324,302.92

Good openings are occurring from time to time. Address

JESSE R. CLARK, President.
ALLAN WATERS, Sup't of Agents.

BONDS OF SURETYSHIP.

The Guarantee Company of North America

HEAD OFFICE, MONTREAL

Edward Rawlings, President.

H. E. Rawlings, Asst. Mgr.

Richard B. Scott, Secretary & Treasurer.

It is the Pioneer Company, was established in 1872, and is conducted under a conservative management of over 55 years experience.

It has recouped to employers over \$2,190,000 for losses sustained by the infidelity of employees and has a surplus of \$1,041,423.23 to credit of shareholders and total resources of \$1,919,892.38 for the security of insured.

Branch Offices:

NEW YORK: 111 Broadway.
D. J. Tompkins, Secretary.
BOSTON: 114 Milk Street.
W. A. Hamilton, Agent and Attorney.
CHICAGO: Room 400, The Temple.
J. R. Pruyn, Resident Sec. and Atty.
PHILADELPHIA: 500 Arcade Bldg.
W. H. Jackson, Res. Secretary.
PITTSBURG: 1120 Farmers Bank Bldg.
E. R. Munro, Resident Secretary.
LOUISVILLE: 316 Columbia Bldg.
P. N. Clarke & Co., Agents.

AMERICAN BONDING DENIES.

More or less reliable statements have appeared in the New York press during the week to the effect that the Maryland Casualty and the American Bonding, both of Baltimore, had, would or could arrive at a satisfactory agreement by which the former would absorb the latter, lock, stock and barrel, at \$85 per for \$25 par value shares.

This aroused much interest all over the country and inquiries have been pouring into this office. That negotiations for the reinsurance or merging of the American Bonding have been tendered during the past two or three years has been common gossip in the street. That these negotiations were inspired or initiated by that company is not in evidence, and the fact that nothing resulted would seem to confirm the impression that they came from outside and probably hostile sources.

On Monday President Cator, of the American Bonding Company, announced that the board of directors and the executive committee had most cordially and unanimously resolved that no proposal of a sale or merger would be entertained.

Latest.

Yesterday "The Chronicle" received the following from the agency department of the American Bonding Company in response to a wire to the president:

In accordance with your wire of even date reading as follows, to wit:

"Please mail to-day any statement desired for this issue re purchase your company by Maryland Casualty," I am directed by Mr. Cator to state that the executive committee and board of directors of American Bonding Company of Baltimore, at a meeting held on the 13th instant, unanimously expressed their opposition to either sale or merger of the company. The daily papers of to-day contain the notice of withdrawal of proposition of merger promoters.

This confirms the story that negotiations had been held.

UNITED SURETY CHANGES.

Editor "The Chronicle":

I enclose herewith, memorandum which I shall be glad to have you use as a notice of the resignation of Ernest J. Clark and myself from the United Surety Company.

Yours very truly,

HENRY G. PENNIMAN.

The Memo.

Baltimore, Tuesday (Special).—At a meeting of the board of directors of the United Surety Company, held at the offices of the company to-day, the resignations of Henry G. Penniman, as president, and Ernest J. Clark, as

first vice-president, of the company, were tendered and accepted.

Mr. Penniman and Mr. Clark were not in accord with the interests now in control of the company, and resigned in order that the owners of the company might be free to carry out their own plans.

Mr. Penniman and Mr. Clark have directed their efforts almost entirely to the producing and underwriting of the company's business, the by-laws providing that the management of the company's finances should be vested in a finance committee over which they had no control. The premium income of the company increased greatly under their management and the past difficulties of the company did not arise from the character of business so written, but were caused by losses in other departments of the company over which they had no control.

The resignations of these two officers were accepted by a resolution expressing the thanks of the company for the energy and attention they have given to its affairs during the years they have been connected with it officially.

The differences referred to in this statement, apply specifically to the fact that Mr. Penniman and associates offered to buy the treasury stock of the company at a price considerably above par, so as to place the company in a very much better financial position by greatly increasing its surplus, but this proposition was voted down at a stockholders' meeting by the present control of the company, the minority stockholders voting for the proposition, this resulting logically in the resignations already mentioned.

The New Executive.

Immediately following the resignations mentioned the board elected Edgar Allen Poe as president, and Robert A. Dobbin vice-president and secretary. Mr. Poe is a well seasoned surety man of some fifteen years' experience with the Baltimore companies. Mr. Dobbin has been secretary of the company since its beginning and has had abundant experience to qualify as as able an executive as any of the younger generation. Things will move one way or another under this new arrangement.

Billington, Hutchinson & Co. of New York, Philadelphia and San Francisco, have been appointed general agents for California for the automobile department of the Marine Insurance Company, of London. The company is well and favorably known in insurance circles. It has operated for twenty-six years, writing marine risks, and its automobile department is a comparatively new feature.

**LEADING FIRE COMPANY
OF THE WORLD**

[of Liverpool, England.]

Life Ins. Co. of Virginia

Home Office, Richmond, Virginia.

J. G. WALKER, President.
T. W. PEMBERTON, 1st Vice-President.
W. L. T. ROGERSON, 2d Vice-President.
E. D. HARRIS, Secretary.

The OLDEST Southern Life Insurance Company.

The LARGEST and STRONGEST Southern Life Insurance Company.

The PIONEER Southern Industrial Life Insurance Company.

Its policies are clear and definite in their provisions and their values are absolutely guaranteed.

Assets Dec. 31, 1909.....	\$5,372,691.99
Liabilities Dec. 31, 1909.....	4,312,405.32
Insurance In Force Dec. 31, 1909	68,337,613.00
Total Payments to Policyholders since Organization	9,820,412.49

Royal Exchange Assurance

OF LONDON.

Incorporated by Royal Charter A.D. 1720.

UNITED STATES OFFICE:

92 William Street New York City

UBERTO C. CROSBY, General Manager.

RICHARD D. HARVEY, Assistant General Manager.

THE SURETY BOND.

The Quick Rank It Has Taken as a Prime Conservator of Credit and Ability.

The general demand for some sort of a guarantee of promises, older than the Garden of Eden, has progressed as humanity—or, rather, human nature—has progressed, in about the same ratio as governments—military, monarchical, despotic, or republican—have advanced. In the old days of the "Mediterranean Merchants" there were only two collaterals, a deposit of barter, or honor, and to the latter is due the credit for the immense traffical structure erected thereon.

Now comes the surety company, acting as a guarantor, as a fire insurance company acts as indemnitor for fire loss, or as the casualty company does in case of loss of wage or salary to the policyholder.

A few years ago one of the surety companies, then an inconsequential concern, took up this intermediary guarantee business. It proposed the endorsement of warehouse receipts for goods in storage, for a valuable consideration, as per law. It seemed good. And on its face it looked good. But the results proved that the average of human nature in the cotton business—by telegraph—was considerably lower than in the minor trades of life.

The recent going into receivership of the Knight, Yancey & Co. concern, of New York, Liverpool and principally of Decatur, Ala., reveals that forged bills of lading, representing a "short" market in Europe, had been negotiated, borrow-wise, over there, and that the staid and solid old Atlantic Mutual and the North America had unsuspectingly issued marine policies on these never-was and never-to-be cotton bales to the extent of \$60,000 in premiums, which, to their everlasting and eternal credit, be it said, they promptly returned to the receivers on learning of the "kite," and now our cotton doblers across the sea, as well as the "foreign exchange" departments of the home banking concerns, are up in arms.

"Give Us a Bond."

"Give us a bond," has been the growing cry in America ever since Rawlings started his original Guarantee Company of North America, inoculated the whole of America with his splendid fidelity bond idea and started a development that to-day marks the boundary of a new era in what was formerly called insurance, later indemnity, and is now coming to be known simply as economics.

To get back to the cotton

warehouse receipts. The National Surety was the first to reduce the subject of their guarantee as a banking collateral. A loss seemed improbable because cotton bales are not the usual prey of the night-time burglar. There was fire insurance to cover that hazard and so the guarantee of the surety company seemed to resolve itself solely into a matter of integrity on the part of the principal. Then came the awakening, ancient history now, in surety circles.

As indicated by "The Chronicle" last week, the four larger surety companies have taken the subject under consideration with a view to a system of inspection and ironing that may eliminate the Knight-Yancey humbug possibilities.

The companies concerned are the American Surety Company, the National Surety Company, the Fidelity and Deposit Company of Maryland, and the United States Fidelity and Guaranty Company, of Baltimore. A representative of one of the companies has been abroad in consultation with the exchanges and is now about to start South with two other representatives of these four surety companies to investigate conditions governing the issuance of bills of lading. They will formulate a report upon which will be based the decision of the companies as to whether or not they will undertake the business. They are being strongly urged to do so by important banking interests here, and in this demand the foreign purchasers of cotton and the banking institutions which accept drafts in their behalf are joining with a view to protecting themselves against a repetition of the losses which were uncovered following the bankruptcy proceedings against Knight, Yancey & Co. and Steele, Miller & Co.

Losses Heavy.

These losses amount to more than \$3,000,000, several important concerns abroad and one or two in this city being victimized to the probable extent of \$400,000. The distrust created by these losses, particularly abroad, is so great that leading banking interests feel it is imperative that protection for cotton bills of lading be provided before the beginning of the next cotton movement this fall. The effort to obtain a guaranty issued jointly by the four surety companies is due to this belief on the part of our bankers. Many other plans have been suggested, but so far this is the only one which is regarded as offering the full measure of protection which bankers here and abroad are demanding.

Shipments of cotton made on

through bills of lading from points in the South to points abroad amount annually to \$400,000,000 or more. Should the distrust aroused by the recent experience of foreign bankers with American cotton bills bring about any check to this annual cotton movement the results to cotton interests here would be serious, even if it did nothing more than force cotton merchants to finance the shipment of cotton to American ports instead of being able, as they have been in the past, of drawing on the foreign purchaser of the cotton so soon as the cotton is shipped from the place of production.

Latest.

At a conference yesterday afternoon, held at the instance of President Joyce, of the National Surety, the four big guaranty companies and several leading banking and foreign exchange houses considered the warehouse receipt and bill of lading subjects, with a view to meeting and averting the complaints and losses recently sustained by the Liverpool cotton importers, due to fraud and forged documents.

The surety companies will decide their action at an early date, which is especially desired by the New

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS is unsurpassed for net low cost and care of interests of all members.

THE PENN MUTUAL LIFE INSURANCE COMPANY OF PHILADELPHIA

On January 1, 1909, rates were reduced and values increased to full 3% reserve.

201ST YEAR.

SUN Insurance Office OF LONDON.

FOUNDED 1710.

UNITED STATES BRANCH:

54 PINE STREET, NEW YORK.

WESTERN DEPARTMENT:

171 LA SALLE ST., CHICAGO.

PACIFIC DEPARTMENT:

Sansome & Sacramento Sts.,
SAN FRANCISCO, CAL.

**AGENTS WANTED
AT UNREPRESENTED POINTS.**

York bankers, because it is expected that London bankers and Liverpool importers will announce their views on the subject next Wednesday.

Among the bankers present were John E. Gardin and Joseph T. Talbert, vice-presidents of the National City Bank; Max May, vice-president of the Guaranty Trust Company; F. I. Kent, vice-president of the Bankers Trust Company, and Walter E. Frew, vice-president of the Corn Exchange National Bank.

Welding Ring, representing the New York Chamber of Commerce, goes to Washington to-day with representatives of the New York Produce Exchange and the New York Cotton Exchange to confer with the Senate Interstate Commerce Committee on the Stevens bill (H. R. 25,335), which fixes the responsibility of carriers in issuing fraudulent bills of lading. This bill has already passed the house.

MADE IN GERMANY.

At the Badische Aniline and Soda-Fabrik in Germany a prime consideration is the elimination of all possible danger to the workmen. Machinery is fenced off or screened, while placards are affixed to dangerous apparatus for use or caution. Special attention is paid to the sanitary arrangements. Rooms are high, well lighted and ventilated, with the latest devices for purifying the air. Workmen obliged to work in connection with steam apparatus, or in high temperatures, are furnished during working hours with coffee free of charge, in order to prevent the excessive drinking of ice water. In the color works the operatives are obliged to bathe regularly before leaving the works, the time for the bath being allowed during working hours. Soap and towels are supplied free. The cost of building the baths amounted to nearly \$180,000.

Prof. Jeremiah W. Jenks, the Cornell economist, estimates that sickness in the United States causes a loss of thirteen days on the average for each inhabitant, with a monetary loss of more than a billion dollars per annum, a loss of probably a quarter-billion through minor ailments for which no physician is called.

It is estimated that at least two elevator accidents happen each and every day of the calendar year. Ninety per cent. of them are due to carelessness on the part of the passenger. The pecuniary loss from damage suits in connection with this class of accidents is very large.

ANOTHER BUBBLE BURSTS.

A few weeks ago the stockholders of four prematurely accouched casualty concerns received an elaborate proposal to merge them into a "strong central holding company," or something like that. It was called the Columbus Securities Company of New Jersey and hoped to reside in Philadelphia, the principal town in Pennsylvania, made famous during the week by a man getting there from New York and back in an air machine in one day.

The prospectus sets forth most alluring figures of casualty and surety companies profits. One company had averaged over 80 per cent. per annum for 25 years, etc., etc. It also named the four concerns that it was proposed to merge. Of these it was well known to the underwriting world that not one was really worth salvaging. Now comes double confirmation of that knowledge. One, the Empire Casualty, of West Virginia, residence Philadelphia—has since gone into a receiver's hands; and now another—the Columbus Casualty, of Ohio—has been ordered by the State to pay up its obligations or stop its pretenses. Various irregularities are charged. Thus 50 per cent. of the new concern's field has already disappeared. There remains two small Pennsylvania concerns—three have been reported—that were in on the deal, as reported in "The Chronicle" two weeks ago. These were also premature birthlings, without pride of ancestry or hope of posterity. The sign of the promoter was written clearly on their ledgers.

The courts of Kansas City have ruled that claims against mutual and inter-insurance concerns may be filed against the manager, and that any judgment against him will be binding on the members. This ruling was made in claims against the Printers' and Publishers' Reciprocal Underwriters of Kansas City.

CUR

Course of Insurance Education.

Department for Furnishing Prospects.

New "Model Policy"

Will Plough the Field and Assure the Harvest for Good Agents.

Phoenix Mutual Life

INSURANCE COMPANY,

Hartford, Conn.

Write Home Office.

Hanover Fire

INSURANCE
COMPANY
of New York



Agencies
in all the Principal Places
in the United States.

SPECIAL OPPORTUNITIES offered now in Southern States to Representatives of

**CITIZENS
NATIONAL LIFE
INSURANCE
CO.**

W. H. GREGORY,
President.

BONDS--CASUALTY

**AGENTS
IF
YOU** { Can Command Bond or Casualty business
Are seeking an Agency connection
Are not representing another like Company

ADDRESS, AGENCY DEPARTMENT,

The Empire State Surety Co.
NEW YORK

MARK TWAIN'S VISION.

"Here, from his autobiography," said the New York "Times" on the occasion of Mark Twain's death, "is a terrible visualization of some of those statistics which seem so meaningless when we gaze blankly at printed tables. With his usual dramatic method, he introduces it with a reference to Tennyson's verses forecasting a future when air-borne vessels of war shall meet and fight above the clouds and redden the earth below with a rain of blood. Then he introduced his statistics that on our 200,000 miles of railway we annually kill 10,000 persons outright and injure 80,000. Now for the picture:

"I had a dream last night. It was an admirable dream, what there was of it.

"In it I saw a funeral procession; I saw it from a mountain peak; I saw it crawling along and curving here and there, serpent like, through a level, vast plain. I seemed to see a hundred miles of the procession; but neither the beginning of it nor the end of it was within the limits of my vision. The procession was in ten divisions, each division marked by a sombre flag, and the whole represented ten years of our railway activities in the accident line. Each division was composed of 80,000 cripples, and was bearing its own year's 10,000 mutilated corpses to the grave; in the aggregate 800,000 cripples, and 100,000 dead, drenched in blood."

NOT AN ACCIDENT.

The Casualty Company of America, through President Edwin W. DeLeon, has given out the official report or the autopsy in the case of Charles C. Dickinson.

It will be recalled that Mr. Dickinson, a prominent financier of this city, was reported as having inhaled the noxious gases from a chemist's crucible in which he believed certain of the base metals were being transmuted into gold or silver. He held an accident policy for \$50,000 in the Casualty Company of America and the right of claim hinged upon the mere question as to whether or not his death a week after the alleged incident was an accident.

The funeral certificate gave pneumonia as the cause of death. The autopsy confirmed it, according to the following statement given out by President DeLeon:

We have received the report of our physicians on the autopsy on C. C. Dickinson, and the conclusions reached indicate that death did not result from accidental causes. We have not yet received proofs of claim from the beneficiary, and we are,

therefore, not informed at this time upon what basis claim will be made.

COMMERCIAL UNION CONTROLS THE OCEAN.

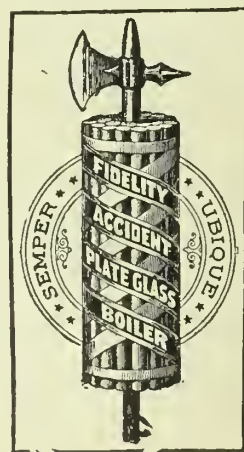
The Commercial Union Insurance Company, of London, which was admitted to this country to do a fire insurance business only, acquired on the 14th inst., under a general agreement with the stockholders of the Ocean Accident and Guaranty Corporation, the largest company engaged in the casualty business in Great Britain, all the stock of the Ocean, paying \$35 in cash for each share and \$25 in debentures. The paid-up value of the shares was but \$5.

It is announced that the business of the casualty departments of the two companies will be merged, but that the management of the Ocean will be carried on separately as before, all the casualty business being turned over to it.

The Ocean, which was founded in 1871, opened a United States branch in 1895, which at first did a credit business only; but in more recent years, under the same manager, Oscar Ising, has engaged in general casualty business as well, producing in 1909 a net premium income of \$2,636,115.

The Statistical Service Company is being organized in Chicago to classify and record statistics for fire insurance companies by mechanical devices, furnishing records on reserves, classifications, etc., to the companies more promptly and more economically than their own force can do it, according to the claims of the promoters.

A commission consisting of three men to be appointed by the governor to regulate fire insurance rates will be the provision of a bill now being drafted by the New Orleans Board of Trade, under the chaperronage of Commissioner McGivney.



THE FIDELITY & CASUALTY COMPANY

97 TO 103 CEDAR ST., NEW YORK CITY.

ASSETS - \$8,598,924.02

Cap. & Surplus \$3,564,229.90

LOSSES PAID \$31,636,503.21
to Jan. 1, 1909,

This Company grants Insurances as follows:

Bonds of Suretyship for Persons in Positions of Trust, Fidelity Bonds, Burglary, Plate Glass, Steam Boiler, Fly Wheel, Employers, Public, Teams, Workmen's Collective, Elevator and General Liability; Personal Accident, Health and Physicians' Liability

OFFICERS:

GEORGE F. SEWARD, President.

Robert J. Hillas, V.-P. & Sec'y. Henry Crossley, Ass't Sec'y.
Frank E. Law, 2d Ass't Sec'y. George W. Allen, 3d Ass't Sec'y.

A first class life underwriter with a successful field record, and an untarnished reputation can secure good open territory by addressing

SECURITY MUTUAL LIFE INSURANCE COMPANY

Binghamton, N. Y.

A General Agency is open in the State of

PENNSYLVANIA

For one of the best Old Line Companies in America

Write "B," care of this paper

SELL LIFE INSURANCE



Get into a business that not only pays well when you begin, but that will pay you better the longer you are in it.

The PRUDENTIAL WANTS AGENTS. WRITE TO-DAY FOR PARTICULARS.

THE PRUDENTIAL
Insurance Company of America.

Incorporated as a Stock Company by the State of New Jersey.

JOHN F. DRYDEN, President. Home Office, NEWARK, N. J.

NATIONAL LIFE

Insurance Company,
MONTPELIER, VERMONT.

Established in 1850.
Operating in 37 States.

JOSEPH A. DE BOER, President.

FRED A. HOWLAND, Vice-President
JAMES B. ESTEE, 2nd Vice-President
OSMAN D. CLARK, Secretary
H. M. CUTLER, Treasurer
A. B. BISBEE, Medical Director
C. E. MOULTON, Actuary

This Company held January 1, 1910,
and gained during the past decade:

ASSETS . . .	\$47,490,998.98
GAIN, 167 PER CENT.	
LIABILITIES . . .	\$41,661,130.12
GAIN, 162 PER CENT.	
SURPLUS . . .	\$5,829,868.86
GAIN, 211 PER CENT.	
INSURANCE . . .	\$161,423,115.00
GAIN, 79 PER CENT.	

**Absolute Security and
Economy of
Management**

Liability
Boiler
Plate Glass
Automobile Liability and Defence
Employers' Compensation
Insurance



Accident
Disability
Fly Wheel

**Casualty Company
of America**

HOME OFFICE KUNN-LOEB BUILDING
52-54 WILLIAM STREET NEW YORK

HOME OFFICE OF THE Metropolitan Life Insurance Co. (INCORPORATED BY THE STATE OF NEW YORK, STOCK COMPANY) The Company OF the People, BY the People, FOR the People

PROOF OF PUBLIC CONFIDENCE

This company has more premium paying business in force in the United States than any other Company, and for each of the last 16 years has had more New Insurance accepted and issued in America than any other Company.

The number of Policies in force is greater than that of any other Company in America, greater than all the Regular Life Insurance Companies put together (less one), and can only be appreciated by comparison. It is a greater number than the Combined Population of Greater New York, Chicago, Philadelphia, Boston, St. Louis, Cleveland, Cincinnati, San Francisco, Pittsburg, Baltimore, New Orleans and Buffalo.

ASSETS.

Municipal and R. R. Bonds and Stocks	\$123,346,161.39
Bonds and Mortgages	105,183,172.02
Real Estate	23,311,215.72
Cash	5,420,643.42
Demand Loans on Collateral	172,930.00
Loans to Policyholders	11,193,245.61
Prem. deferred and in course of collection (net)	5,190,288.45
Accrued Int., Rents, etc.	3,290,211.85
Total	\$277,107,868.49

LIABILITIES.

Reinsurance Fund and Special Reserves	237,213,384.00
All other Liabilities	9,992,264.48
Capital and Surplus	29,902,219.98
Total	\$277,107,868.49



Largest Office Building in the World—Madison Avenue, Fourth Avenue, 23d Street and 24th Street, New York City.

THE DAILY AVERAGE OF THE COMPANY'S BUSINESS DURING 1909 WAS:
456 per day in number of Claims paid.
6,535 per day in number of Policies placed and paid for.
11,463,755 per day in New Insurance placed and paid for.
\$183,403.75 per day in Payments to Policyholders and addition to Reserve.
\$132,172.72 per day in Increase of Assets.

OFFICERS

JOHN R. HEGEMAN	President
HALEY FISKD	Vice-President
GEORGE H. GASTON	2d Vice President
GEORGE B. WOODWARD	3d Vice President
FRANK O. AYERS	4th Vice President
F. F. TAYLOR	5th Vice President
JAMES M. CRAIG	Actuary
STEWART L. WOODFORD	Counsel
WM. J. TULLY	General Solicitor
FRED'K. H. ECKER	Treasurer
WALTER STABLER	Comptroller
JAMES S. ROBERTS	Secretary
JOHN R. HEGEMAN, JR.	Asst. Secretary
J. J. THOMPSON	Asst. Secretary
T. R. RICHARDSON	Asst. Secretary
GEO. B. SCOTT	Asst. Secretary
FRED'K. A. BETTS	Asst. Secretary
GEORGE C. PENHALLOW	Asst. Secretary
THOMAS H. WILLARD, M. D.	Med. Dir.
AUGUSTUS S. KNIGHT, M. D.	Med. Dir.
E. M. HOLDEN, M. D.	Asst. Med. Director
W. S. MANNERS, M. D.	Asst. Med. Director
J. BERGEN OGDEN, M. D.	Asst. Med. Director
D. M. GEDGE, M. D.	Asst. Med. Director
I. J. CAHEN	Manager Ordinary Dept.
LEE H. FRANKEL, Ph. D.	Mgr. Indus. Dep.
JACOB CHADEAYNE	Mgr. Intermediate Br.
CHAS. G. REITER	Asst. Actuary
JAMES C. BROWN	Asst. Actuary
JAMES D. CRAIG	Asst. Actuary
RAYMOND V. CARPENTER	Asst. Actuary

Paid to Policyholders since Organization, plus the Amount now invested for their Security, \$537,223,523.83.
Number of Policies, 1 Force, December 31, 1909, \$10,621,679. Total Outstanding Insurance Placed and Paid for, December 31, 1909, \$2,041,951,700.00.

In its Ordinary Department policies are issued for from \$1,000 to \$1,000,000 on individual lives, premiums payable annually, semi-annually and quarterly. In its Industrial Department policies are issued on all the insurable members of the family for weekly premiums.

Full particulars regarding the plans of the Metropolitan may be obtained at its Home Office, 1 Madison Avenue, New York City, or its Agents in all the principal cities of the United States and Canada.

LIVERPOOL & LONDON & GLOBE

NEW YORK OFFICE, 45 WILLIAM STREET.
H. W. EATON, *Manager*
G. W. HOYT, *Deputy Manager*
B. KREMER, Jr., and T. A. WEED, *Agency Supts*

NEW ENGLAND STATES, NEW YORK, NEW JERSEY, PENNSYLVANIA, MARYLAND, DELAWARE, DISTRICT OF COLUMBIA, VIRGINIA, WEST VIRGINIA, NORTH CAROLINA, SOUTH CAROLINA, OHIO, INDIANA, KENTUCKY, TENNESSEE.

NEW ORLEANS OFFICE, COR. CARONDELET & COMMON STS.
CLARENCE F. LOW, *Manager*
J. G. PEPPER, *Asst. Mgr.*
THOS. H. ANDERSON, *Deputy Asst. Mgr.*

LOUISIANA, MISSISSIPPI, ALABAMA, OKLAHOMA, FLORIDA, ARKANSAS, TEXAS, GEORGIA.

CHICAGO OFFICE, 205 LA SALLE STREET.
W. S. WARREN, *Manager*
GEO. H. MOORE, *Assistant Manager*
HUGH R. LOUDON, *Deputy Asst. Mgr.*

ILLINOIS, MICHIGAN, IOWA, WISCONSIN, MINNESOTA, MISSOURI, KANSAS, NEBRASKA, COLORADO, N. DAKOTA, S. DAKOTA, MONTANA, UTAH, WYOMING, NEW MEXICO.

SAN FRANCISCO OFFICE, 444 CALIFORNIA ST.
CHARLES D. HAVEN, *Manager*
C. MASON KINNE, *Asst. Manager*
JOHN W. GUNN, *Deputy Asst. Mgr.*

CALIFORNIA, NEVADA, ALASKA, OREGON, WASHINGTON, ARIZONA, IDAHO.

INSURANCE COMPANY

ESTABLISHED 1836. ENTERED U. S. 1848.

The statement of the condition of the United States Branch on the 1st day of January, 1910, in accordance with the Laws of the State of New York, is as follows:

ASSETS	\$13,885,802.88
LIABILITIES	8,766,622.58
SURPLUS	\$5,119,180.30

As an illustration of the Company's practice in maintaining its assets in the United States in years of excessive loss, the following figures may interest policyholders:

Year.	Assets at January 1.	Income.	Expenditure.	Excess of Expenditure.
1871	\$3,054,361	\$3,163,901	\$5,122,653	\$1,958,752
1872	3,640,450	3,733,101	4,484,999	751,898
1873	4,165,290			

Thus showing excess of expenditure in the two years of..... \$2,710,650
And increase of assets in the same time of..... 1,110,929

Progress of the United States Branch: Net Fire Premiums: 1848, \$4,519; 1858, \$471,998; 1868, \$1,739,620; 1878, \$2,422,126; 1888, \$3,928,010; 1898, \$4,979,422; 1908, \$7,427,617.63.

LOSSES.—The amount paid in the satisfaction of fire losses in the United States to the beginning of the present year was over \$119,461,623.72. This large sum, in conjunction with the growth of the Company's business, convinces the confidence of the public and the faithfulness with which the Company's losses are adjusted and settled.

COMPARATIVE RESERVE TABLES

BY
MILES M. DAWSON
Consulting Actuary.

Containing Mean and Terminal Reserves for the
usual forms of policies and by the
following standards:

American Experience, Select and Ultimate $3\frac{1}{2}$ per cent.
American Experience, Select and Ultimate 3 per cent.
American Experience, Modified Preliminary Term $3\frac{1}{2}$ per cent.
American Experience, Modified Preliminary Term 3 per cent.
American Experience, Select and Ultimate 4 per cent.
Actuaries', Modified Preliminary Term 4 per cent.
American Experience, Committee of Fifteen, $3\frac{1}{2}$ per cent.
American Experience, Illinois and Tennessee, $3\frac{1}{2}$ per cent.
American Experience, Michigan, $3\frac{1}{2}$ per cent.
American Experience, Wisconsin, $3\frac{1}{2}$ per cent.
American Experience, New Jersey, $3\frac{1}{2}$ per cent.
H^M, Canadian Life Officers' Association, $3\frac{1}{2}$ per cent.
O^[M], Select and Ultimate, $3\frac{1}{2}$ per cent.

THIS covers all the standards, other than the net level premiums, in use in this country. Tables showing the first year margins set free by each method of valuation are given.

Send all orders to the Publishers,

The Chronicle Co., Ltd.

No. 90 William St.

NEW YORK

OUR BOND—YOUR SECURITY.

T. J. FALVEY, President. JOHN T. BURNETT, Sec'y & Treasurer.



Massachusetts
Bonding and
Insurance Co.

Organized under
the Laws of the
Commonwealth of
Massachusetts.

Home Office, 77-81 State Street, Boston.
Capital\$500,000.00
Surplus\$250,000.00
SURETY BONDS and BURGLARY and
THEFT INSURANCE.

Germania Fire
INSURANCE CO.,
NEW YORK.

ORGANIZED 1859.

Cash Capital.....\$1,000,000.00
Assets\$6,562,329.14
Net Surplus.....\$2,008,419.02
Surplus for Policyholders,\$3,008,419.02

HEAD OFFICE:
Cor. William and Cedar Streets.

FEDERAL
LIFE INSURANCE
COMPANY
CHICAGO

ISAAC MILLER HAMILTON, ; ; President

Admitted assets.....\$2,447,499.17
Capital stock..... 177,300.00
Surplus apportioned and
unapportioned 77,510.61
Excess security to policy
holders 254,810.61
1909 insurance in force in-
creased over.....\$6,300,000.00
Surplus increased over.... 100,000.00

HIGH-GRADE MANAGERS AND
AGENTS WANTED.
ATTRACTIVE POLICIES.
DESIRABLE CONTRACTS.
WILL ENTER NEW TERRITORY.

Address,
CHARLES M. TURNER,
General Manager,
Marquette Building, CHICAGO, ILL.

OLDEST
IN
AMERICA

STRONGEST
IN THE
WORLD

THE MUTUAL LIFE
Insurance Company of New York

Mutual Life Agents Make Most Money
Because Mutual Life Policies Sell Most Freely

For terms to producing agents, address

GEORGE T. DEXTER
2nd Vice-President

34 Nassau Street

New York, N. Y.

CLAIMS PAID OVER \$11,300,000. CASH CAPITAL \$300,000.00. RESERVE—SURPLUS—POLICY HOLDERS OVER \$3,200,000.

All forms of Accident, Sickness, Industrial and Liability Insurance

THE

STANDARD

Accident Insurance Co.

Detroit, OF Michigan.

Lem W. Bowen, Pres. E. A. Leonard, Sec.

Metropolitan Department,
C. A. TIMEWELL, Manager,
92 William St., New York City.

The Chronicle.

1866

Published by THE CHRONICLE COMPANY, Ltd., 90 William St., New York City.

1910

VOLUME LXXXV.

New York, June 23, 1910.

NUMBER 25

COMMERCIAL - UNION

ASSURANCE CO.,
(LIMITED)

OF LONDON.

OFFICE;

Cor. Pine & William Sts.

NEW YORK.

"WILL SIGN YOUR BOND"

The Bankers Surety Co.
of Cleveland, Ohio,

"EXECUTES SURETY BONDS OF EVERY DESCRIPTION"

DOLAN, EIBLER & MCGINTY,

General Eastern Agents,

56 Maiden Lane, - - - - - New York City

Phone 1281-2 John

The Northwestern Mutual Life Insurance Co. of Milwaukee

GEO. C. MARKHAM, President
A. S. HATHAWAY, Secretary



New Business Paid-For

1905	.	.	.	.	.	\$ 90,334,038
1906	.	.	.	.	.	93,563,452
1907	.	.	.	.	.	102,233,634
1908	.	.	.	.	.	109,685,428
1909	.	.	.	.	.	113,716,188

Each year larger than any in the previous
history of the Company:

Commenced Business 1858

INSURANCE MEN will note the significant in-
crease in The Northwestern's new business dur-
ing the past five years.

IMPORTANT FACTS relating to this business
are shown by the following percentages:

	Expenses	Mortality	Interest
1905	12.15	67	4.73
1906	11.76	59	4.72
1907	11.81	58	4.76
1908	10.76	59	4.84
1909	10.63	54	4.85

It is capable of easy demonstration that The North-
western is the best Company to insure in.

See The Northwestern's new (1910) policy con-
tract with its Dividend Options, Paid-up and Endow-
ment Options, Options of Settlement and the Premium
Loan Features.

Issues Partnership and Corporation Insurance.
For further information or an Agency, address

H. F. NORRIS,
Superintendent of Agencies.

EDITION ALMOST EXHAUSTED

SAVES TIME AND LABOR

Various Derived Tables

AMERICAN EXPERIENCE

3 and 3½%

BY

MILES M. DAWSON

TABLE OF CONTENTS.

Single Premiums, Pure Endowment.
 Accumulations, Pure Endowment.
 Forborne Immediate Annuities.
 Accumulated Temporary Insurances.
 Accumulated Increasing Insurance.
 Single Premiums Endowment Insurance.
 Single Premiums Temporary Insurance.
 Immediate Temporary Annuities.
 Valuation Columns.
SELECT AND ULTIMATE VALUES.
 Single Premiums, Whole Life.
 Life Annuities.
 Terminal Reserves, Life, Limited Payment, Endowment.
 Mean Reserves, Life, Limited Payment, Endowment.
LOGARITHMS, SEVEN PLACES.
 Forborne Immediate Annuities.
 Curtate Summations of D Column.
 Immediate Temporary Annuities.

USES.

Computing Annual Term Insurance Premiums:
 Divide temporary insurance values by immediate temporary annuities.
Computing Annual Endowment Insurance Premiums:
 Divide endowment insurance values by immediate temporary annuities.
Computing Annual Pure Endowment Premiums:
 Divide pure endowment values by immediate temporary annuities or take reciprocals of forborne immediate annuities.
 By these means, the net extra premium for a special guaranty can be quickly and accurately computed.
Computing Annual Semi or Double Endowment Premiums:
 Add temporary insurance and pure endowment values for proper amounts and divide by immediate temporary annuity.
Computing Limited Premiums:
 Divide the proper single premiums by immediate temporary annuity.
Computing Surrender Values:
 Extended Insurance. Find the temporary insurance value next lower than the sum to purchase extension. This gives even number of years. Apply remainder to pay for additional days according to daily differences in the table.
Extended Insurance with Fractional Paid-up Endowment:
 Deduct from purchase money, value of insurance for unexpired term; multiply remainder by accumulation, pure endowment, to get amount of endowment.
Computing Terminal Reserves:
 Unvarying Benefits. Multiply net premiums by forborne immediate annuity and deduct accumulated temporary insurance.
 Return Premium, Full Reserve. Multiply net premium by forborne immediate annuity and deduct accumulated temporary insurance and accumulated increasing insurance, multiplied by gross premiums to be reduced.
 Return Premium, Extra Reserve. Multiply net extra premiums by forborne immediate annuity and deduct accumulated increasing insurance, multiplied by gross premiums to be returned.
Warranted Commissions for New Business.
Surrender Values.
Dividends.
 For these purposes the "select and ultimate" will be most useful.

SEND ALL ORDERS TO

THE CHRONICLE CO. (Ltd.)

90 William Street, New York.

The Chronicle

VOLUME LXXXV.

NEW YORK, THURSDAY JUNE 23, 1910.

NUMBER 25

MILES M. DAWSON, President.
R. B. Dawson, Treasurer. Chas. D. O'Brien, Secretary.
Emil Schwab, Manager New England Department,
178 Devonshire Street, Boston, Mass.

All communications should be addressed to and remittances
should be made to The Chronicle Company, Limited.
Entered at the Post Office, New York, N. Y., as Second Class
Mail Matter.

PUBLISHED EVERY THURSDAY BY
THE CHRONICLE COMPANY, Limited.
No. 90 WILLIAM ST., NEW YORK.
Phone "567 John." Cable Address, "Chronogram," New York.

Subscription Price:
Three Dollars a Year. Single Copies, Twenty-five Cents.
Postage Prepaid in the United States and Canada.

The Sun's 200th Anniversary.

**"The Sun," of London, Celebrates Its
Bi-Centennial.**

The annual general meeting of the Sun Insurance Office, at the head office of the company, 63 Threadneedle street, London, Eng., on June 1, was a celebration of the 200th anniversary of the company. It showed resources of \$16,000,000 in cash and invested assets, with revenues for the year of nearly \$19,000,000.

An interesting feature of the meeting was the report of the chairman, which included an account of the origin and foundation of the company on April 7, 1710. The founder was Charles Povey, a very remarkable man, a man of great energy and versatility, of varied interests, far-sighted, thoughtful, dreamy, but rather eccentric. Mr. Povey was the author of no less than twenty publications upon all sorts of subjects, particularly pertaining, however, to domestic, economic and social evils, and the remedy for the same. He was in 1705 the publisher of a magazine, "General Remarks on Trade," which gave place to the "British Mercury," which was published by the Sun Fire until 1720 and by other parties until 1738.

Povey Founds "The Sun Office."

In 1709 Povey, who had already been experimenting with fire insurance, decided to start "The Company of London Insurers." This he actually carried out in 1710, and the office, on account of its adoption of the sun as its emblem and mark, was commonly called "The Sun Fire Office." It was the first company to extend its fire

insurance business throughout Great Britain and Ireland and to insure "buildings as well as movable goods."

A Co-Partnership.

The institution was founded by a "deed of co-partnership," there being twenty-four members, each of whom contributed £20, that is, about \$100. The following are three of the most important provisions of the deed:

(1st) That those who sealed and delivered the presents should form a company which should never exceed 24 distinct persons, and that if any share or interest should devolve on a female or infant a deputy should be appointed to act.

(2nd) All losses were to be borne by all members share and share alike, and calls were to be made when required.

(3rd) Profits were to be divided equally amongst the members, and there were other provisions.

As it was provided that the receipts for payments made to the other companies organized by Povey should be accepted for cash in the payment of subscriptions, it is said that "there is reason to believe the new company practically started without any capital."

At the outset the liability was limited and losses up to £500 were to be paid only "if there should be a sufficient amount of money in the bank to satisfy all claims that shall happen in that quarter."

Each person insured was entitled to receive the "British Mercury" three times a week, and arrangements were made for fighting the fire as follows:

There are now actually taken into the service of the company 30 lusty, honest, able-bodied firemen, who are clothed in the liveries and silver badges with the Sun marked upon their arms, who will always be at

hand to assist in quenching fires or removing the goods, etc.

Re-Organization in 1720.

By 1720, according to the chairman's report, "it was considered that the risk was too great for twenty-four persons to bear and it was resolved on September 2, 1720, that each of the twenty-four shares be divided into 100 parts and members were to be at liberty to transfer the whole or a part." This brought the number of shares up to 2,400. £5 per share was called, and there was an intention of calling £15 more, but instead 2,400 new shares were created and £15 each was paid. This gave the institution a real capital of £48,000, divided into 4,800 shares. In 1741 the profits were capitalized to the extent of £24,000, and in 1752 again to the extent of £28,800, bringing the capital up to £100,800.

"Sun Life Office" in 1810.

In 1810, one hundred years after its establishment, the Sun Life Office was founded by the Sun Fire Office, but as a separate society. Four thousand eight hundred shares of £100 subscribed value, £10 each to be paid, were issued, the option being given to the holders of the Sun Fire Office's shares, and a special bonus of £10 per share being declared by the Sun Fire Office to enable the new stock to be subscribed and paid for. The Sun Life Office was for a time under the same management, but this has not been true now for many years.

Extends to Other Countries.

In 1836 the Sun Fire Office extended its business for the first time be-

(Continued on Page 3.)

HUGHES DEMANDS GENERAL INVESTIGATION.

Underwriters are naturally very much interested in the portion of the message of Governor Hughes transmitted to the special session of the New York Legislature on Monday evening of this week, in which he insists that the bill providing for an investigation of legislative and official misconduct should not be hampered by various provisions inserted in the same, while it was before the assembly, apparently for the direct purpose of preventing the investigation from being thoroughgoing and radical.

It is pointed out that by giving the committee full power it is not required to run down every trifling thing which is brought to its attention, but also that if it is not given full power its time and attention may be frittered away by the bickerings of attorneys, by the necessity for formal procedure and the like, and also that the scope of the investigation may be so limited that nothing worth while would be accomplished.

The following is the text of his recommendation in these regards:

Governor's Recommendations.

I further recommend for your consideration the subject of giving a more ample authority for the investigation into corrupt and improper practices in connection with legislation. The disclosures of the past session in the inquiry held by the Senate, and the results of the examinations conducted by the Superintendent of Insurance, created a general conviction that there should be a general complete investigation with regard to abuses of legislative methods. In my message to the legislature of April 11, 1910, I recommended that provision should be made for an inquiry which should be immediate, impartial, thorough, and unsparing. A concurrent resolution has been adopted by your honorable body for the appointment of a legislative committee of investigation. An examination of this resolution, however, has led me to the conclusion that it is important to the public interest that the authority of the committee should be enlarged.

No one can favor the exploiting of baseless rumors or the subjection of the innocent to unjust and harrowing suspicion; but, on the other hand, every effort should be made to disclose, and, if possible, to punish, those who have perpetrated through legislative corruption the greatest wrongs from which the State can suffer. It is due to the people of the State that those who have betrayed their trust or have poisoned the springs of government should be uncovered and branded, and that whether or not this result can be attained, the adequacy

of the measures taken to that end should be such as to secure the public confidence.

Committee Should Have and Use Discretion.

Your committee cannot act outside its powers, and, with respect to a subject not confided to it, it will possess no authority and can compel no evidence. A committee with proper power may use its discretion reasonably to prevent its inquiry from being made an instrument of injustice, but it should have the power essential to accomplish the purpose of its being.

The resolution provides specifically for the investigation of "all corruption and corrupt practices shown to exist by the evidence in the recent investigation had before the senate of the State of New York," and "all matters indicating corrupt practices in connection with legislation which developed in the recent investigation conducted by the Superintendent of Insurance."

It is well that the matters thus referred to should be the subject of inquiry. But the interest of the people of the State is not confined to an investigation of the corruption shown in the senate proceedings or indicated by matters developed in the examination conducted by the Insurance Superintendent. It is just as important that corruption should be exposed whether or not it was brought to light or indicated in those particular investigations.

Verified Charges Not Necessary.

But with respect to other corrupt practices, not so shown or indicated, the resolution provides that the committee is to proceed upon a "specific charge, verified upon knowledge, of corrupt practices of official misconduct in connection with legislation or the legislature or with any matter or proceeding before any State department, board, body or officer."

I have not overlooked the general clause of the resolution relating to any other matters pertaining to the conduct of the business of the State and its officers, but there is danger that its general words may be deemed limited by the specific language above mentioned with respect to corrupt practices. In such a matter there should be no ambiguity.

Representation by Counsel Bad.

The resolution further provides that "any person charged with official misconduct shall be entitled to be represented by counsel and to subpoena and examine and cross-examine witnesses."

It thus contemplates with respect to such matters a virtual trial upon specific charges verified upon knowledge by those who present them. This provision is of such a character and the probability of specific charges verified upon knowledge being presented is so slight that it would seem likely that the actual investigation by the committee of corrupt practices would be limited to what was shown in the senate inquiry or developed before the Superintendent of Insurance. I believe that this is a mistake and that the purposes that your honorable body had in view in providing for an investigation will be attained only by giving such authority to the commit-

tee that it may neither be ignored nor be defied, trusting to its discretion to conduct the investigation in a thorough and at the same time just and reasonable manner.

The Purpose Remedial Legislation.

It should also be remembered that the function of the committee is to investigate to the end that such remedial legislation may be enacted or change of method in the conduct of public business be adopted as will prevent a recurrence of any abuses or evils disclosed. To accomplish this result, I believe, it would be better for the committee to proceed as an investigating committee and not be resolved by a required course of procedure into a trial court.

I also question the wisdom of limiting the power of the committee with respect to charges of official misconduct against candidates for office to those that may be received before September 1, 1910. This may be questioned quite as much in the interest of those unjustly accused as in the interest of the people at large. If charges sufficiently grave to warrant the attention of the committee are currently reported it will not help matters that they may not be the subject of investigation by the committee. If on the other hand the charges are mere baseless rumors designed unjustly to affect a candidate for office, the power of the committee to make a prompt examination will tend not only to discourage their circulation, but will afford an instant opportunity to expose their worthlessness.

I make this recommendation to the end that nothing should be lost through want of power or thoroughness, and believing that a proceeding conducted broadly and with directness at this opportune time will not only result in an improvement of methods with respect to legislative action and procedure, but also protect the honor and dignity of officers of Government who, in the main, in and out of the legislature, are honorably striving to do their duty, and who detest and desire to eradicate the corrupt and improper practices of the few by which they are involved in an unjust and common reproach.

Had Armstrong Committee Been So Limited?

Unquestionably, had the investigation by the Armstrong committee been so restricted, limited and ham-

1860 50th YEAR 1910

HOME LIFE

Insurance Company of New York.

GEORGE E. IDE, President.

Assets	\$23,626,018.63
Liabilities	21,858,691.52
(Including Deferred Dividend Fund)	
Dividend Endowment Fund	2,119,044.00
(Deferred Dividends)	1,767,327.09
Net Surplus	92,532,583.90
Insurance in Force	

The record for 1909 shows the following GAINS:

Insurance in Force	\$4,164,239.00
Assets	1,917,117.00
Deferred Dividend Reserve	148,581.00
Contingency Reserve (Surplus)	655,149.17

pered, many of the most important matters brought out during the investigation would never have seen the light. The amount of work to be performed rendered it absolutely necessary that the most direct and simple processes should be employed, with a view to bringing to light not matters which would cause indictments, and much less with a view to conducting the transaction as if an actual conviction were intended, but instead with a view to preventive legislation. The same thing is evidently imperatively required in the present instance.

Silent on Investigation of Insurance.

It is especially significant that the governor is entirely silent as to the investigation of insurance. His silence upon this point and his insistence that the investigation shall concern itself with its prime object, which is to uncover official and legislative evils and provide against the same, is a plain indication that he does not expect this investigation to turn upon evils in the conduct of insurance companies. At the same time he does not express any desire to eliminate any of those fields of investigation, and, therefore, fire insurance and other forms of insurance, except life (but including industrial life) will fall to be investigated. Since the governor has so strongly emphasized, however, the duty of the committee to address itself to legislative and official misconduct and evils, it will hardly be possible for the committee, even if so disposed, to divert public attention upon the false scent of the mere investigation of company management.

Hard Sledding in the Assembly.

The recommendation of the governor that the investigation resolution be amended, has struck an unexpected snag in the assembly. The rules which govern the regular session were adopted before the governor's message was received. These rules do not admit of an amendment of a resolution which has been passed. In consequence, a new resolution, offered to amend the same, has been declared out of order by the speaker. The whole matter, therefore, will remain in the hands of the ways and means committee, it being free to act upon its own initiative or to refuse to act. It is said that the committee is safely and strongly against taking any action.

A meeting of the executive committee of the American Life Convention has been called to meet in the offices of President Hamilton, of the Federal Life Insurance Company, in Chicago, on Friday of this week.

TUPPER TO MANAGE BANKERS LIFE.

Wilbur S. Tupper, formerly president of the Pacific Mutual Life Insurance Company, of Los Angeles, and more recently manager of the Liberty Life Insurance Company, of this city, has resigned the latter position and assumed, on the 21st inst., his duties as vice-president of the Bankers Life Insurance Company, of New York, with charge of the underwriting operations of the company. He is to have a free hand in developing agents and agencies for the company and generally in its entire underwriting management.

Vice-President Tupper has been regarded the most remarkable success in agency promotion and management and in the building up of a life insurance company, that has been known in the United States in recent years; and the Bankers Life is especially fortunate in securing his services.

The Bankers Life Insurance Company closed the year 1909 with assets of \$1,412,549.29; with surplus to policyholders, including its \$100,000 paid-in capital, of \$232,578.28 over all liabilities, including reserve. In addition to the usual forms of policies it issues thrift policies in denominations of from \$250 to \$900, and monthly premium policies.

Mr. Tupper departs from the service of the Liberty Life Insurance Company with the best wishes of his associates and solely because a more favorable opportunity for the exercise of his undoubtedly great talents had opened to him.

THIRD CONVENTION OF SOUTHERN STATES AGENTS.

The agents of the Southern States Life Insurance Company of Atlanta, Ga., closed, on Wednesday, June 15, their third annual meeting, which was a great success. Membership in the "Anniversary Club" of agents is confined to those who have secured at least \$100,000 paid-for business during the year and no less than eleven of the company's agents qualified for membership.

William L. Meador, general agent at Atlanta, was elected president, succeeding Hugh N. M'Affee, of Atlanta, who was in turn elected second vice-president. J. W. Vinson, general agent at Blakely, Ga., was elected first vice-president.

Seven prizes had been offered for the largest volume of business produced, being trips to New York City, expenses paid, to participate in the reception of ex-President Roosevelt. The first prize was won by Hugh N. M'Affee for the largest volume of

business obtained; the second, by Daniel A. Leon. The other prize-winners were J. C. Yates, Nashville, Ga.; W. E. Hubbard, of Locust Grove, Ga., and W. M. Alexander, of Moultrie, Ga. Mr. Alexander, however, died suddenly on Monday, June 6, H. Willis Hogg, of Viena Vista, Ga., and J. R. Blake, of Abbeville, S. C., were also among the winners.

Robert F. Moore, agency director of the company, was reappointed secretary of the Anniversary Club.

THE SUN'S 200TH ANNIVERSARY.

(Continued from Page 1.)

yond Great Britain, but only six years later, in 1842, a great fire at Hamburg, involving a total loss of £120,000, fell upon it so heavily that no further extension was made abroad for many years. In 1882, however, a branch was established in the United States at Watertown, N. Y., by the purchase of the business of a small American company. In 1906, though the company lost in claims £350,000, its strength was so great "that the managers did not hesitate to make an addition to the ordinary dividend that year." All the claims that could be settled promptly were paid within four months.

From the very foundation until 1892 the board of directors elected others to take the place of those who had died or resigned, and no meetings of shareholders were held, no reports issued and no accounts rendered. Under the act of parliament, taking effect in 1891, this condition was changed, and since that date the management of the company has been along the same general lines as that of other corporations.

The history of the Sun Fire Office is one of the most remarkable records of achievement, taking into account the two sentiments covered by its career, in the annals of insurance in any country.

HARTFORD LIFE

INSURANCE COMPANY, OF CONN.

1909 Policies are Participating, or Non-participating, with Lower Rates and Values based on FULL RESERVE.

For Right Contracts,
Address, Second Vice-President,
Home Office, HARTFORD, CONN.

GRANNISS INDICTMENT DISMISSED.

Hon. Alfred R. Page, justice of the Supreme Court, who was, while in the senate, known as the chief champion of Gov. Hughes and his policies, has just dismissed the indictment that has stood for four years against Robert A. Granniss, formerly vice-president of the Mutual Life Insurance Company. Mr. Granniss, together with Dr. Walter R. Gillette, another vice-president of the company, was at one time indicted for forgery in connection with the preparation of a certain annual report of the company; but this indictment was dismissed after the decision of the Court of Appeals in the case against President Hegeman of the Metropolitan. The only indictment remaining against Mr. Granniss was for a misdemeanor in assisting in the preparation of a report which he did not sign.

No Proof of Improper Intent.

The indictments are dismissed upon the recommendation of District Attorney Whitman and Assistant District Attorney Moss. In these recommendations it was pointed out that it is an open question whether there was any improper intent in omitting certain items; and the inquiry is made why Mr. Granniss, who never signed the report, was indicted while others who did sign it, were not. The communication says "the Grand Jury determined to indict Mr. McCurdy, the president of the company, but reconsidered the indictment on the advice of Mr. Jerome."

The arguments presented by Mr. Jerome, why Mr. McCurdy should not be indicted, it is pointed out, would have applied with greater force to the indictment of Mr. Granniss.

A Very Stale Case.

The following is a part of the recommendations of the district attorney to the court:

The indictment is directed against one man who did not sign the report and as to whom there is no proof of direct participation in its framing. The defendant is charged as one who participated in preparing it. No other participant was indicted. It seems likely that this misdemeanor indictment was obtained in aid of the forgery indictment which has been dismissed. It seems to me that the finding of it was inconsistent with the recommendation that the indictment against McCurdy be reconsidered. It is a very stale case, and I see no probability of success.

These recommendations went first before Supreme Court Justice Vernon M. Davis, who is sitting this month in the criminal branch of the Supreme

Court; but, as he is a policyholder in the Mutual Life Insurance Company, he declined to act. It was then taken before Justice Alfred R. Page, who signed the order in chambers.

Mr. Granniss was represented in the proceedings by Howard Gans, a former member of the staff of District Attorney Jerome.

BOOK REVIEWS.

F. A. Williams, F.A.S., actuary of "La Nacional" Life Insurance Company of the City of Mexico, has prepared full preliminary term tables by the American experience table and 4 per cent. interest, for the usual forms of policies which he has printed in a volume of 64 pages, neatly bound in cloth and selling at \$10. The tables are net premiums, terminal and mean reserves, for 9, 15 and 19-payment life and 9, 15 and 19-payment endowment; also values of temporary annuities, due.

The International Insurance Encyclopedia, volume 1, "Insurance Men, Past and Present," a volume of 700 pages, giving a brief biography of men who have been prominent in insurance circles in all countries, has just been issued. It is furnished, either in cloth, three-fourths morocco or full morocco binding, but only upon subscription to the entire seven volumes, of which this is the first. All orders should be sent to the American Encyclopedia Library Association, 22 Thames street, New York City.

President Hamilton, of the Federal Life Insurance Company, announces that T. W. Appleby, now secretary and actuary of the Central Life Insurance Company of Ottawa, Ill., has been elected secretary and actuary of the Federal Life Insurance Company, and will enter upon his new duties July 1. W. E. Brimstin, who has been acting as secretary of the Federal since R. M. Wilbur resigned his position, has been elected assistant secretary and assistant actuary.

James J. Hill, in an address in St. Paul, before the Brotherhood of Locomotive Firemen and Engineers, warned the men to go slowly with their living expenses, and to save something for a "rainy day," which, he said, "may come at any moment," and which will not last a few months, as in 1907, but will be here for some time." Now is the time to insure incomes.

Charles E. Gardner, for many years in the insurance business in this city, died Sunday at his home in Middletown, N. Y., in his 69th year.

NORTHWESTERN AGENTS TO MEET.

The agents of the Northwestern Mutual Life Insurance Company, of Milwaukee, will meet at the home office on July 19 and 20, at which meeting the following papers will be read: "Goblins of Life Insurance," by John I. D. Bristol, manager, from New York city.

"The Future of the Business," by Robert Reid, of the New York agency.

"Suggestion as Applied to Insurance Salesmanship," by Dean J. R. Street, of the Teachers' College of Syracuse University.

Among the other speakers announced are Hon. Charles Dyer Norton, secretary of President Taft and formerly Chicago general agent of the Northwestern; W. B. VanDyke, son of a former president and himself the newly elected vice-president of the company, and President Markham.

The contract for constructing the steel lock gates for the Panama canal has been awarded to the McClintic-Marshall Construction Company, of Pittsburg, at \$5,374,445. This is the largest single award ever made by the Panama commission, and is bonded jointly by the big four.

T H E PROVIDENT

LIFE AND TRUST COMPANY
OF PHILADELPHIA

Insurance in Force, \$214,509,255.00
(Paid for Basis)

Assets \$70,514,350.45
(Market Value, Dec. 31, 1909)

Contingency Reserve . \$9,207,276.38
(Inclusive of Capital Stock, \$1,000,000.)

The Provident has been particularly distinguished for the development of a highly trained force of agents. The systematic instruction which its agents receive has resulted in their being recognized as representatives of exceptional knowledge of the business and of marked efficiency.

THE AUDIT "TWISTING" SCHEME.

The twisting scheme operated by "audit and abstract companies," which was referred to in a recent number of "The Chronicle," and was examined by a special committee of the Baltimore Life Underwriters Association, turns out to have been a very clever thing.

The idea is that the auditors or abstractors are not to place insurance themselves at all, and they are to be paid for their services by a percentage upon what they "save" the insured. That is to say, they examine one's policies, report to him concerning them and also concerning propositions for insurance made to him and accept as compensation for the service a percentage of the apparent "savings" which he makes by receiving and following their service. They suggest that when a man is in the market for insurance he should send to the companies licensed to do business in his State a letter as follows:

Gentlemen: Please send me your \$1,000 sample policy for my age of 49, at your rate nearest to the net rate of \$34.85 with and without dividends, and with yearly cash and paid-up values specified. The policy payable in one sum with optional limited and continuous instalment reservations. I am not ready at this time to receive agents, but assure you that your best written proposition will receive due and unbiased consideration.

Advice Not All Bad.

When all of these proposals are submitted to the auditors or abstractors, they offer not advice but information. The following advice, however, is given, part of which certainly cannot be objected to by agents:

Exclude verbal statements. Send all samples desired in at one time for examination, and same with analysis will be returned to you promptly. Then select your samples and buy according to sample and through the local agents. Pay the full premium from the beginning. Do not be blinded by a rebate. A rebate indicates overcharges in each premium. We cannot select your companies. We put you in a position to deal on an equal footing with agent and company and intelligently select the form of policy adapted to your individual needs without our knowing where you buy. No member or representative of our company has any authority, permit or license to "place your insurance" or to in any way participate in profits from same.

The contract which the insured makes is to pay "10 per cent. of one annual premium, provided, however, that the annual savings shown on the whole insurance account is in excess of the fee charged."

The game appears to be to induce the holders of participating policies, especially if with deferred dividends,

to believe that they can do very much better by transferring to non-participating plans, whereupon the fee becomes payable to the full amount.

Notwithstanding that the new scheme is not particularly handsome, it appears to be a distinct improvement, both theoretically and practically, upon the vicious twisting plans which are still in use and which might conceivably be displaced by it.

CHICAGO'S "UNION" FIGHT.

In connection with the organization of the new Western Insurance Bureau, the "non-union Union," not much has been said about some of its plans. It is understood that it will adopt the union plan of accepting reinsurance only from other members. This would effect a considerable curtailment of reinsurance facilities of the Union companies. They have taken no reinsurance from non-union companies under the rules, but they have placed a large amount with them.

A foolish report has been published naming about half a dozen Des Moines companies that were likely to join the new organization. This was foolish in that it listed the Atlas among the others, and it has been a member of the Western Union for a number of months. Officers of the other companies claimed to know nothing about their intentions of joining the bureau until they read of them.

It appears that there is not a desire among all members of the bureau for a large increase in membership. The opinion seems to be held by some that there is no great advantage in having all companies possible in the organization, while the more companies the more chances of breach of rules and display of bad faith.

The Atlas Insurance Company of Montgomery, Ala., has been incorporated, with capital of \$100,000, to write health and accident insurance.

The Preferred
ACCIDENT INSURANCE COMPANY
of New York

SUPERIOR POLICIES

KIMBALL C. ATWOOD, President.
290-292 Broadway, New York.

The
Columbian National Life
INSURANCE COMPANY
OF BOSTON, MASS.

LIFE, ACCIDENT AND HEALTH
INSURANCE.

The Only Massachusetts
Non-Participating Company

The New Columbian Policies are
Unexcelled in Clearness and Liberality.

Good Contracts and Territory for
Good Producers.

ARTHUR E. CHILDS, President.

"The Leading Fire Insurance Company
of America."



WM. B. CLARK, President.
W. H. KING, Vice-President.
HENRY E. REES, Secretary.

Assistant Secretaries,
A. N. WILLIAMS, E. S. ALLEN,
E. J. SLOAN, GUY E. BEARDSLEY.

CHICAGO'S GREATEST COMPANY

ILLINOIS LIFE INSURANCE CO.

OLDEST IN CHICAGO **CHICAGO** LARGEST IN ILLINOIS
JAMES W. STEVENS, PRESIDENT

We Guarantee where others Promise

The year 1909 was the most successful in this company's already splendid record of successful years.

INSURANCE IN FORCE
FIFTY MILLION DOLLARS

IN NEW ENGLAND

MASSACHUSETTS FIRE AND MARINE INSURANCE COMPANY STARTS BUSINESS.

Last Saturday noon the Massachusetts Fire and Marine Insurance Company, which was organized on February 28 last, received its license to do business in the Bay State, the \$500,000 capital and \$500,000 surplus, making assets totaling \$1,000,000, having been fully paid in, and all other legal requirements complied with. At 12.15 of the same day John C. Paige & Co., the representatives of the company for Metropolitan Boston, had received their supplies and were doing business for the new organization. Other Massachusetts agents appointed by the company are as follows: Thomas Bevington, Lawrence; Frederick E. Warner, Salem; William E. Putney, Fitchburg; Albert G. Brock, Nantucket; George F. Miller, North Adams; William A. Putnam, Leominster; Edward D. Ellis & Son, Bourne; N. G. Norcross, Lowell; Charles E. Stickney & Co., Springfield; Hamlin & Ladd, Haverhill; Prentice & Viall, Reading. The company has applied for admission to all the other New England States; also to New York, New Jersey, Pennsylvania and Delaware. The Massachusetts Fire and Marine enters upon its business career under most favorable auspices. With its ample resources and the experienced guidance of President E. C. Benton and Secretary Walter Adlard, who is also the managing underwriter of the organization, the company bids fair to add another to the institutions which are a credit to the State from which it takes its name.

Boston Mutual Life Bill Enacted.

As forecasted in last week's issue of this journal, the bill empowering the Boston Mutual Life Insurance Company to establish a guarantee capital of \$150,000 went through all the completing stages of legislation and received the signature of Governor Draper, on Wednesday of last week, the last day of the legislative session of 1910.

A Practical Idea.

A practical means of conveying to the public correct and practical knowledge concerning fire insurance is embodied in the pamphlet entitled "How You Can Save Money on Your Insurance," and issued by the insurance committee of the Boston Chamber of Commerce Retail Trade Board. The committee makes acknowledg-

ment to the Boston Board of Fire Underwriters and to Adam Archibald for many of the suggestions embodied in the pamphlet. Mr. Archibald is the author of the valuable treatise on the "Rationale of Fire Insurance Rating," with special reference to Boston conditions, which appeared in "The Chronicle" of April 21 last, and elicited many expressions of approval from its Boston readers. A few pithy dicta extracted from the pamphlet:

Consult your own insurance man before making your repairs.

Ask the man who writes your policies.

Your improved risk is his advantage.

Talk with the fire underwriters.

The man who wrote your policy added some of the following items to the cost of your insurance. Look them over and see if you can't make a saving with a little more care. (This precedes a list of defects easily corrected).

Insurance is mutual. Help yourself and you help the company.

A pine partition varnished is excellent material for a fire.

When building consult the Boston Board of Underwriters, 55 Kilby street.

New partitions of plaster, brick or terra cotta will save you money.

New England Brevities.

The Boston agency of the Lumber Insurance Company of New York will be transferred on July 1 from the office of George McCoy to that of Adam Archibald. The Lumber Insurance Company, on January 1, had assets of \$537,505 and surplus of \$115,624.

About 70 members of the New England Insurance Exchange attended the annual outing at the Pomham Club, down Providence river, last Friday, and, despite the rain, had an excellent time. There was plenty of good music by Reeves' celebrated American band, plenty of good fellowship (as always) and a dandy shore dinner to top off with.

At last Saturday's meeting of the New England Insurance Exchange J. W. Munroe was made chairman of the Lamville County (Vt.) board and J. W. McClure of the Hancock County (Me.) board. A. H. Wilson, of the Farmers, was elected to active and W. F. Hoyt, of the London and Liverpool and Globe, to honorary membership in the exchange.

The annual meeting of the general agents' association of the State Mutual Life took place at the home office in Worcester on the 14th and 15th inst. The agents were welcomed by President Wright, discussed a variety of interesting topics, and enjoyed an

excursion to Boston and Nantucket. C. W. Anderson, of New York, was elected president of the association, and F. A. G. Merrill its secretary for the ensuing year.

The Hartford Life has concluded to abide by the decision of the court that the safety fund shall be distributed among its assessment certificate holders when the total benefits due them shall have been reduced to the amount of the fund—about \$1,250,000—in years to come. This ends protracted litigation on the matter.

The Philadelphia Casualty has appointed Wakefield, Morley & Co., of Hartford, its general agents for Connecticut, Rhode Island, Western Massachusetts and Southern Vermont.

The Standard Fire of Hartford has been admitted to Indiana, and has applied in Wisconsin.

The New England department of the Pennsylvania Fire issues a quaint bookmark of attractive design.

The Independent Surety Company of New York has opened handsome offices on the ground floor of the Trinity Building, 111 Broadway, and will begin writing business in a few days.

NATIONAL LIFE

Insurance Company,
MONTPELIER, VERMONT.

Established in 1850.
Operating in 37 States.

JOSEPH A. DE BOER, President.

FRED A. HOWLAND, Vice-President
JAMES B. ESTEE, 2nd Vice-President
OSMAN D. CLARK, Secretary
H. M. CUTLER, Treasurer
A. B. BISBEE, Medical Director
C. E. MOULTON, Actuary

This Company held January 1, 1910,
and gained during the past decade:

ASSETS . . .	\$47,490,998.98
GAIN, 167 PER CENT.	
LIABILITIES . .	\$41,661,130.12
GAIN, 162 PER CENT.	
SURPLUS . . .	\$5,829,868.86
GAIN, 211 PER CENT.	
INSURANCE .	\$161,423,115.00
GAIN, 79 PER CENT.	

**Absolute Security and
Economy of
Management**

WHEN ONE GOES WEST.

Local agents in Iowa last week declared in favor of legislation against discrimination and rebating, along the lines of the Kansas law. No attempt was made to outline any form of law desired. State Auditor Bleakly is understood to be working on a bill and the agents merely urged him to prepare it and have it introduced and suggested the Kansas law as a model.

The Iowa agents are confronted by a hard situation. What they want is the privilege of doing business as it is done in most of the States east of the Mississippi river, where there is some stability of rates. The Blanchard anti-compact law prevents this in Iowa. There is no reason to believe that it would be possible to secure the direct repeal of the Blanchard law. Public sentiment in Iowa is too strong on this point. The only alternative, then, appears to be some sort of legislation to prevent discrimination in rates. Well-informed agents do not believe that the legislature will agree to this, unless the State is given some control over the rates. The attitude of the leading companies toward the Kansas law and the recent declaration of the national board against State supervision of rates preclude the probability of any great assistance from the companies in securing the enactment of a law which savors of State supervision.

Under the circumstances the agents believe that an administration measure would have more show of passing than any bill they, as agents, might cause to be introduced, and they are willing to leave the matter to Mr. Bleakly, whose year and a half as head of the insurance department has given him a high reputation for fairness to all parties in interest.

Iowa a Profitable State.

The majority of the companies can afford to be lukewarm in Iowa better than in many other States where conditions are bad. In spite of rate demoralization most of them make money in Iowa. With the agents, however, the situation is different. Those whose agencies ought to be valuable are constantly obliged to meet competition which is not based upon merit or service, but purely on cut rates. With them it is a constant struggle for existence. They, rather than the leading companies, want relief. Some of the Iowa companies, whose main volume of business is exposed to cut-rate competition, appear to sympathize with the agents and to be more willing than are companies doing business in many States to ad-

mit the principle of State supervision as the price for more stable conditions at home.

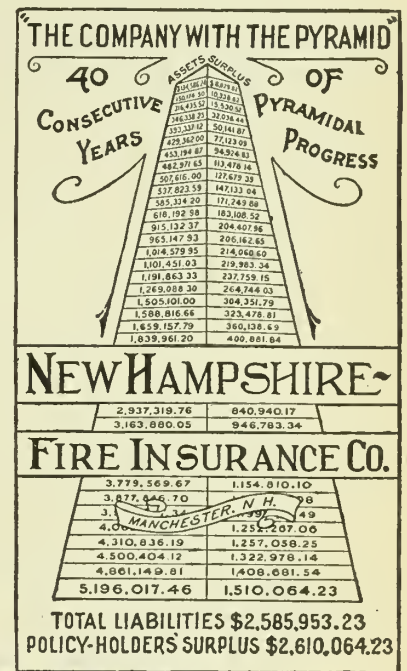
GOOSEY.

This week and next are well filled with field meetings in the West. This week the Illinois State Board met at Lake Delevan, Wis., and the Minnesota and North Dakota Fire Underwriters met at Lake Osakis, Minn. Next week the Illinois Field Club will meet at Lake Delevan; the Wisconsin Field Men's Club, the Wisconsin State Fire Prevention Association and the Blue Goose will meet at Green Lake, Wis., and the Nebraska State Fire Prevention Association and Nebraska pond of the Blue Goose will meet at Omaha.

The Monongahela Fire Insurance Company of Pittsburgh, has been admitted to the co-operating list of the National Association of Local Fire Insurance Agents, in accordance with the vote of the executive committee. The managers of the Monongahela, Whilden & Hancock, have furnished the association satisfactory assurances that it will in every particular support the principles of the association.

W. E. Metzger, of Nashville, Tenn., chairman of the executive committee of the National Association of Local Fire Insurance Agents, has made an assignment for the benefit of his creditors. The Franklin, Phoenix of London and St. Paul are the largest creditors.

E. B. Anderson has resigned as manager of the plate glass department of the Casualty Company of America to follow General Manager Muller, his former confrere, to the land of Ponce de Leon, as manager of agents, Peninsula Casualty Company, Jacksonville, Fla. The development progressing in Florida at the present hour is simply amazing. The seed sown by Plant and Flagler is bearing an abundant harvest and is drawing heavily on the nation's supply of brain and talent.



**OLDEST
IN
AMERICA**

**STRONGEST
IN THE
WORLD**

THE MUTUAL LIFE Insurance Company of New York

**Mutual Life Agents Make Most Money
Because Mutual Life Policies Sell Most Freely**

For terms to producing agents, address

GEORGE T. DEXTER

2nd Vice-President

34 Nassau Street

New York, N. Y.

COMMISSION TO STUDY MUTUAL INSURANCE.

The executive committee of the National Association of Manufacturers in a consultation held at its offices, No. 170 Broadway, New York, decided, on the 21st inst., to send Ferdinand Schwedtmann, chairman of the committee on industrial indemnity insurance, and James A. Emery, general counsel of the National Council for Industrial Defense, to Europe, to visit the most important manufacturing centres in Germany, Austria, France, England, Switzerland, Italy and Norway, and to study the problem of industrial accidents and compensation for the same, from the following four aspects, viz.: humanitarian, legal, economic and indemnity insurance.

Arrangements will be made to meet and consult with experts in all the countries which are visited. The intention is to obtain for the members of the association accurate information as a basis for voluntary accident indemnity insurance, contributions to be made by both employers and employees.

THE NEW "EASTERN UNION."

The "Jury of 15," which came out of the "safety convention" of two or three weeks ago on the subject of the "State of the Union"—Eastern Union," speaking fire-insurancewise—has risen and delivered itself of what seems to be a Scotch verdict. On the face of affairs it seems that everything and everybody is not only anxious and willing, but are willing to actually "conspire" (revised version) to organize once more under some other name than "Eastern Union," retaining only its propaganda.

This "jury" is composed, without exception, of the ablest fire underwriters and administrators on either side of the Atlantic and the evident desire and intent to make the business safe and sane compels attention.

Intelligent co-operation—self-interest—has dominated their deliberations and now it is only necessary to whip the insurgents—or, maybe, one insurgent would be more accurate—into line to make living tolerable for the desirable citizenry of fire insurance companies and eliminate the inevitable vermin that slips into even the best regulated households.

The present result was primarily due to the question of excessive expenses raised by the National Convention of State Insurance Commissioners a year ago. Its effect will extend far beyond that boundary. Governor Hughes' determined atti-

tude, in assembling the legislature of this State in special session furnishes an indication of the possible fury and endurance of the impending storm hovering over all insurance interests excepting the life companies. The life people have had their baptism of the Sullivan type of statesmanship. They have passed under the rod and now the fire and casualty folks will come in for a chastening unless they have their lamps trimmed and burning, all signals set, and are on the "eternal vigilance" list of libertyites.

There is an urgent need that the advice of these acknowledged and accomplished business leaders be followed for the general welfare of all business interests and the National good. The recent wave of demagoguery which swept the country has subsided and reason is resuming its sway. To this end the Eastern Union by that or any other name has a message to deliver and a mission to perform. For that reason it appeals to sound minds and may repel the buccaneers and freebooters of the "Insurance Main."

The Kentucky Court of Appeals has recently held that a life insurance company may under certain circumstances disregard a note that has been taken for a premium, when the note is not paid, and treat the policy as cancelled. The court draws a distinction between a note taken in payment and one taken as evidence of a debt. The latter, under the Kentucky rule, calls for the sale of the security at public sale.

A new arson device has been unearthed at Paterson, N. J., where a young man has been charged with setting fire to his store. The chemical combination he used is made more inflammable by the application of water, and is regarded by the police as the most dangerous yet discovered.

EVOLUTION.

Efforts looking to the organization of a new liability company in one of the Western cities appear to have been abandoned, or at any rate to be kept well under cover. Some weeks ago a promoter whose business brought him into contact with a number of very strong capitalists found them willing to invest in the stock of a new liability company, with a capital of \$1,000,000, provided they first were satisfied that a competent general manager had been secured. They wanted a big man, who must not only understand the liability business and have had long experience in it, but must also have executive ability to fit him for the presidency of a company such as they proposed.

The promoter went to Chicago to look the field over. He got on the track of two men who seemed to meet all the requirements, but was unable to make any impression on them. Neither of them would consider fastening upon a company (for whose welfare he was responsible) such an expense for salary as would compensate for his services.

201ST YEAR.

SUN Insurance Office OF LONDON.

FOUNDED 1710.

UNITED STATES BRANCH:

54 PINE STREET, NEW YORK.

WESTERN DEPARTMENT:

171 LA SALLE ST., CHICAGO.

PACIFIC DEPARTMENT:

Sansome & Sacramento Sts.,
SAN FRANCISCO, CAL.

AGENTS WANTED
AT UNREPRESENTED POINTS.

Most agents take a vacation during a part of the Summer months. The agents of the Philadelphia Life, having the advantage of a direct contract with the Company, can generally be placed in territory where they may enjoy a vacation and at the same time have the advantage of writing business and making money.

Write Perry to-day for contract.

THE STATE RESPONSIBLE.

A few days ago, in this city, a chauffeur was sentenced to fifteen years for manslaughter. It seemed to be a pure case of "joy riding." The pronouncing judge said that he felt that the State was partly responsible through allowing such incapable drivers to have charge of a car on the public highway. That is true enough regarding chauffeurs anywhere, and experience makes it applicable to aviators as well. Sky pilots should learn, or be taught, that other people's chimneys and everybody's trees in parks are not theirs to do with as they please when they want to anchor. Nobody wants to discourage any sport, least of all aviation, but the subject might well receive attention precisely because the art is young, and it is in youth that manners are most easily formed and best retained.

There are at least three parties to this problem—the aviators, the State representing everybody, and those particular citizens or citizenesses, spectators or otherwise, who may suffer particular damage. Happily the interests of all are the same. The aviators cannot wish to kill spectators, or in fact anybody, since that is neither sport, nor in the interests of sport. The State cannot wish to see taxpayers thus diminish in numbers. And the spectators cannot wish to be killed, whether or not they are accomplices before the fact because of their presenting themselves in a place of danger. Presumably, therefore, nobody would object to the suggestion that aviators should not be allowed to aviate at their own sweet will. The capable among them in particular cannot wish to see their profession overcrowded, and should favor the requirement of a certificate of competency before any one is allowed to fly over people's heads and houses and grounds. If any good is to be done the examinations would have to be pretty stiff. It would be a good plan to have the profession consider the subject seriously before it is taken up for them under pressure of regrettable incidents.

It is readily apparent that these new elements of danger must quickly be brought under the underwriting microscope.

EVOLUTIONARY PROCESSES.

The Baltimore companies which recently have had their charters amended will not be able to write their new lines in Iowa until the laws are amended. In casualty insurance, as in several other lines, Iowa has a collec-

tion of statutory regulations which are grotesque. The original idea in the State seems to have been that it was only safe for one company to write one line of business. Accordingly the various casualty and surety lines were divided into groups and a company could write but one. Thus the Hartford Steam Boiler had a monopoly of the boiler business of the State and the Fidelity and Casualty was a burglary insurance company exclusively in Iowa. These laws have since been changed, so that casualty companies can write all lines, but cannot write bonds, and surety companies cannot write any casualty lines except burglary. Thus one general agent at Des Moines has to represent both the Empire State Surety and the American Fidelity in order to write all lines, when either of them would suffice if the law permitted.

This is the ridiculous handicap imposed upon the insurance companies of America in a field which is freely open to the banking and trust companies, a totally unfair and anomalous situation.

STILL WORKING UNDERGROUND.

Otto L. Van Laningham, whose spectacular career as an insurance company promoter has caused so much pain to companies with whose names he has from time to time been connected, has found a new field for his energies. He has gone into the mausoleum business. He has taken the general agency or managership of a company which manufactures a patent mausoleum and will handle the sales for a large territory. He is calling in his old salesmen from various directions and soon will have them traveling out of Chicago presenting to local capitalists the financial advantages of purchasing local territorial rights for the erection of one of these places of entombment.

LONESOME.

Of the companies writing automobile liability in Minneapolis the American Fidelity alone refused to enter the association recently formed for mutual helpfulness and to prevent rate-cutting. It has its own schedule of rates and is writing risks on big cars at five or six dollars less than the other companies.

The Buffalo Casualty, capital \$100,000, for health and accident lines, is reported as under way.

Life Ins. Co. of Virginia

Home Office, Richmond, Virginia.

J. G. WALKER, President.
T. W. PEMBERTON, 1st Vice-President.
W. L. T. ROGERSON, 2d Vice-President.
E. D. HARRIS, Secretary.

The OLDEST Southern Life Insurance Company.
The LARGEST and STRONGEST Southern Life Insurance Company.
The PIONEER Southern Industrial Life Insurance Company.
Its policies are clear and definite in their provisions and their values are absolutely guaranteed.

Assets Dec. 31, 1909.....	\$5,372,691.99
Liabilities Dec. 31, 1909.....	4,312,405.32
Insurance in Force Dec. 31, 1909	68,337,613.00
Total Payments to Policyholders since Organization	9,820,412.49

INCORPORATED 1833.

British America

Assurance Company

HEAD OFFICE, TORONTO, CANADA

UNITED STATES BRANCH.

JANUARY 1, 1910.

Assets	\$1,556,740.94
Liabilities	902,438.61
Surplus	\$ 654,302.33

Hon. GEORGE A. COX, President.
JOHN HOSKIN } Vice-Presidents.
W. R. BROCK }
W. B. MEIKLE, General Mgr.

COME AND PROSPER

Among the 15 largest American companies (excluding industrials) this is our 1909 ranking:

First place in percentage of gain in insurance in force; *third place* in gain over 1908 in amount of paid-for new business.

New business first quarter of 1910 far in excess of first quarter of 1909. Our agents are busy and prosperous—and are not driven by the Home Office.

New York Agency: 1401 Empire Building, 71 Broadway.

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY,
Springfield, Mass.

Incorporated 1851

Employers Liability.

Comparison of Plans of the U. S. Steel Corporation and International Harvester Company.

The following analysis and comparison of the essential features embodied in the respective plans announced by the United States Steel Corporation and the International Harvester Company for establishing relief funds for employes injured, and families of employes killed in work accidents, is furnished by an able contributor. These plans are significant alike to employers and employes because of the present wide-spread interest in the subject of "Employers Liability," and because of the magnitude of the movements instituted by these companies, recognized as two of the largest representative employers of labor in the country. The points of similarity and difference in the two plans are therefore deserving of study, for doubtless they will be taken as the basis for future progress along these lines.

In the following comparison the systems are referred to respectively as the Steel plan and the Harvester plan.

General Features.

Both plans were voluntarily instituted on May 1, 1910. The benefits are available to all employes of the parent and subsidiary companies.

The object is to insure prompt, definite and adequate compensation for injuries resulting from accidents occurring while engaged in the performance of duty and to provide compensation to the widows, children and relatives, who may be dependent upon any employe.

Under the Steel plan, the entire amount of money required to carry out the provisions will be donated by the company with no contributions whatsoever from the employes. Under the Harvester plan, the company agrees to pay certain death, temporary and total disability compensations irrespective of contributions made by employes, but provision is also made for additional temporary disability benefits to be paid to employes who elect to contribute certain portions of their earnings to the benefit fund.

Drawing the Line.

The Steel plan provides greater

compensation in the case of married men than single men. The Harvester plan makes no such distinction.

Both companies announce that benefits provided will be paid regardless of legal liability on the part of the company, but acceptance of any of the benefits will operate as a release and satisfaction of all claims against the company, and the commencing of any legal action whatsoever against the company by any employe or his estate will act as a bar to the recovery of any benefit to which he may be entitled under the respective plans, the Harvester plan providing, however, that in such event the employe shall be entitled to have refunded to him any contributions he may have paid to the relief fund.

No relief fund will be paid for injuries caused directly or indirectly by intoxication of the employe injured, or his use of any drug, or his taking part in any illegal or immoral acts; nor for injuries received other than in the performance of duties or in voluntarily protecting the company's property or interests.

Relief Benefits.

The provisions of the Steel plan for the payment of temporary disablement relief are as follows:

Single Men—Single men who have been five years or less in the service of the company shall receive 35 per cent. of the daily wages they were receiving at the time of the accident. Single men of more than five years' service shall receive an additional 2 per cent. for each year of service over five years. But in no case shall single men receive more than \$1.50 per day.

Married Men—Married men living with their families who have been in the service of the company five years or less shall receive 50 per cent. of the daily wages they were receiving at the time of the accident. For each additional year of service above five years, 2 per cent. shall be added to the relief. For each child under 16 years, 5 per cent. shall be added to the relief. But in no case shall this relief exceed \$2.00 per day for married men. No relief will be paid for the first ten days of disablement nor for a period longer than 52 weeks.

The provisions of the Harvester plan are as follows:

(a) For each working day, or part thereof, during the continuance of disability:

During the first 30 days of disability, 25 per cent. of the employe's average daily pay, and an equal amount paid out of the fund contributed by the employes, if the injured employe is a contributor to such fund.

After the first 30 days, half-pay during the continuance of disability, but not for more than 104 weeks from the

date of the accident.

These disability benefits shall be payable every two weeks, and in no case shall exceed \$20 a week.

Permanent Disability Benefits.

By the terms of the Steel plan the amount of relief which will be paid to employes who have sustained some permanent disablement will depend upon the extent to which such disablement renders it difficult for them to obtain employment, and the amounts which will be paid in cases not specifically mentioned under "Special Benefits" are left to the discretion of the company, it being the intention that this discretion shall be so exercised in all cases as to afford substantial relief, considering the special circumstances of each case and the character and extent of the injury.

The Harvester insurance provides that an employe who has received disability benefits under the plan for the period of 104 weeks, and who is then totally disabled, shall so long as his total disability continues, be paid an annual pension equal to 8 per cent. of the death benefit which would have been payable had the accident resulted in death. Such pension shall not be less than \$10 per month, and shall be payable monthly.

Special Benefits.

As previously stated, under the Steel system, the amount of relief to be paid for permanent disability is made discretionary with the company but in cases coming under the following specific schedule the benefits will correspond as far as possible with the amounts stated below:

(a) For the loss of a hand, 12 months' wages.

(b) For the loss of an arm, 18 months' wages.

(c) For the loss of a foot, 9 months' wages.

(d) For the loss of a leg, 12 months' wages.

(e) For the loss of one eye, six months' wages.

The Steel corporation agrees to provide treatment by surgeons and hospitals of its selection and to furnish artificial limbs and trusses in cases where these are needed.

The Harvester plan provides the following specific special benefits:

(a) Loss of a hand or foot, one and one-half years' average wages, but in no event less than \$500 nor more than \$2,000.

(b) Loss of both hands or both feet,

or one hand and one foot, four years' average wages, but not less than \$2,000.

(c) Loss of one eye, three-fourths of the average yearly wages.

(d) Loss of both eyes, four years' average wages, but not less than \$2,000.

No bills for medical or surgical treatment will be paid by this company unless the medical examiner finds it necessary to provide additional or different medical or surgical treatment, or to remove the patient to a hospital in order to aid prompt recovery.

The Harvester plan provides further:

An employee receiving special benefits shall not be entitled to any other benefits except as specially provided.

If an employee entitled to special benefits dies before the payment thereof, no special benefits shall be paid, but his dependent relatives shall be entitled to death benefits as provided. If an employee who has received special benefits dies as the result of the injury within twelve months of the date thereof, then death benefits shall be paid, but there shall be deducted from such death benefits all sums theretofore paid as special benefits.

No special benefits shall be paid on the basis of annual wages exceeding \$2,000; nor unless the loss of foot, hand or eye shall occur within twelve months after the date of the injury and shall be the direct result of the injury, nor unless written claim therefor be made within 30 days after the loss of the hand, foot or eye.

In case of serious injury, where the employee desires to accept a lump sum in lieu of weekly disability benefits and pension, final settlement will be made on terms agreed upon in writing.

The Steel Plan.

To families of employees killed in accidents in the performance of duty, the Steel corporation will pay the following death relief:

In the case of married men living with their families, who have been in the service of the company five years or less and leave widows, or children under 16 years of age, the company will pay relief to an amount equal to 18 months' wages of the deceased employee. For each additional year of service above five years, 3 per cent. will be added to this relief. For each child under 16 years, 10 per cent. will be added. But in no case will the death relief exceed \$3,000. In the case of single men, the company will pay reasonable funeral expenses, not to exceed \$100.

The Harvester Plan.

The amount of relief provided for death resulting from accidental injury, according to the Harvester plan, is as follows:

If the employee leaves a widow, child or children, or other relatives, dependent upon his earnings for their

support, benefits shall be paid as follows:

(a) If death results from such accident before the expiration of 16 weeks from the date thereof, three years' average wages (but not less than \$1,500 nor more than \$4,000).

(b) If death results from such accident between the end of the sixteenth week and the end of the fifty-second week after the date thereof, two years' average wages (but not more than \$3,000), less all disability benefits paid.

If the employee leaves no widow, children or other relatives, dependent upon him for their support, then reasonable hospital and medical expenses, and a further sum for burial expenses not less than \$75 nor more than \$100.

All death benefits shall be paid to the administrator or executor of the deceased employee, in trust for his widow, children or relatives who were dependent.

No death benefits shall be paid if death result more than 52 weeks after the date of the accident, nor unless a written claim thereof be filed within three months after the employee's death.

If the person entitled to receive death benefits so desires, the company will pay the amount of death benefits in monthly instalments of not less than \$20 each and allow 4 per cent. interest upon all unpaid balances.

Details.

The relief expenditures for employees of the Steel corporation are under the sole charge of a "manager" appointed for each of the subsidiary companies who has full authority and discretionary power with respect to cases arising in the operation of his own company.

The industrial accident department of the Harvester company will be managed by a board composed of five members appointed by the associated companies, but the board may arrange to have the benefits paid and the necessary medical examinations made

(Continued on Page 15.)

After a conference with the officers of the National Association of Local Fire Insurance Agents, President Bishop of the Chicago board appointed a general committee to have charge of the arrangements for the fifteenth annual convention of the association in Chicago on September 12-14. The new La Salle Hotel is to be the headquarters.

Robert B. Armstrong, formerly president of the Casualty Company of America, Philadelphia Casualty and Consolidated Casualty, has returned to journalism in the capacity of financial editor of the "Commercial Journal," Hearst's new Chicago daily.

NO MACHINE AGENTS.

Commissioner Beedle, of Wisconsin, holds that there is already too much uncertainty about casualty insurance contracts and that they require to be standardized, whatever that may mean. For that reason he forbids use of the automatic vending machines in railway stations, hotels and public places. Poor, innocent, helpless silent salesman!

The Dixie Fire, of Greensboro, has decided to subscribe for \$100,000 of the new North Carolina bond issue.

The Connecticut Mutual

That means the best life insurance to have and the best to sell. If you can sell life insurance, you can sell more of it for the CONNECTICUT MUTUAL.

Men of Character and Ability are invited to apply.

Conn. Mutual Life Ins. Co.,
Hartford, Conn.

Please mention this paper.

FOUNDED 1792

118th ANNUAL STATEMENT
INSURANCE COMPANY OF
NORTH AMERICA.
OF PHILADELPHIA, PA.

ASSETS.

	January 1, 1910.
Real Estate	\$ 364,410.00
First Mortgages on Real Estate	373,803.48
Philadelphia, New York, Boston and other City and State Loans	1,134,390.00
Pennsylvania, Philadelphia and Erie, Lehigh Valley and other Companies' Bonds and Stocks	8,909,150.32
Cash in Bank and Bankers' hands	1,134,635.88
Notes Receivable and Unsettled Marine Premiums....	347,440.69
Net Cash Fire Premiums in course of Transmission....	1,069,510.62
Accrued Interest, and all other property	52,160.57

Total Assets\$13,385,501.56

LIABILITIES.

Capital Stock	\$ 3,000,000.00
Reserve for Re-Insurance ..	6,813,862.47
Reserve for Losses	877,250.00
All other Liabilities	104,982.45
Surplus over all Liabilities..	2,589,406.64

\$13,385,501.56

Surplus to Policyholders.....	\$5,589,406.64
Increase in Reinsurance Reserve	349,934.71
Increase in Net Surplus.....	838,500.98
Increase in Assets.....	1,371,438.93

Eugene L. Ellison.....	President
Benjamin Rush.....	Vice-President
T. Howard Wright.....	Secretary
Henry W. Farnum.....	Assistant Secretary
John O. Platt.....	Assistant Secretary

Agencies in all Prominent Cities & Towns.

LIVING FORWARD.

By Prof. Irving Fisher, of Yale.

To the Editor of "The Chronicle":

Buying newspaper space appears to be the latest method of opposing a popular movement. Within a few weeks three enormous advertisements, by a so-called "League for Medical Freedom," have appeared in newspapers throughout the country urging people to write their congressmen in protest against the Owen bill for a National Department of Health. Much to the amusement of congressmen these advertisements have resulted in numerous telegrams, based on the absurd idea that the Owen bill aims to regulate the practice of medicine.

When the League for Medical Freedom suddenly appeared on the horizon our movement had encountered substantially no opposition except among quacks and quack medicine proprietors. On the other hand, our movement has the support of the President, of both political parties, as expressed in their platforms; of scientific, philanthropic, medical and labor organizations and the granges, as well as of the life insurance companies; of Dr. H. W. Wiley, of the Bureau of Chemistry, and of General Walter Wyman, of the Public Health and Marine Hospital Service. The general public will find it hard to believe that these indorsements, especially the hearty indorsement of the life insurance companies, can be in the interest of a "medical trust."

For further information I would refer your readers to Bulletin 41 of the Committee of One Hundred, about to be issued (address Drawer 45, New Haven), to the Senate reports (Nos. 1 and 2) on hearings on S. 6049 (address Senate document room), to House reports of hearings on health bills June 2 to 6 (address document room, House of Representatives), to Senator Owen's speeches (address Senator Owen) and to my report on "National Vitality" (Senate document 419).

As president of the Committee of One Hundred on National Health, I wish to emphasize the following facts:

First—As the inclosed bulletin of the Committee of One Hundred indicates, the real strength of the opposition (to a national department of health) evidently comes from commercial interests, such as the quack medicine interests and others who have reason to fear the pure food and drugs act. While Christian Scientists and other "drugless" cults are denouncing drug doctors and denouncing a "medical trust" which does not exist, these cults are themselves play-

ing into the hands of a drug trust which does exist.

Second—Under our Constitution the Federal Government could not, if it would, regulate the practice of medicine.

Third—The Owen bill contains no provision aiming to regulate the practice of medicine.

Fourth—Section 8 in the Owen bill, the section authorizing the establishment of "chemical, biological and other standards," has been eliminated entirely from the bill, although only a heated imagination could have construed this section as attempting to regulate the practice of medicine.

Fifth—Senator Owen did not prepare his bill at the instance either of the American Medical Association or of the Committee of One Hundred on National Health. It is true, however, that the American Medical Association and the Committee of One Hundred heartily indorse the bill in preference to any of the other numerous health bills now before Congress.

Sixth—The committee of One Hundred on National Health is not a medical organization. It did not originate with the American Medical Association, but with the American Association for the Advancement of Science. It is allied with the American Medical Association only in the same sense that it is allied with labor organizations, farmer organizations, life insurance companies and various other agencies which are working to improve public health.

Seventh—While opposed to fraudulent quackery, which is always imposing "fake" medicines and cure-alls on the public, the Committee of One Hundred on National Health is not devoted to any particular school of medicine to the exclusion of others. Curiously enough, it was a Christian Scientist who moved the appointment of the Committee of One Hundred. I may add that in my report on "National Vitality" to President Roosevelt I put myself on record as favoring "medical freedom." I can indorse almost all of the position on that subject taken by Mr. Flower.

Eighth—A department of health in America, like the department of health in Germany or anywhere else, will have better things to do than regulate the practice of medicine. It will regulate the misbranding of foods and drugs (there's the rub!), the pollution of streams, the inspection of meats and quarantine, and will obtain and distribute information in regard to health of human beings, just as the Department of Agriculture does in regard to the health of hogs and cattle.

The new agents' manual just issued by the American Bonding Company of Baltimore, is on the loose-leaf plan and bound in blue cloth. To facilitate finding rates in it each class of business is designated by pages of a different color; fidelity, canary; judicial, green; contracts, russet; depository and miscellaneous, blue; licenses and notary public, corn; Federal, gray; public officials and short rates, melon, and index, white.

H. R. Willcox, manager for the Mutual Life of New York in North Carolina, has resigned to take effect July 1. Mr. Willcox, whose agency is distinguished by having produced more paid for business in North Carolina in one year than any other in the history of the State, will have charge of North Carolina for the National Life Insurance Company U. S. A.

The growing decrease in coal mine accidents shows that the use of safety devices should be made compulsory.

LEADING FIRE COMPANY OF THE WORLD



FEDERAL LIFE INSURANCE COMPANY CHICAGO

ISAAC MILLER HAMILTON, ; ; President

Admitted assets.....	\$2,447,499.17
Capital stock.....	177,300.00
Surplus apportioned and unapportioned	77,510.61

Excess security to policy holders	254,810.61
1909 insurance in force increased over.....	\$6,300,000.00
Surplus increased over....	100,000.00

HIGH-GRADE MANAGERS AND AGENTS WANTED.
ATTRACTIVE POLICIES.
DESIRABLE CONTRACTS.
WILL ENTER NEW TERRITORY.

Address,

CHARLES M. TURNER,
General Manager,
Marquette Building, CHICAGO, ILL.

A SINGULAR CASE.

On Monday last a Coroner's Jury in this city decided that the inhaling of "irritant fumes" had caused the death of Charles C. Dickinson, former president of the Carnegie Trust Company, who died on May 24, eight days after he was taken from the laboratory of Dr. Lange, an alchemist, of Scranton, Pa.

This verdict was delivered under instruction of Coroners Feinberg and Winterbottom, and was a direct reversal of the sworn report of the physician who performed the autopsy. He said he had failed to find any trace of carbon. It came out at the inquest that after the body had been taken to Kensico Cemetery and made ready for interment, Dr. Schultze, the coroner's physician referred to, appeared on a special commission from the Casualty Company of America, in which Mr. Dickinson carried a \$65,000 accident insurance policy, and performed another autopsy, he having already made one report as coroner's physician. Dr. Schultze said that he had found the tissues between the muscles of the heart defective and that the lungs were unusually small.

Stanton Dickinson, brother of the dead man, testified that he and some other men were in the laboratory the day Dr. Lange was fusing a metal composition with hydrochloric and nitric acids, and that when the fumes arose all those present became nauseated except one man.

Mr. Dickinson, the witness said, hurried to New York, stopping at Wilkesbarre to see a doctor. When he arrived here his family physician sent him to a hospital.

In his charge to the jury Coroner Feinberg said that he and Coroner Winterbottom were convinced that the inhalation of the gas fumes had caused Mr. Dickinson's death.

There is a singularly startling feature about this case, as recited in the daily press. Last week "The Chronicle" gave out the official statement of President DeLeon, of the Casualty, to the effect that an official examination had established beyond question that the death was not due to accidental causes. Sixty-five thousand dollars is a tempting plum. It is tempting both to those who have and haven't and even more so to those who merely serve by standing and waiting in the hope of a dropping.

The National Life U. S. A. reports that their examined business for the month of June to date is far ahead of the business reported for any month for more than two years.

THE SOUTHWESTERN SURETY COMPANY.

The Southwestern Surety of Durant, Okla., has made the required deposit of \$50,000 with Louisiana and has been admitted to do business in that State. This breaks in upon the five surety companies which have controlled the New Orleans situation. Whether it will have an effect upon rates remains to be seen. The new company is said to be independent. The five companies in the field raised rates about a year ago and caused talk of a combination in violation of the anti-trust laws being in existence.

Nelson D. Sterling has resigned his position with the Aetna Indemnity to become secretary of the Burglary Insurance Underwriters Association of America, July 15. E. C. Keating, for fourteen years with the Fidelity and Casualty's burglary department, was also selected as statistician of the association. These two elections highly strengthen the organization and better insure its permanency.

The purchase of the Ocean by the Commercial Union—both of London—mentioned in last week's "Chronicle," has been confirmed. The United States branch office is not to be disturbed. Sir Thomas Hewitt, chairman of the board of directors of the Ocean, is quoted as saying that the companies had made an excellent bargain.

Hon. J. L. Bleakley was renominated at the Republican primaries in Iowa last week, assuring no change in the office of insurance commissioner.

WESTERN ASSURANCE Co.

HEAD OFFICE,
TORONTO, - - CANADA.

Incorporated 1851.

Hon. GEORGE A. COX.....President
W. R. BROCK and JOHN
HOSKIN, K. C. LL. D., Vice-Presidents
W. B. MEIKLE.....General Manager

United States Statement, Jan. 1, 1910.

Assets\$2,377,303.37
Surplus in United States..... 839,268.07

New England Mutual Life

Insurance Company

BOSTON, : : : MASS.

Chartered 1835

Assets, January 1, 1910..\$51,316,543.00
Liabilities 47,050,672.15

Surplus \$4,265,870.85

Sixty-six years of honorable dealing with its policyholders has placed the **NEW ENGLAND MUTUAL LIFE INSURANCE COMPANY** in the front rank of Life Insurance Companies of the Country.

ALFRED D. FOSTER, President.
D. F. APPEL, Vice-President.
J. A. BARBEY, Secretary.
WM. F. DAVIS, Assistant Sec'y.
J. G. WILDMAN, Assist. Sec'y.

EDWARD W. ALLEN, Manager.
220 Broadway, New York.
LATHROPE BALDWIN, Manager.
141 Broadway, New York.
CHARLES H. STRAUSS, Gen. Ag't.
200 Fifth Ave., New York.

E. S. BAILEY, DEALER IN INSURANCE STOCKS,
55 Broadway, New York.

Company.	Capital.	Approx. Annual Div.	Bid When Payable.	Price P.C.	Asked Price P.C.
City of New York.....	\$500,000	10	Q	195	205
Commonwealth	500,000	10	J&J	326	...
Continental	2,000,000	70	"	925	970
Empire City	200,000	8	"	125	140
Fidelity-Phoenix	2,500,000	V	V	290	300
German Alliance	400,000	15	J&J	275	300
German American	1,500,000	30	"	570	575
Germania (\$50)	1,000,000	15	"	285	295
Glens Falls (\$10).....	200,000	30	"	1,500	...
Globe and Rutgers.....	400,000	40	Q	470	...
Hanover (\$50)	1,000,000	10	J&J	190	205
Home	3,000,000	30	"	605	705
Nassau (\$50)	200,000	10	"	105	175
Niagara (\$50)	1,000,000	20	"	305	315
North River (\$25).....	350,000	10	A&O	155	165
Pacific (\$25)	200,000	6	J&J	135	145
Peter Cooper (\$20).....	150,000	10	"	90	105
Stuyvesant	400,000	10	"	155	160
United States (\$25).....	250,000	V	V	60	70
Westchester (\$10)	400,000	35	F&A	455	...
Williamsburg City (\$50)..	250,000	20	J&J	380	400

V—No information.

Q—Quarterly.

PENNSYLVANIA'S SURETIES ORGANIZING.

Pittsburg.

The Surety Underwriters Association of Pittsburg has been organized by representatives of surety companies doing business in Pittsburg. A constitution and by-laws have been adopted and the following officers elected: President, R. H. Cotton, U. S. Fidelity and Guaranty; vice-president, L. V. P. Shriver, Fidelity and Deposit; secretary, Edward Ball, Title Guaranty; treasurer, F. M. Hayes, American Surety. Executive committee: R. H. Cotton, F. M. Hayes, James W. Sweet, National Surety; E. R. Roberts, Title Guaranty, and L. Hays Gott, United Surety. The feature of the association's platform is prohibition of rate cutting and limitation of commissions to 15 per cent., to be paid only to licensed brokers.

Harrisburg.

The Surety Underwriters Association of Harrisburg has been formed with the following officers: President, G. L. Culmerly; vice-president, Howard M. Bird; secretary, C. V. Retter; treasurer, William B. Miller. Executive committee: G. L. Culmerly, H. H. Bretz, R. G. Cox, H. D. Chester and William Essick.

The Norris bill, recently enacted into law by the Ohio Legislature, is said to have increased the liability of employers in the State at least 50 per cent. The Travelers has notified its Ohio State agents to suspend all present manual rates pending the receipt of new tariffs, while other companies have ordered an advance of 50 per cent. over former rates.

In celebration of the seventieth anniversary of the birth of President Seward, which occurs November 8 next, the agents of that company are busily at work in an effort to increase the premium income for the year by \$700,000. It is learned that thus far the ratio of increase for that purpose has been sustained.

The multiplicity of local agents in the smaller towns of the West is shown by New London, Ia., with 1,000 population and twelve local agents, including every banker and barber, the local minister and the manager of the grain elevator.

A \$1,000,000 fire insurance company is being organized in Kansas City, Mo., to be called the Central Union Fire Insurance Company. Surplus will be half a million.

NEW YORK'S LATEST TIME TABLE.

Every second four visitors arrive in New York.

Every 42 seconds an immigrant arrives.

Every 52 seconds a passenger train arrives.

Every three minutes some one is arrested.

Every six minutes a child is born.

Every seven minutes there is a funeral.

Every 13 minutes there is a wedding.

Every 42 minutes a new business firm starts up.

Every 48 minutes a building catches fire.

Every 48 minutes a ship leaves the harbor.

Every 51 minutes a new building is erected.

Every one and three-quarters hours some one is killed by accident.

Every eight and one-half hours some pair is divorced.

Every ten hours some one commits suicide.

Every night \$1,250,000 is spent in restaurants for dinner.

S. H. Chiles, of Dallas, Texas, has joined forces with the National Life U. S. A., taking charge of their interests in Northern Texas. Mr. Chiles was for years State manager in Texas for the Prudential, but upon the passage of the Robertson act, moved his headquarters to Muscogee, Okla. He has decided to return to his former field and will be located at his old home in Dallas from now on.

The expected control of the United Firemens of Philadelphia by Chandler Bros. & Co. has been consummated. General Robert B. Beath will continue as president and the capital increased to \$400,000 with \$145,000 added to the surplus.

The United States Operating Company plans the organization of a casualty company, to be operated through the agency force of the United States Annuity and Life, of Chicago.

The Supreme Court of Connecticut has just held that upon the separation of a Grand Lodge of a fraternal beneficiary society into two grand lodges, the funds must be divided equitably.

IT PAYS THE AGENT

To represent the best company. There are many excellent standard life insurance companies. Which is the best? In stability, progressiveness, liberal contracts to agents and low cost to policy-holders no company surpasses

The Union Central Life Insurance Co. of Cincinnati.

Assets, \$74,523,966.28
Liabilities, \$72,324,302.92

Good openings are occurring from time to time. Address

JESSE R. CLARK, President.
ALLAN WATERS, Sup't of Agents.

Germania Fire

INSURANCE CO.,

NEW YORK.

ORGANIZED 1859.

Cash Capital.....\$1,000,000.00
Assets.....\$6,562,329.14
Net Surplus.....\$2,008,419.02
Surplus for Policyholders,\$3,008,419.02

HEAD OFFICE:

Cor. William and Cedar Streets.

THE HOME LIFE INSURANCE COMPANY OF AMERICA

Incorporated 1899.



THE COMPANY FOR THE AMBITIOUS AGENT who desires to sell "COMMON SENSE" insurance at LOWEST COST, and who seeks, through most liberal first year and guaranteed renewal commissions, to receive just recognition of service. All policies registered, signed and sealed by the Insurance Commissioner of the State of Delaware, making them truly

SAFE AS GOVERNMENT BONDS.

Address Executive Offices, 416-18-20 Walnut Street, PHILADELPHIA, PA.

JOHN LANGHAM, Jr.,
President.

JOSEPH L. DURKIN,
Secretary.

GEORGE M. NETTLESHIP,
Manager of Agencies.

MAIL GUARANTEE.

A recommendation was made to Congress by Postmaster General Hitchcock on Tuesday that a law be enacted to indemnify the senders or owners of third and fourth class domestic registered matter lost in the mails.

The Postmaster General urges that no growth of third and fourth class registered mail can be expected unless indemnity for possible loss can be granted. Refusal to grant such indemnity, he maintains, is an unfavorable discrimination against domestic mail, as an indemnity is provided for the loss of registered packages in foreign mails.

This form of insurance is now written by the Lloyds and foreign marine companies. The Home Fire has also made some motion in that direction and one or two of the surety companies have made a stagger that way without any considerable results. It is an interesting field and whether or not Uncle Sam offers indemnity the big mail order houses and department stores will no doubt continue to use the insurance companies for the very simple reason that there is less red-tape just as an express money order is away ahead of Uncle Sam's so far as convenience is concerned.

EMPLOYERS LIABILITY.

(Continued from Page 11.)

through the organization of the Employees Benefit Association. Should this be done, the association will be reimbursed for all expenses of this department, the intention being that the associated companies will pay all operating expenses, no part of the contributions from any employe to be used for this purpose.

Under the Harvester plan, the deductions to cover the employes contributions for benefits during the first 30 days of disability, as described under "Temporary Relief Benefits," will be made from the employes wages on regular pay-days on the following basis: Employes earning \$50 or less per month, 6 cents per month; earning more than \$50 and less than \$100 per month, 8 cents per month; earning more than \$100 per month, 10 cents per month. It is estimated that these contributions, together with the one-fourth wages paid by the company will be sufficient to provide half-pay for all injured employes during the first 30 days of disability. If experience shows that the employes' contributions are more than sufficient for this purpose, then the employes' contributions will be reduced accordingly. The object of inviting employes to join in contributing to a fund for the

payment of benefits for the first 30 days of disability is to secure their interest and co-operation in the prevention of accidents by making each employe financially interested in guarding against accidents and in seeing that his fellow workmen are equally careful.

The Harvester announcement provides that the "average yearly wages," as used with reference to special and death benefits, shall be computed as follows:

The employers' average daily wages during the year of his employment preceding the date of the accident shall be multiplied by the number of working days in that year. If the injured employe has not been employed for a whole year, then the average yearly wages shall be computed by multiplying such employes' average daily wages, during the time he has been employed, by the number of working days in the year preceding the date of the accident.

The Maryland Casualty has canceled its burglary policies on open stocks in Oklahoma City because of the poor police service. There have been a number of burglaries recently, but the police don't seem to be able to catch even a bad cold. It is expected all the other companies will follow suit.

Recent slight earthquake shocks in Salt Lake City and vicinity have been responsible for closer inspection of fire insurance policies to detect possible lurking clauses. Some agents report an inquiry for policies protecting against earthquake damage.

Robert W. Snyder, well known in Kentucky insurance circles, has been appointed special agent in Kentucky and Tennessee for the Hanover, to succeed Frank M. Drake, resigned.

The North Carolina Underwriters Association held its thirteenth annual meeting last week at Greensboro.

SPECIAL OPPORTUNITIES offered now in Southern States to Representatives of

**CITIZENS
NATIONAL LIFE
INSURANCE
CO.**

W. H. GREGORY,
President.

**THE
Philadelphia Casualty Co.**

WALTER LE MAR TALBOT, Pres't.

Our New Accident Policy Is Perfection.

**It's the Policy Your Client Wants.
It's the Policy That's Easy to Sell.**

**Personal Accident, Health, Liability
Automobile, Plate Glass and
Credit Insurance.**

Agency Correspondence Solicited.

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS is unsurpassed for net low cost and care of Interests of all members.

**THE PENN MUTUAL
LIFE INSURANCE COMPANY
OF PHILADELPHIA**

On January 1, 1909, rates were reduced and values increased to full 3% reserve.

BONDS OF SURETYSHIP.

The Guarantee Company of North America
HEAD OFFICE, MONTREAL

Edward Rawlings, President.

H. E. Rawlings, Asst. Mgr.

Richard B. Scott, Secretary & Treasurer.

It is the Pioneer Company, was established in 1872, and is conducted under a conservative management of over 55 years experience.

It has recouped to employers over \$2,190,000 for losses sustained by the infidelity of employees and has a surplus of \$1,041,423.23 to credit of shareholders and total resources of \$1,919,892.38 for the security of insured.

Branch Offices:

NEW YORK: 111 Broadway,
D. J. Tompkins, Secretary.
BOSTON: 114 Milk Street,
W. A. Hamilton, Agent and Attorney.
CHICAGO: Room 400, The Temple,
J. R. Pruyn, Resident Sec. and Atty.
PHILADELPHIA: 500 Arcade Bldg.
W. H. Jackson, Res. Secretary.
PITTSBURG: 1120 Farmers Bank Bldg.
E. R. Munro, Resident Secretary.
LOUISVILLE: 316 Columbia Bldg.
P. N. Clarke & Co., Agents.

THE GLOBE SURETY ELECTS OFFICERS.

At a meeting of the directors of the Globe Surety Company of Kansas City, Mo., held Saturday, June 18, the following officers were elected:

President—Thomas M. Walker, president of the Atchison Savings Bank, Atchison, Kan., and vice-president of the McPike Drug Company, Kansas City, Mo.

Vice-Presidents—James Van Buren, of Kansas City, Mo.; John R. Mulvane, president of the Bank of Topeka, Kansas, and J. Z. Miller, Jr., cashier Belton National Bank, Belton, Texas.

Treasurer—William T. Kemper, president of Commerce Trust Company.

Assistant Secretary—H. P. Fones, now of the surety department of the Commerce Trust Company.

A secretary will be selected later.

Mr. Van Buren will be the active manager of the business, and it is expected that the Globe Surety Company will commence to do business on or about July 1. The surety and fidelity departments will be the principal features for the present, but casualty lines will be added later.

Local agents in Oklahoma City are asking for lines on the builders' risk of the Nelson Morris packing plant now being erected, and which when completed will carry a schedule in excess of \$3,000,000.

The New York Board of Fire Underwriters has selected Allen E. Clough, adjuster for the London Assurance, to succeed Willis O. Robb as manager of the loss and adjustment bureau.

If you can choose your company,
Why not represent

**"The
GREATEST
Health and Accident
INSURANCE
Company in the World?"**

**CONTINENTAL
CASUALTY COMPANY
CHICAGO**

H. G. B. ALEXANDER,
President.

LEADS THEM ALL

Premiums, 1909, - - \$3,156,000

*"Every time the clock ticks,
Every Working hour,
IT PAYS*

*A Dime to Somebody, Somewhere,
Who is
Sick or HURT."*

**Most Liberal Contracts to Agents.
Most Liberal Policies—Prompt Pay.**

SELL LIFE INSURANCE



Capitalize your energy and ability. Put them into a business that will pay big dividends. Sell Life Insurance for the Prudential.

**IT WANTS AGENTS.
WRITE TO-DAY FOR
PARTICULARS.**

THE PRUDENTIAL
Insurance Company of America.

Incorporated as a Stock Company by the
State of New Jersey.

JOHN F. DRYDEN,
President.

Home Office,
NEWARK, N. J.

SAFETY FUND INSURANCE

NIAGARA

Fire Insurance Company

—OF—

NEW YORK

OFFICE:

46 CEDAR STREET, CITY.

BONDS--CASUALTY

**AGENTS
IF
YOU**

{ Can Command Bond or Casualty business
Are seeking an Agency connection
Are not representing another like Company

ADDRESS, AGENCY DEPARTMENT,

The Empire State Surety Co.
NEW YORK

The Best, Safest, Most Liberal and Most Equitable Forms of Policy Contracts
are issued by the

John Hancock
MUTUAL
LIFE INSURANCE COMPANY
OF BOSTON MASSACHUSETTS

ROLAND O. LAMB, President.

WALTON L. CROCKER, Secretary.

**Issues the Most Perfect Forms of Life, Endowment, Instalment
and Term Policies. Greatest Sellers in the Market.**

LIBERAL CONTRACTS TO THE RIGHT MEN.
ROBERT K. EATON, Supt. of Agencies, Boston.

WILLIAM N. COMPTON, General Agent, Metropolitan District,
St. Paul Building, 220 Broadway, New York.

Royal Exchange Assurance

OF LONDON.

Incorporated by Royal Charter A.D. 1720.

UNITED STATES OFFICE:

92 William Street New York City

UBERTO C. CROSBY, General Manager.

RICHARD D. HARVEY, Assistant General Manager.

COMPARATIVE RESERVE TABLES

BY

MILES M. DAWSON

Consulting Actuary.

Containing Mean and Terminal Reserves for the
usual forms of policies and by the
following standards:

American Experience, Select and Ultimate $3\frac{1}{2}$ per cent.
American Experience, Select and Ultimate 3 per cent.
American Experience, Modified Preliminary Term $3\frac{1}{2}$ per cent.
American Experience, Modified Preliminary Term 3 per cent.
American Experience, Select and Ultimate 4 per cent.
Actuaries', Modified Preliminary Term 4 per cent.
American Experience, Committee of Fifteen, $3\frac{1}{2}$ per cent.
American Experience, Illinois and Tennessee, $3\frac{1}{2}$ per cent.
American Experience, Michigan, $3\frac{1}{2}$ per cent.
American Experience, Wisconsin, $3\frac{1}{2}$ per cent.
American Experience, New Jersey, $3\frac{1}{2}$ per cent.
H^M, Canadian Life Officers' Association, $3\frac{1}{2}$ per cent.
O^[M], Select and Ultimate, $3\frac{1}{2}$ per cent.

THIS covers all the standards, other than the net level
premiums, in use in this country. Tables showing
the first year margins set free by each method of valu-
ation are given.

Send all orders to the Publishers,

The Chronicle Co., Ltd.

No. 90 William St.

NEW YORK

LIVERPOOL & LONDON & GLOBE

NEW YORK OFFICE, 45 WILLIAM STREET.

H. W. EATON, *Manager*
G. W. HOYT, *Deputy Manager*.
B. KREMER, Jr., and T. A. WEED, *Agency Supts*

NEW ENGLAND STATES, NEW YORK, NEW JERSEY,
PENNSYLVANIA, MARYLAND, DELAWARE.
DISTRICT OF COLUMBIA, VIRGINIA,
WEST VIRGINIA, NORTH CAROLINA.
SOUTH CAROLINA, OHIO.
INDIANA, KENTUCKY,
TENNESSEE.

NEW ORLEANS OFFICE, COR. CARONDELET & COMMON STS.

CLARENCE F. LOW, *Manager*
J. G. PEPPER, *Asst. Mgr.*
THOS. H. ANDERSON, *Deputy Asst. Mgr.*

LOUISIANA,
MISSISSIPPI,
ALABAMA,
OKLAHOMA,
FLORIDA,
ARKANSAS,
TEXAS,
GEORGIA.

SAN FRANCISCO OFFICE, 444 CALIFORNIA ST.

CHARLES D. HAVEN, *Manager*.
C. MASON KINNE, *Asst. Manager*.
JOHN W. GUNN, *Deputy Asst. Mgr.*

CALIFORNIA, NEVADA,
OREGON, ALASKA,
WASHINGTON,
ARIZONA,
IDAHO.

ILLINOIS,
MICHIGAN, IOWA,
WISCONSIN, MINNESOTA,
MISSOURI, KANSAS, NEBRASKA,
COLORADO, N. DAKOTA, S. DAKOTA.
MONTANA, UTAH, WYOMING.
NEW MEXICO.

CHICAGO OFFICE, 205 LA SALLE STREET.

W. S. WARREN, *Manager*.
GEO. H. MOORE, *Assistant Manager*.
HUGH R. LOUDON, *Deputy Asst. Mgr.*

INSURANCE COMPANY

ESTABLISHED 1836. ENTERED U. S. 1848.

The statement of the condition of the United States Branch on the 1st day of January, 1910, in accordance with the Laws of the State of New York, is as follows:

ASSETS	\$13,885,802.88
LIABILITIES	8,766,622.58
SURPLUS	\$5,119,180.30

As an illustration of the Company's practice in maintaining its assets in the United States in years of excessive loss, the following figures may interest policyholders:

Year.	Assets at January 1.	Income.	Expenditure.	Excess of Expenditure.
1871	\$3,054,361	\$3,163,901	\$5,122,653	\$1,958,752
1872	3,640,450	3,733,101	4,484,999	751,898
1873	4,165,290			

Thus showing excess of expenditure in the two years of..... \$2,710,650
And increase of assets in the same time of..... 1,110,929

Progress of the United States Branch: Net Fire Premiums: 1848, \$4,519; 1858, \$471,998; 1868, \$1,739,620; 1878, \$2,422,126; 1888, \$3,928,010; 1898, \$4,979,422; 1908, \$7,427,617.63.

LOSSES.—The amount paid in the satisfaction of fire losses in the United States to the beginning of the present year was over \$119,461,623.72. This large sum, in conjunction with the growth of the Company's business, convinces the confidence of the public and the faithfulness with which the Company's losses are adjusted and settled.

The Chronicle.

1866

Published by THE CHRONICLE COMPANY, Ltd., 90 William St., New York City.

1910

VOLUME LXXXV.

New York, June 30, 1910.

NUMBER 26

Germania Fire

INSURANCE CO.,

NEW YORK.

ORGANIZED 1859.

Cash Capital.....\$1,000,000.00
Assets\$6,562,329.14
Net Surplus.....\$2,008,419.02
Surplus for Policyholders,\$3,008,419.02

HEAD OFFICE:

Cor. William and Cedar Streets.

FEDERAL LIFE INSURANCE COMPANY CHICAGO

ISAAC MILLER HAMILTON, : : President

Admitted assets.....\$2,447,499.17
Capital stock..... 177,300.00
Surplus apportioned and
unapportioned 77,510.61
Excess security to policy
holders 254,810.61
1909 insurance in force in-
creased over.....\$6,300,000.00
Surplus increased over.... 100,000.00

HIGH-GRADE MANAGERS AND
AGENTS WANTED.
ATTRACTIVE POLICIES.
DESIRABLE CONTRACTS.
WILL ENTER NEW TERRITORY.

Address,

CHARLES M. TURNER,
General Manager,

Marquette Building, CHICAGO, ILL.

OLDEST
IN
AMERICA

STRONGEST
IN THE
WORLD

THE MUTUAL LIFE Insurance Company of New York

Mutual Life Agents Make Most Money
Because Mutual Life Policies Sell Most Freely

For terms to producing agents, address

GEORGE T. DEXTER

2nd Vice-President

34 Nassau Street

New York, N. Y.

THE American Credit-Indemnity Co. OF NEW YORK.

CREDIT INSURANCE ONLY.

Insures Wholesalers and Manufacturers against Excessive Annual
Loss through the Insolvency of their Customers.

We can always use a few high-grade solicitors.

ST. LOUIS, MO.

NEW YORK, N. Y.

Offices in All Principal Cities.

A. B. TREAT, General Agent,

302 Broadway, : : : : : New York.

EDITION ALMOST EXHAUSTED

SAVES TIME AND LABOR

Various Derived Tables

AMERICAN EXPERIENCE

3 and 3½%

BY

MILES M. DAWSON

TABLE OF CONTENTS.

Single Premiums, Pure Endowment.

Accumulations, Pure Endowment.

Forborne Immediate Annuities.

Accumulated Temporary Insurances.

Accumulated Increasing Insurance.

Single Premiums Endowment Insurance.

Single Premiums Temporary Insurance.

Immediate Temporary Annuities.

Valuation Columns.

SELECT AND ULTIMATE VALUES.

Single Premiums, Whole Life.

Life Annuities.

Terminal Reserves, Life, Limited Payment, Endowment.

Mean Reserves, Life, Limited Payment, Endowment.

LOGARITHMS, SEVEN PLACES.

Forborne Immediate Annuities.

Curtate Summations of D Column.

Immediate Temporary Annuities.

USES.

Computing Annual Term Insurance Premiums:

Divide temporary insurance values by immediate temporary annuities.

Computing Annual Endowment Insurance Premiums:

Divide endowment insurance values by immediate temporary annuities.

Computing Annual Pure Endowment Premiums:

Divide pure endowment values by immediate temporary annuities or take reciprocals of forborne immediate annuities.

By these means, the net extra premium for a special guaranty can be quickly and accurately computed.

Computing Annual Semi or Double Endowment Premiums:

Add temporary insurance and pure endowment values for proper amounts and divide by immediate temporary annuity.

Computing Limited Premiums:

Divide the proper single premiums by immediate temporary annuity.

Computing Surrender Values:

Extended Insurance. Find the temporary insurance value next lower than the sum to purchase extension. This gives even number of years. Apply remainder to pay for additional days according to daily differences in the table.

Extended Insurance with Fractional Paid-up Endowment:

Deduct from purchase money, value of insurance for unexpired term; multiply remainder by accumulation, pure endowment, to get amount of endowment.

Computing Terminal Reserves:

Unvarying Benefits. Multiply net premiums by forborne immediate annuity and deduct accumulated temporary insurance.

Return Premium, Full Reserve. Multiply net premium by forborne immediate annuity and deduct accumulated temporary insurance and accumulated increasing insurance, multiplied by gross premiums to be reduced.

Return Premium, Extra Reserve. Multiply net extra premiums by forborne immediate annuity and deduct accumulated increasing insurance, multiplied by gross premiums to be returned.

Warranted Commissions for New Business.

Surrender Values.

Dividends.

For these purposes the "select and ultimate" will be most useful.

SEND ALL ORDERS TO

THE CHRONICLE CO. (Ltd.)

90 William Street, New York

The Chronicle

VOLUME LXXXV.

NEW YORK, THURSDAY JUNE 30, 1910.

NUMBER 26

MILES M. DAWSON, President.
R. B. Dawson, Treasurer. Chas. D. O'Brien, Secretary.
Emil Schwab, Manager New England Department,
200 Devonshire Street, Boston, Mass.

All communications should be addressed to and remittances
should be made to The Chronicle Company, Limited.
Entered at the Post Office, New York, N. Y., as Second Class
Mail Matter.

PUBLISHED EVERY THURSDAY BY
THE CHRONICLE COMPANY, Limited.
No. 90 WILLIAM ST., NEW YORK.
Phone "567 John." Cable Address, "Chronogram," New York.

Subscription Price:
Three Dollars a Year. Single Copies, Twenty-five Cents.
Postage Prepaid in the United States and Canada.

COLD JUSTICE FULLY EXONERATES HEGEMAN

The New York Law Journal in Blunt Language Tells the Story of the Miscarriage of
Official Persecution.

SUPREME COURT—TRIAL TERM—PART I.

MR. JUSTICE VERNON M. DAVIS

People, &c., v. John R. Hegeman.—This is a motion to dismiss two indictments for perjury against the defendant. Originally there were three indictments referring to similar transactions. One of these indictments was dismissed by consent of the district attorney, and upon a record made under a writ of habeas corpus the questions of law involved were passed upon in succession by the Special Term, the Appellate Division and the Court of Appeals. As a result of these proceedings this latter charge and the evidence to sustain it were resubmitted to the Grand Jury in the fall of 1909. The Grand Jury refused to indict. The remaining two indictments are now before the court on this motion to dismiss. The district attorney, after a careful review of the evidence available for the support of the accusation, in a written memorandum submitted on the motion, expresses the opinion that no jury would convict on the evidence, and if conviction should follow, the judgment would be set aside as against the weight of evidence. He also states that the proof in these two cases is much weaker than that submitted under the charge which was dismissed by the Grand Jury. After an examination of the record as submitted, I have arrived at the same conclusion. Under the circumstances a trial of the indictments, prolonged and expensive as it necessarily would be, and certain to result in ultimate acquittal of the defendant, is not required by any demand of public justice. The motions are granted.—"New York Law Journal."—June 24, 1910.

TEXT OF EQUITABLE DECISION.

The Exact Terms of the Decision of the French Council of State in the Matter of the Equitable and the Republic.

THE following is a translation of the decision, rendered by the Council of State of the French Republic on May 28, 1910, relative to the issues raised in the contest between the Equitable Life Assurance Society and M. Paulet, superintendent of insurance for France, as to whether the French statute, requiring accounting with each individual holder of a deferred dividend policy and the sending of a copy of the account to each

such holder every year, did or did not apply to the policies already in force in the Equitable on the tontine, semi-tontine and free tontine plans, under which it had been agreed that there should be no accounting or distribution prior to the end of the tontine period:

There being no occasion to adjudicate upon the matters of form presented by the petitioning company;

Considering that by the terms of article 7, section 1, of the law of March

17, 1905, when the profits reverting to the assured are not payable immediately after the settlement of accounts of the business year which produced them, and individual account must state each year the portion of these profits apportionable to each of the contracts entered into or performed in France and in Algeria and be addressed to the assured;

Considering that by his letter of December 14, 1908, the Minister of Labor put the Equitable Life Assurance Company under the necessity of addressing the above mentioned indi-

vidual account to the assured whose policies had been issued before the law went into effect;

Considering that though the petitioning company acknowledged that the provision of article 7, section 1, of the law above cited was opposed to the issuance of new policies permitting a deferred participation in profits such as it had till then practiced, and though it in fact ceased to issue similar policies from the date of its request for registration, it refused to give notice of any individual account to the holders of running policies;

Considering that, to establish the legality of this refusal, the company relies upon the fact that, in its old contracts, it was agreed between it and the deferred dividend policyholders that during all the said period of accumulation, it should preserve the freedom of disposing of the sums forming its surplus or accumulated profits, that it should continue to make them figure in its assets and that it was only at the expiration of that period that it should declare a profit and make an apportionment thereof among those interested; that it affirms, in consequence, that there does not exist in its accounts any statement of profits that would revert annually to the assured whose contracts continue to be governed by the provisions above referred to and that it cannot, for that reason, state them in individual accounts addressed to each of them;

Considering, it is true, that the Minister contends that the making out of individual accounts, which, by the above cited letter, he ordered to be sent to those interested, would constitute a mere measure of control, not conferring upon the assured any new right and not taking from them any of those rights which might belong to them, and that in consequence it would not impair contracts concluded prior to the law of 1905;

But considering that it results from the preparatory studies as well as from the very text of article 7, section 1, of the law above cited that the individual accounts provided for by that article have not the restricted import which the Minister attributes to them; that in virtue of the law the sums which they state and which are no longer capable of any modification are carried to the credit of each assured who will become absolute owner thereof if, at the agreed period, he has still the character of an assured; that, in consequence, these sums must each year figure in the liabilities of the insurance company;

That thus this provision of the law has for its object not merely to enact a measure of control but in addition to impose upon companies a mode of apportionment of profits absolutely different from that which the old contracts entered into by the petitioning company with its assured had in view;

That those agreements, prohibited in the future by the law of March 17, 1905, were not contrary to any law at the time when they were entered into, and that the Government could oppose their performance only if the new law by an express retroactive provision had declared them void;

Considering that article 7, section 1,

in contradistinction to the temporary provisions contained in title 5 of the law, has no retroactive character and that it is applicable to existing contracts only so far as it does not modify the respective stipulations of the parties;

Considering that from the preceding, it follows that in ordering the Equitable Life Assurance Company to address to its old policyholders an annual account of profits, the Minister has made an incorrect application of article 7, section 1, of the law and that the decree which declared the withdrawal of the registration of the company for its failure to comply with that order, is in excess of his powers;

Held: The decree above referred to is annulled.

MEDICO-ACTUARIAL MORTALITY INQUIRY.

The final arrangements for proceeding with the new medico-actuarial mortality investigation, set on foot by the Actuarial Society of America and the Association of Medical Directors, have now been made; and a committee, consisting of Arthur Hunter, actuary of the New York Life Insurance Company, chairman; A. A. Welsh, vice-president of the Phoenix Mutual Life Insurance Company, and Dr. Symonds, medical director of the Mutual Life Insurance Company, has been constituted, to establish a central bureau to receive data and prepare the material. The offices of the bureau are at 346 Broadway, New York.

Invitations to contribute experience have been limited to companies which have representatives in both the Actuarial Society and the Association of Medical Directors. It is said that all of these have accepted and will co-operate.

Among the changes which have been made from the original program is that provision is to be made to test the "Modified Healthy English Table" as a standard for the calculation of expected mortality. This will be done by means of investigation of portions of the data which are unaffected by occupational dangers and are otherwise normal.

There is also to be something of an investigation in regard to the effect of residence in different parts of the country upon mortality among those who are otherwise normal.

Aside from this, the investigation will be strictly in regard to the mortality of classes of risks which have been accepted as sub-standard, that is, have been treated as not entitled to be insured at the usual rates.

There is, however, a special investigation in regard to the mortality by "build," in which underweights and overweights will be compared with the mortality among those who are of normal build.

THE TRAIL OF THE AUDIT.

The June number of the "Life Association News" contains a very full account of the excitement in various neighborhoods caused by the operations of the J. F. Kight Audit and Abstract Company, of Indianapolis. It prints in full the report of the special committee of the Baltimore Life Underwriters Association, to which "The Chronicle" has twice referred, and also the report of the committee of the Cincinnati association received from various attorneys and others who have had to deal with the matter.

It appears that there is one case in Detroit where, after the auditing and abstracting had been made, the policyholder concluded that, should he follow the suggestions, he would be a loser. Notwithstanding this, the audit and abstract company undertook to collect a fee, on the basis that it had shown a way in which a saving might be made.

A similar case has arisen in Cleveland. The policyholder again concluded that, should he follow the advice, he would not make a saving but would be financially a loser.

It appears from all returns that almost the sole activity of the concern is stirring up dissatisfaction with life insurance policies which are already in force and thus giving special encouragement to twisting.

The committee of the Cincinnati association claims to have found the following in one of the abstracts provided by the concern, viz.:

"Endowment insurance is a bad form of contract for any one regardless of age or position in life. Moral—Keep all forms of investments out of your policy contracts and at death both your insurance and investments will belong to your beneficiary or estate."

The

Columbian National Life INSURANCE COMPANY OF BOSTON, MASS.

LIFE, ACCIDENT AND HEALTH INSURANCE.

The Only Massachusetts
Non-Participating Company

The New Columbian Policies are
Unexcelled in Clearness and Liberality.

Good Contracts and Territory for
Good Producers.

ARTHUR E. CHILDS, President.

To Succeed the Eastern Union.

IN THE course of a two hour session in this city yesterday the Fire Underwriters Association, a body designed to succeed the Eastern Union, was formally organized by the election of Henry W. Eaton as president, and J. B. Branch as vice-president, and the selection of an executive committee. A letter from the committee of New York insurance brokers, arguing against the reduction of commissions to brokers in New York City, was referred to the executive committee, and action was deferred until this committee should make a report. The meeting yesterday was called to order by Frank Lock, and was devoted chiefly to a discussion of the work of the association. The plan of organization for the new association follows:

Article I.—Name.

The name of this association shall be "The Fire Underwriters' Association."

Article II.—Object.

Its chief object shall be the reduction of the expense of conducting the fire and tornado insurance business in all territory under its jurisdiction, to the end that the cost to the insuring public may be reduced to the minimum.

Article III.—Territory.

The territory shall comprise the States of Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Pennsylvania, Delaware, Maryland, District of Columbia, Virginia, West Virginia, North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, Louisiana, Texas and Arkansas, and such other territory as may be taken on by vote of the association, except those States where such an agreement may now or hereafter be contrary to law.

Article IV.—Membership.

The membership of the association shall consist of the executive officers, managers and general agents of association companies authorized to do business in the States under the jurisdiction of the association.

No member shall have power to vote on any subject pertaining solely to a territory over which he has no jurisdiction. On any subject under consideration a single vote only shall be cast for each company represented.

New members can be elected by 80 per cent. vote of the membership.

No member shall be represented at any meeting by a substitute except by unanimous consent of the members present, taken when the proposed substitute is absent from the room.

Article V.—Withdrawal from Membership.

No member shall be permitted to withdraw from the association except upon unanimous consent until three

months after notice of intended withdrawal shall have been given in writing to the secretary, and any member withdrawing without such notice or violating the rules and regulations of the association while such intended withdrawal is pending, shall be deemed to have forfeited his honor, and subject to penalties to be hereafter provided; it being understood that at the end of such three months, and on such withdrawal any other member may withdraw at the same time, provided he shall have given at least five days' notice in writing to the secretary of the association of his intention to do so. Notices shall be sent immediately to all members of all such notices of withdrawal.

Article VI.—Bulletin.

The association shall provide for the publication of a bulletin, as a means of communication between members, the contents of which shall be treated as strictly confidential. All communications appearing in the same shall be answered by each member within forty-eight hours of receipt.

Article VII.—Obligations of Members.

The obligation of each member shall be based upon his personal honor and good faith.

Members of the association shall, as such, represent all companies under their management or control, and shall in their behalf be subject to all association rules, and shall secure formal membership in behalf of all such companies.

Each member shall be responsible for a violation of these obligations by any of his subordinates.

The executive committee may, in its judgment, interrogate any member regarding his observance or non-observance of the rules of the association, and any member so interrogated shall be obligated to reply promptly.

Article VIII.—Officers.

There shall be a president, vice-president, treasurer and secretary, which two latter may be the same person, who shall be elected annually at annual meeting, and who shall hold office until the end of the meeting at which their successors shall have been elected.

Article IX.—Committees.

Standing committees as follows shall be appointed by the president, and shall be constituted so as to give opportunity for all interests to be equitably represented, the chairmanship of such committee to be elective by the committee themselves.

There shall be an executive committee of fifteen members, the membership of which shall be divided among companies having large and small incomes, both American and foreign, which in its formation shall represent all classes of membership in the association. The president shall in making appointments to the executive committee see that the various portions of the field under the jurisdiction shall be fairly represented. Such

committee shall at its first meeting be divided by lot into three classes, each consisting of five members, so that the term of office for the first class shall expire at the end of the first year; for the second class at the end of the second year; and for the third class at the end of the third year. No member shall be eligible for reappointment until one year after the expiration of his term of service. After first year members to be appointed for three years.

The executive committee shall exercise the full powers of the association as expressed in its constitution and by-laws during the intervals between association meetings. It may employ such salaried force and rent such quarters as may be necessary for the proper carrying out of the purposes of the association.

There shall be a bulletin committee, consisting of three members which shall have entire charge of the bulletin, with power to reject any communication which shall be deemed injurious to the welfare of the association.

Article X.—Meetings.

Regular meetings of the association shall be held quarterly at such places as may be appointed by the executive committee. Special meetings may be called by the executive committee on its own motion or by the president on

SPECIAL OPPORTUNITIES offered now in Southern States to Representatives of

**CITIZENS
NATIONAL LIFE
INSURANCE
CO.**

W. H. GREGORY,
President.

The Employers' Liability

Assurance Corporation, Ltd.

**LIABILITY, STEAM BOILER,
ACCIDENT, HEALTH, FIDELITY
and BURGLARY INSURANCE.**

UNITED STATES BRANCH.

**SAMUEL APPLETON, United States
Manager,**

**Employers' Liability Building,
33 BROAD STREET, BOSTON, MASS.**

**EDMUND DWIGHT,
Resident Manager for New York State,
66 MAIDEN LANE, NEW YORK.**

AGENTS WANTED.

receiving a request for same signed by five members.

Article XI.—By-Laws and Rules.

The association shall have the power to make such by-laws and rules or amendments to the constitution as may be necessary for its welfare. All such may be enacted or amended by an affirmative vote of 80 per cent. of membership. Members not present at the meeting may vote by mail within two weeks after a meeting at which a by-law or rule or amendment is voted on.

By-Laws.

Section I.—Remuneration and Allowances to Agents and Brokers.

(a) In the following territories the brokerage on fire and tornado risks shall be limited to not exceeding 10 and 15 per cent. on classes hereafter enumerated:

New York Fire Insurance Exchange.

Boston Board of Fire Underwriters, inclusive of their Metropolitan district.

Philadelphia Fire Underwriters Association.

Delaware County, Pa.

Allegheny County Board of Fire Underwriters.

Association of Fire Underwriters of Baltimore City.

Fire Insurance Society of Newark, N. J.

In the territory of the Suburban Fire Insurance Exchange of New York, brokerage of 10 per cent. only may be paid.

In all of the above territory an overriding commission to policy writing agents shall be allowed of not exceeding 10 per cent. (save exceptions noted below), together with an allowance of not exceeding 1 per cent., which shall cover all agency expenses, such as postage, exchange, advertising, maps and map corrections, and all other charges excepting local board expenses.

On dwellings and their contents, private barns and their contents, occupied exclusively as such, 15 per cent. brokerage may be allowed. On all other classes 10 per cent. brokerage may be allowed.

(b) On all classes of risks located in territory not before mentioned a commission to agents shall be allowed of not exceeding 15 per cent., with an allowance of not exceeding 1 per cent., which shall cover all agency expenses, such as postage, exchange, advertising, maps and map corrections, and all other charges excepting local board expenses.

(c) The commission and brokerage rules of this association shall not apply in the non-expected or ordinary portion of the territory under the jurisdiction of the association until the association has perfected and made mandatory rules reducing commissions and brokerages, in accordance with the terms of this agreement, in the excepted portion or portions of the territory.

(d) No member shall allow, either as brokerage or commission, except to duly commissioned agents authorized to bind risks, over 10 per cent. on any policies written at the head office of his company or at any branch or agency office, covering property located in 15 per cent. territory.

(e) The appointment as agent of

any official or representative of any church, school, college or public institution, for the purpose of receiving commissions for policies issued thereon is prohibited.

Section II.—Salaried Agents.

(a) One salaried agent may be employed by a company or by companies jointly which are under the same ownership or control in any city having a population of at least 100,000 as per latest census. Such agent shall be under the same restrictions as to brokerage as are imposed upon other agents. Such salaried agents shall not represent any other company. This clause does not relate to companies maintaining now or hereafter in such cities branches at which the entire cost is borne by such companies, and where all remuneration shall accrue to the company maintaining the branch office.

The names of all salaried agents shall be filed with the secretary, together with a statement of the territory covered by them. Such appointments shall be revoked by any member should the executive committee upon investigation decide that they controvert the spirit or letter of these rules.

(b) The appointment of an agent as a salaried representative who at the time of his appointment represents or has within six months represented as agent such other member or members of this association, is forbidden.

(c) Officers or salaried employees at the head offices of companies members hereof may act as agents of other companies also members hereof, at the rates of commission permitted by the rules of this association.

Section III.—General Agents.

(a) General agents under the meaning of this rule are defined as those who receive and pass upon daily reports of agents in the territory under their jurisdiction and have in other respects entire supervision of such such agents.

It is understood that the intent of these rules is to prevent the appointment or maintenance of general agencies for the purpose of influencing the business of a local agency by the payment of excess commissions.

(b) All members having general agencies within the territory covered by this association—whether the same were established prior to the formation of this organization or subsequent thereto—shall be required to file within 60 days with the secretary ((to be published in the bulletin), the names of such general agents and a statement showing where their head office is located and the territory over which their jurisdiction respectively extends. Any such appointment hereafter made shall be reported and published in the bulletin in like manner.

(c) If upon investigation the executive committee shall be satisfied that any such appointments have been made or are in effect contrary to the spirit and intent of the rules of this association, such appointment or appointments shall at their request be revoked, provided, however, that any member required to revoke any appointment may appeal to the association against the decision of the executive committee at any general meet-

ing and the decision then reached shall be final.

(d) No general agent representing a member of this association shall also represent as general or special agent a company not a member of this association in the territory of this association.

Section IV.—Special Agents.

(a) No member shall be represented by a special agent who also acts as special agent for a company not member of this association.

Section V.—Observance of Tariff Rates.

(a) Members are obliged to observe all tariffs of rates recognized by this association where not prohibited by law.

(b) Members of this association shall not recognize or support tariff organizations other than local boards which do not adopt the brokerage and commission rules of this association.

(c) Members of this association shall not recognize or support local boards, including those in the large cities mentioned in section I., which do not adopt the brokerage rules of this association.

Section VI.—Duties of Officers.

(a) The president shall preside over all meetings of the association, and shall appoint all standing committees of which he shall be a member ex-officio.

(b) The vice president shall preside over all meetings and have the same powers as the president, in his absence.

(c) The secretary shall keep record

NOTEWORTHY ADVANCE.

The BERKSHIRE LIFE Insurance Company,

OF PITTSFIELD, MASSACHUSETTS,

takes an advanced step in the interest of the policyholder by the adoption of the following liberal features in its new policy contract:

Low premium rates.

Large surrender values.

Dividends at the end of each policy year.

Thirty-one days of grace in payment of all premiums after the first year.

Paid-up insurance or cash surrender value or extended insurance after two years' premiums have been paid.

Loans for the full cash surrender value.

Policy payable in one sum or in installments for terms of years.

Policy has no restrictions upon residence or travel and is incontestable after the first policy year, except for non-payment of premiums.

Right of the insured to change the beneficiary.

Liberal re-instatement privileges.

Every effort has been made to make this new policy the very perfection in a life insurance contract.

For further information apply to
JOHN H. ROBINSON, General Agent
FRANK ALLEN, Associate General Agent
For New York and New Jersey,
Postal Building,
253 Broadway, - - - NEW YORK.

of the proceedings of all meetings of the association, and when practicable, of the proceedings of meetings of all standing committees; maintain suitable offices and office records; publish bulletin subject to the direction of the bulletin committee, and perform such other duties as the office may entail, subject to the control of the executive committee.

(d) The treasurer shall receive all funds, maintain suitable records and properly care for all funds of the association, it being necessary to have the approval of two officers of the association on each voucher. (The signature of any two officers, including the chairman of the executive committee, will be sufficient.) Statement of all transactions showing balance on hand and how held shall be made to the association at each annual meeting, or oftener if called for by the executive committee. Such statement to be first audited by a committee appointed for that purpose.

Section VII.—Reinsurance.

(a) There shall be a system of inter-reinsurance between members operated through a central office in charge of the secretary, who shall have power to bind members within duly authorized limits upon risks offered by members.

(b) The privilege of the inter-reinsurance who desire to participate in its membership, and who shall have signed the agreement controlling its operation.

(c) No member shall accept reinsurance from a non-association company on any risk located in the territory of the association.

(d) No member by policy, contract, or otherwise, shall give reinsurance to a non-association company on any risk or risks located in association territory, until such reinsurances have been offered to members through the reinsurance bureau, hereinbefore provided.

(e) This rule does not apply to head office reinsurance contracts made with reinsurance companies who do not transact a direct policywriting business.

The foregoing sections do not apply to steam railroad business.

Section VIII.—Membership in Bureaus.

(a) Every member of this association shall be eligible, on application, to membership in any organization made up of members of this association, for the control of any particular class of business or for inspection purposes. None of the members of this association shall in the future form or be connected with any organization of agreement for the control, solicitation, inspection, or exploitation of any class of business which is not open to all members.

(b) Membership in all such organizations shall be confined to members of this association.

This rule shall not apply to the National Board of Fire Underwriters.

Section IX.—Deviations and Penalties

The executive committee shall have power to examine the books of any company alleged to have deviated, and also to examine under oath the officers of such company. The committee shall, when necessary, or desirable,

employ a professional accountant or auditor, who shall have power to examine the books of any company alleged to have deviated. The refusal of any such officer or member to testify to any question pertinent to the complaint or his refusal to submit to the examination ordered by the executive committee shall be deemed an admission of the truth of the charge under investigation.

The executive committee shall impose a penalty or fine of not less than \$100 and not exceeding \$1,000 for any one violation of the rule. Penalties shall be paid within thirty days from the date of the notification of finding and before an appeal may be made.

Appeals from the decision of the committee may be made at any meeting regularly called, notice of such appeal having been previously given to each member of the association, and the finding shall be confirmed unless 80 per cent. of the members present shall vote otherwise. If an appeal be successful the fine to be remitted.

(a) Charges Against a Fellow Member.—In case any member shall report the dereliction of any other member coming to his knowledge, it shall be optional with him to make a charge in writing, over his own signature, to the executive committee, or he may, in preferring charges, first submit the actual or supposed facts to two or more members, who shall, if they are thought by them to be sufficiently reasonable and clearly warranted, unite with him in making the charges, which must be in writing; the members so uniting in the charges may report to any other member of the executive committee or to the secretary, who shall not in any way, directly or indirectly, indicate the names or identity of such members. Said executive committee shall thereupon investigate the charges.

Pledge of Member.—I hereby agree for myself and all companies which I represent that I will observe the foregoing agreement and all the rules and regulations of the Fire Underwriters Association, in letter and in spirit, until I am released from its obligations, as therein provided. I will immediately modify when so notified to do, any agreement, contract, or understanding with agents, brokers, or others, not in accordance with its provisions, nor will I make any contrary to such while I am a member of this association.

The undersigned companies assent

to the foregoing and express their willingness to co-operate in enforcing the same, provided that in advance of the agreement being put into operation a general meeting be called of all the signers before final commitment is made by the subscribing companies.

It being understood that at such general meeting the representative of any company assenting thereto shall be at liberty to withdraw his assent if dissatisfied with the number of those assenting or on account of the abstention of those whose co-operation is deemed essential to the effective enforcement of the agreement.

Signature of
Member to foregoing
Agreement and pledge
The progress of the work of getting

WESTERN ASSURANCE Co.

HEAD OFFICE,
TORONTO, - - CANADA.

Incorporated 1851.

Hon. GEORGE A. COX.....President
W. R. BROCK and JOHN
HOSKIN, K. C. LL. D., Vice-Presidents
W. B. MEIKLE.....General Manager

United States Statement, Jan. 1, 1910.

Assets\$2,377,303.37
Surplus in United States..... 839,268.07

MEN OF ENERGY ARE OFFERED WORK OF MOMENT

In desirable localities representing a sixty-year old institution, with modern, liberal, law-conforming policies, and helpful Home office co-operation. Much good territory available. Many opportunities for advantageous positions. Inquire NOW.

UNION MUTUAL LIFE INSURANCE COMPANY PORTLAND, MAINE

FRED E. RICHARDS, President.

Address either: ALBERT E. AWDE,
Supt., 396 Congress St.,
Portland, Maine.
THORNTON CHASE,
Supt., 405 Exch. Bldg.,
Los Angeles, Cal.

BONDS OF SURETYSHIP.

The Guarantee Company of North America

HEAD OFFICE, MONTREAL

Edward Rawlings, President.

H. E. Rawlings, Asst. Mgr.

Richard B. Scott, Secretary & Treasurer.

It is the Pioneer Company, was established in 1872, and is conducted under a conservative management of over 55 years experience.

It has recouped to employers over \$2,190,000 for losses sustained by the infidelity of employees and has a surplus of \$1,041,423.23 to credit of shareholders and total resources of \$1,919,892.38 for the security of insured.

Branch Offices:

NEW YORK: 111 Broadway,
D. J. Tompkins, Secretary.
BOSTON: 114 Milk Street,
W. A. Hamilton, Agent and Attorney.
CHICAGO: Room 400, The Temple,
J. R. Pruyn, Resident Sec. and Atty.
PHILADELPHIA: 500 Arcade Bldg.
W. H. Jackson, Res. Secretary.
PITTSBURG: 1120 Farmers Bank Bldg.
E. R. Munro, Resident Secretary.
LOUISVILLE: 316 Columbia Bldg.
P. N. Clarke & Co., Agents.

signatures to the agreement is indicated by the list of the chief companies which have not signed:

Aachen & Munich, Adirondack, Albany, American of Philadelphia, American National of Illinois, Austin, Buffalo Commercial, Buffalo German, Calumet, Capital, Commonwealth, Concordia, Continental, Dallas, Detroit, Dubuque, Dutchess, Farmers, York; Fidelity-Phenix, Firemen's, New Jersey; Franklin of Wheeling, German of Baltimore, German of Peoria, German-American, Baltimore; Girard, Globe-Rutgers, Imperial of Denver, Insurance Company State of Pennsylvania; Jefferson, Philadelphia; Lumber, Lumbermen's, Law Union and Rock, Mechanics, Philadelphia; Michigan, Milwaukee, Milwaukee Mechanics, Milwaukee German, National Lumber, Newark, Northwestern National, Pacific, Rhode Island, St. Paul, Shawnee, Spring Garden, Standard of Trenton, Stuyvesant, Teutonia of Louisiana, Union of Philadelphia, United Firemen's, Virginia, Washington of Seattle, Western Reserve, Williamsburgh City.

RATES IN GERMAN TOWNS.

There has arisen in Illinois an interesting question in rating which is giving fire underwriters something to think about and in some instances to wrinkle their brows over. Down near East St. Louis there are several towns populated mostly by Germans. Most of the inhabitants own their own homes, and private premises as well as the streets are kept very clean. Naturally the loss record of these towns has been excellent. For years they enjoyed lower rates to which they apparently were entitled. But under schedule rating there is no mathematical way to take cognizance of all these good conditions, which arise more from the excellent moral hazard than from the physical.

It has been proposed that a rate concession be granted towns of this character, but this is a very delicate question. In the first place it is difficult to tell what that concession should be, and, what troubles the underwriters even more, a concession to one town or class of towns is likely to result in demands for similar ones where they should not be granted, but where it would be a delicate task to show why they should not be given.

Practical underwriters know from long experience that German business generally is desirable and some of them would rather write it than similar risks owned by people of other national descent, perhaps rated a fourth higher.

Fire Insurance in the West.

CHICAGO, June 30.—(Special.)—Two notable contributions to the literature on the subject of the reduction of fire insurance expense were made in the West last week. A committee of company managers, union and non-union, issued a letter on the subject, acknowledging the evils which have crept into the business with the result of running up the expense ratio and calling for co-operation to take steps to correct these evils. Insurance Commissioner John A. Hartigan, of Minnesota, read a paper before the Minnesota and North Dakota Fire Underwriters, which proved by all odds the event of the annual meeting of that organization.

Mr. Hartigan often has done things and expressed views which have caused him to be classed as radical, but in this paper he presented sound reasoning and showed a fairness and conservatism, which should commend it to anybody, even though all may not be able to agree with him as to the remedies to be applied. He started with the statement that the cost of fire insurance was too high and that unrest on the subject was evident in many directions. This high cost he attributed to excessive losses and excessive expenses. The losses he blamed in part to the public, which is careless as to construction, safeguarding of the fire hazard and the extent of losses, which it regards the insurance companies as paying. In part he blamed the losses to the carelessness of companies as to over-insurance and the self-interest of agents who are not governed by the highest standard of business morals.

A Publicity Remedy.

The excessive expense he blamed mostly to commissions which are too high, resulting often in no advantage to the agents but in the rise of the broker class. His remedies are a continued publicity campaign to show the public that it pays for the unnecessary losses as well as the unavoidable ones; contingent commissions, to compel agents to be more careful as to selection of risks and overinsurance, and rating done by the inspection bureaus, but with a State board of appeals with power to order reductions where justice demands them.

There was a somewhat ominous sound in the statement:

"Company managers plead unsatisfactory conditions, but plead their inability to cope with these conditions. They say, 'We must meet competition

or lose our business.' If competition must continue to run riot it may eventually be necessary to limit by law the expense of doing business. Excessive expenses of the life insurance companies brought not only limitation of expense but also limit of volume. I am not convinced that the companies cannot properly regulate their own business, but if it be true that they cannot regulate it then it is evidently the duty of the State to do for the companies what they cannot do for themselves."

That the companies fully recognize the possibility, if not probability, of the States' undertaking to regulate the expense ratio for them is evident from the letter of the managers. The fire insurance fraternity of the entire West is stirred up on this subject. In almost every State thoughtful men are asking what the next legislature

OUR

Course of Insurance Education.

Department for Furnishing Prospects.

New "Model Policy"

Will Plough the Field and Assure the Harvest for Good Agents.

Phoenix Mutual Life

INSURANCE COMPANY,

Hartford, Conn.

Write Home Office.

If you can choose your company,
Why not represent

"The
GREATEST
Health and Accident
INSURANCE
Company in the World?"

CONTINENTAL
CASUALTY COMPANY
CHICAGO

H. G. B. ALEXANDER,
President.

LEADS THEM ALL

Premiums, 1909, - - \$3,156,000

"Every time the clock ticks,
Every Working hour,
IT PAYS

A Dime to Somebody, Somewhere,
Who is
Sick or HURT."

Most Liberal Contracts to Agents.
Most Liberal Policies—Prompt Pay.

will do. Everybody is looking for something to drop, and generally he has not a very clear idea of what it is likely to be.

Stability of Rates.

The public, especially the business portion which already is enjoying lower rates in most places than it is entitled to, demands still lower rates and is not likely to yield the advantage it believes it has in the indiscriminate competition created by anti-compact laws, without some guarantee that rates will not be increased. The agents want stable rates and a stop to competition on cut-rate lines. Unfortunately some of them are willing that losses should remain high, necessitating high rates and giving them large commissions. The companies are with the agents in wanting stable rates and they would gladly satisfy the public in the way of lower rates if losses also could be reduced enough so they could make an underwriting profit at those reduced rates; but most of them are not willing to turn over the control of the most vital point in their business—rates—to men who do not know the business and are subject to political pressure, even though the public is inclined to demand this and many agents apparently would readily concede it as the price for an abatement of present conditions.

It certainly would require a prophet to tell what the outcome will be. The managers of most of the best class of companies are very much in earnest in their desire to reduce expenses, not so much from fear of legislative attempts in that particular direction as from recognition that expenses are too high and that the public has a just grievance for which it is likely to take vengeance in other directions. Some managers also are in hearty sympathy with efforts to reduce the fire waste, even though these efforts do result in some expense to their companies, but there are others who would rather let the other companies do the work.

Perhaps the most hopeful sign in the whole situation is the spirit of co-operation now manifest among managers who in the past have done but little pulling together. If present necessities shall result in general co-operation to reduce expenses, it may pave the way for united work in other directions, notably the reduction of the fire waste. This, in turn, would result in lower rates, which might satisfy the public to the extent that it would consent to the removal of the embargos on rate co-operation, without exacting onerous requirements in other directions in return.

CHARTERED BROKERS THE LONDON PLAN.

A new London feature of insurance interest is the formal incorporation of a previously announced association under the title of "The Corporation of Insurance Brokers and Agents." The final certificate has been received from the registrar of companies under the terms of the Assurance Companies Act of 1909, which comes into force to-morrow and imposes serious responsibilities upon all persons acting as insurance agents and brokers. The aim of the step is to so alter the status of insurance brokers and agents that the public will in time look upon this body of experts in about the same way as they now regard chartered and incorporated accountants. Under the charter of this corporation brokers and agents will be divided into three classes—Fellows, Associates and Members. The Fellows will be brokers who have been in the insurance business five years and more and will be entitled to use the letters F. C. I. B. and A. The Associates need only a record of three years in business, while those who are merely called Members will include all those not eligible as either Fellows or Associates. Under the articles of the association applicants will receive certificates upon examination, and it is expected that in time brokers and agents who lack this sort of certificate will be at a disadvantage.

A Convention for Chicago?

The delegates and alternates from the Chicago Association of Life Underwriters to the meeting of the National Association met last Friday and laid some of their plans for capturing the next national convention for Chicago. The Chicago association nearly always sends a strong delegation to national meetings and this year it will be a large one as well. As Chicago has not had a national meeting since 1893 its association feels fully justified in making a plea.

UNDERWRITERS GUILTY OF CONSPIRACY.

Newport News, Va., June 29.—Dan B. Harris, president; A. B. Andrews, general manager, and twenty-one members of the Southeastern Underwriters Association were convicted here to-day in a magistrate's court of unlawfully conspiring to control insurance rates in this city, and were fined \$500 each. The cases were appealed.

LEADING FIRE COMPANY OF THE WORLD



InsLife . Co. of Virginia

Home Office, Richmond, Virginia.

J. G. WALKER, President.
T. W. PEMBERTON, 1st Vice-President.
W. L. T. ROGERSON, 2d Vice-President.
E. D. HARRIS, Secretary.

The OLDEST Southern Life Insurance Company.
The LARGEST and STRONGEST Southern Life Insurance Company.
The PIONEER Southern Industrial Life Insurance Company.
Its policies are clear and definite in their provisions and their values are absolutely guaranteed.

Assets Dec. 31, 1909.....	\$5,372,691.99
Liabilities Dec. 31, 1909.....	4,312,406.32
Insurance In Force Dec. 31, 1909.....	68,337,613.00
Total Payments to Policyholders since Organization	9,820,412.49

THE HOME LIFE INSURANCE COMPANY OF AMERICA

Incorporated 1899.



THE COMPANY FOR THE AMBITIOUS AGENT who desires to sell "COMMON SENSE" insurance at LOWEST COST, and who seeks, through most liberal first year and guaranteed renewal commissions, to receive just recognition of service. All policies registered, signed and sealed by the Insurance Commissioner of the State of Delaware, making them truly

SAFE AS GOVERNMENT BONDS.

Address Executive Offices, 416-18-20 Walnut Street, PHILADELPHIA, PA.

JOHN LANGHAM, Jr.,
President.

JOSEPH L. DURKIN,
Secretary.

GEORGE M. NETTLESHIP,
Manager of Agencies.

IN NEW ENGLAND

NOTICE.

The New England office of "The Chronicle" has been moved this week to the eighth floor of the new John Hancock Building, which has entrances at 200 Devonshire, 49 Federal and 120 Franklin streets, Boston.

John J. Downey, General Agent.

The Massachusetts Fire and Marine Insurance Company has been fortunate in securing the services of John J. Downey as general agent at its home office in Boston. Mr. Downey, who will assume his new responsibilities on August 1, began his insurance training in the office of the Equitable of Providence, and has been special agent of the Royal for New England for the past twenty-two years. His record of service is exceptionally fine, and that he will add further bright pages to it in his capacity as developer of the agency field of the Massachusetts Fire and Marine may be accepted as a foregone conclusion.

Casualty Men Should Like This.

The committee on prevention of disease and accidents of the Boston Chamber of Commerce, which comprises several eminent physicians and surgeons, and is thus well qualified to give advice, has issued the following suggestions for emergency treatment of injuries that are apt to occur on Independence Day:

Bleeding Not Harmful.—Unless an artery is severed, the bleeding of a wound is an advantage, inasmuch as the oozing blood will help wash away germs of blood poisoning or lockjaw. Bleeding, then, unless excessive, should not be stopped at once.

Source of Danger in Wounds.—The origin of the blood poisoning or lockjaw from explosives lies not in the poisonous nature of the powder or in the wadding, but in the fact that the explosion drives portions of the skin, which always contains many germs, into the depths of the wound. Therefore the first important thing is to cleanse the wound thoroughly.

How to Clean a Wound.—The wounded member should be held under running water, perfectly warm. The surrounding parts as well as the wound itself should be scrubbed with absorbent cotton and strong soap for eight or ten minutes, the running water constantly going to the very depths of the wound. The wounded part should then be wrapped in absorbent cotton and the patient taken at once to a surgeon. No blank cartridge wound is safe until the surgeon is sure there is no wadding still buried in the deepest part of it. To ascertain this the wound must be enlarged and thoroughly explored. Tetanus antitoxin should be injected as a prophylactic in standard doses. Never use court plaster to seal up wounds from explosives.

Many Lives May Be Saved.—It is

fair to say that of the 130 cases of lockjaw due to blank cartridges in the United States last year every one of the 84 per cent. of fatal causes could have been saved if the wounds had been treated as here directed.

It is also probable with the new preventive law in effect and the growth of sentiment favoring a sensible celebration of the Fourth, that Boston's record next Monday will be the most favorable in many years, and that there will be less necessity to resort to the foregoing admirable directions.

A Successful Life Underwriter.

To-morrow, July 1, T. Howard Lewis, manager for Eastern Massachusetts of the Mutual Life, will complete 25 consecutive years of valuable service for that company. Starting in the home office as an office boy on July 1, 1885, he was after an experience of eight years in various departments of the home office, advanced on January 1, 1893, to the position of general agent for Delaware, Eastern Maryland and Virginia, with offices in Wilmington, Del. During a period of two years the new business of the company was increased more than ten times as much as it was the year previous to the establishment of the agency. The success of Mr. Lewis resulted in his promotion to a larger agency, Eastern New York, with office at Albany, January 1, 1895. During the next thirteen and a half years over thirty-three million dollars of new business were placed on the books of the company in eighteen counties. On July 1, 1908, Mr. Lewis was again promoted, taking charge of Eastern Massachusetts with offices in the company's building, Boston, where his efforts have met with the same success as in previous years.

Insurance as a Circulation Booster.

In a review of the career of the late George Newnes, the great British newspaper publisher, contributed to the Boston "Transcript" by Jacob De Haas, occurs this passage, relating one of the methods whereby Newnes obtained circulation for "Tit-bits":

He was the first to turn every copy of his weekly into a life insurance policy, at first worth \$500 at death to the next of kin. The first accident in which a man was killed with a copy of Tit-Bits in his pocket and the policy was paid created a sensation sufficient to make every traveller a purchaser, and there was a time in London when every thrifty traveller had his Tit-Bits, Answers and Pearsons in his grip, being assured in \$12,500 for a week for six cents. So he reached the 500,000 mark.

New England Brevities.

L'Union of Paris, which has been doing a careful surplus line business

in this country for ten years, has appointed Starkweather and Shepley, of Providence, its managers for the United States, and will deposit \$200,000 with the State Treasurer of Rhode Island and \$300,000 with the Farmers Loan and Trust Company, New York, trustee for the company. L'Union has assets totaling \$8,000,000 and a net surplus of over \$2,500,000. It will be represented in Boston, Chicago and New York through branch offices of Starkweather & Shepley.

J. F. Driscoll has been appointed special agent for New England of the North American Accident by Ide & Sewell, of Boston, general agents.

In the opinion of Attorney General Malone, of Massachusetts, the issuance of disability insurance in connection with a life policy does not contravene the anti-discrimination statute if the disability policy carries the proper amount of reserve and may be issued to any one who desires to receive it in connection with a policy of life insurance.

Advices from Hartford relate that Judge Burpee, of the Superior Court, has refused to accept the final report of Frederick A. Betts as receiver of the National Life Association of Hartford. A court hearing with explanations from Mr. Betts is looked for.

NATIONAL LIFE

Insurance Company,

MONTPELIER, VERMONT.

Established in 1850.
Operating in 37 States.

JOSEPH A. DE BOER, President.

FRED A. HOWLAND, Vice-President
JAMES B. ESTEE, 2nd Vice-President
OSMAN D. CLARK, Secretary
H. M. CUTLER, Treasurer
A. B. BISBEE, Medical Director
C. E. MOULTON, Actuary

This Company held January 1, 1910, and gained during the past decade:

ASSETS . . .	\$47,490,998.98
GAIN, 167 PER CENT.	
LIABILITIES . .	\$41,661,130.12
GAIN, 162 PER CENT.	
SURPLUS . . .	\$5,829,868.86
GAIN, 211 PER CENT.	
INSURANCE .	\$161,423,115.00
GAIN, 79 PER CENT.	

Absolute Security and Economy of Management

GOV. HUGHES LIFTS

THE \$150,000,000 BAR.

At the end of the time allowed for the thirty day bills, Governor Hughes signed the amendment to section 96 of the insurance law, whereby companies will be permitted now to write more than \$150,000,000 of new life insurance each year and extending the provisions of the section to all life companies doing business in the State. Included were amendments to sections 73 and 97, the latter relative to limitation of expenses. The governor did not file a memorandum of his reason for a change of mind on a subject of section 96.

A GOOD VETO.

Among the bills disapproved of by Governor Hughes last Monday in the so-called "omnibus veto" list was the one amending the insurance law by providing that a person negotiating fire insurance who delivers to the insured a policy of a fire insurance corporation authorized to do business in the State shall be deemed to be the agent of the corporation; that the receipt by him of the premium shall be deemed payment to the corporation, and that the policy shall be binding upon the corporation unless the corporation shows that such person in negotiating the insurance acted without its authority.

NOW FOR UNIFORMITY.

New York now has the uniform accident insurance policy after a somewhat extended and strenuous game of battledore and shuttlecock between the contending forces of the casualty underwriters and the remnants of black horse cavalry at Albany, the former winning the pennant. This victory is due to the organized effort of the casualty companies as directed and inspired by Edson S. Lott, president of the United States Casualty, and chairman of the legislative committee of the association.

The bill was signed last Saturday by Governor Hughes after long and careful deliberation, and full freedom of hearing for all parties at interest. Its effect will be awaited with a high degree of interest in all insurance circles because the standard fire insurance policy has not accomplished all of that for which it was designed and hoped. The "pink slip" or the "rough rider" pasted thereon makes a lot of difference and can change all the "uniformity" and still be clearly within legal bounds.

The standard accident policy would seem on its face to admit of even more variation and "frills" than are possible with the fire companies, for

the simple reason that the occupation and movements of the individual are extensive, while the fire risk is stationary and readily measured.

Just what "uniformity" means may be judged by consideration of the fact that one big life company issues something like 75 different forms of policies. That is calculated to give "uniformity" a pretty hard tussle if it is ever applied to life contracts.

APING AMERICAN INSTITUTE?

Notwithstanding the increase in the membership of the Institute of Actuaries of Great Britain to about a round thousand, and notwithstanding that there is also the Faculty of Actuaries in Scotland, there has recently been organized in London, "The Society of Incorporated Actuaries." The "Post Magazine" of London comments upon it as follows:

We were not altogether surprised to be unable to trace amongst the Fellows and Associates of the institute and the faculty the gentlemen whose names adorn the prospectus which has reached us, although one member of the council of the society has figured as a student of the institute since 1887. The place of honor on the list of the council is occupied by an actuary who is authorized to certify annuity tables in connection with friendly societies, but beyond this our information concerning the personnel of the society is too limited to form a basis for conjecture concerning its raison d'être.

The Board of Trade of Great Britain has recently defined the qualifications of an actuary within the meaning of the Assurance Companies' Act of last year in a way which confers official recognition upon both the institute and the faculty. It is said that the new society is, at the outset, chiefly composed of persons who have been authorized to value friendly societies.

ELEVATOR ACCIDENTS.

The Aetna has followed its recent publication, "Safeguards," a valuable work suggesting methods of preventing industrial accidents, with another work on the care and operation of elevators. Its announced purpose is to call the attention of owners to certain things pertaining to the use of elevators that very materially affect the liability premium and loss ratios.

A first class life underwriter with a successful field record, and an untarnished reputation can secure good open territory by addressing

SECURITY MUTUAL LIFE INSURANCE COMPANY

Binghamton, N. Y.

SELL LIFE INSURANCE



Capitalize your energy and ability. Put them into a business that will pay big dividends. Sell Life Insurance for the Prudential.

IT WANTS AGENTS. WRITE TO-DAY FOR PARTICULARS.

THE PRUDENTIAL

Insurance Company of America.

Incorporated as a Stock Company by the State of New Jersey.

JOHN F. DRYDEN,
President.

Home Office,
NEWARK, N. J.

E. S. BAILEY,

DEALER IN

INSURANCE STOCKS, 66 Broadway, New York

	Capital	Approx. Annual Div.	When Payable	Bid Price P.C.	Asked Price P.C.
City of New York.....	\$500,000	10	Q	195	205
Commonwealth.....	500,000	10	J&J	324	...
Continental.....	2,000,000	70	"	925	970
Empire City.....	200,000	8	"	125	...
Fidelity-Phoenix.....	2,500,040	V	V	290	300
German-Alliance.....	400,000	15	J&J	275	300
German American.....	1,500,000	30	"	570	575
Germania (\$50).....	1,000,000	15	"	282	295
Globe Falls (\$10).....	200,000	30	"	1,525	...
Globe and Rutgers.....	400,000	40	Q	470	...
Hanover (\$50).....	1,000,000	10	J&J	190	295
Home.....	3,000,000	30	"	695	705
Nassau (\$50).....	200,000	10	"	165	175
Niagara (\$50).....	1,000,000	20	"	305	315
North River (\$25).....	320,000	10	A&Q	155	165
Pacific (\$25).....	200,000	6	J&J	135	145
Peter Cooper (\$20).....	150,000	10	"	90	...
Stuyvesant.....	400,000	10	"	155	160
United States (\$25).....	250,000	V	V	60	70
Westchester (\$10).....	400,000	35	F&A	455	...
Williamsburg City (\$50).....	250,000	20	J&J	380	400
V—No information. Q—Quarterly.					

INSURANCE "PROMOTIONS"

The matter of "promoting" insurance companies has received much attention from "The Chronicle" ever since the movement was first in evidence and its work is now reflected in the new line just enacted at Albany and designed to remedy present practices in this State. Whether or not it will avail remains to be seen, but it is perfectly clear that the Insurance Department in general and Superintendent Hotchkiss in particular are looking for the industrious gentlemen who are now operating in this State in the promotion of insurance corporations by the "holding" device. This plan is set forth in a statement by Superintendent Hotchkiss, as follows:

During recent years, promoters and stock salesmen have, particularly in the Western and Southern States, been very active in the organization of insurance corporations, their plans usually involving the procurement of a charter authorizing a large capitalization and the solicitation of funds with which to make up the capital through the sale of stock in small denominations to people of moderate circumstances, through the means of attractive advertising and glib agents. Many of these schemes have proved to be fakes, and even the best of them have resulted in the initial capital being reduced by a promotion expense of from 15 to 40 per cent.

In spite of vigorous action on the part of insurance commissioners in various States promoters and agents continue to thrive at the expense of the public. Insurance companies cannot in New York be organized in this way, it being necessary that their capital be paid in in full before they are authorized to do business.

Of late, however, a means whereby the methods used in other States may be availed of has been devised—that is, through the so-called promoting or holding companies, a considerable number of which are, through soliciting agents, now offering their shares to the citizens of New York. The interest of the small investor is usually attracted by delusive statistics, showing the so-called profits of companies in the various insurance fields, and the work is carried on by circularization through the mails and house to house canvass by solicitors. The promoting or holding company, not being an insurance company, can thus sell its stock and use a portion of the money realized therefrom for commissions and promoting expenses, with the result that the investor immediately parts with from 15 to 40 per cent. of his money, though naturally believing that all of it is to be invested in an insurance company and that he will receive a fair return on the par value of his stock.

It is the intention of the Insurance Department immediately to begin an investigation of each of the companies of this class concerning which it now has information, and the people of the State are requested to bring to the attention of the department all schemes of this kind now being pro-

moted in New York to the end that such investigation may be thorough.

That these persons are working energetically in New York is proved by the several inquiries that have recently floated into this office concerning offers of great bargains, particularly in casualty company stocks, that are being made by them. On Monday came an inquiry from a prominent physician concerning an "exquisite" promotion now under way at Philadelphia and which promises gold galore.

The new law will enable the State to take cognizance of these operations, and between this statute and the Federal law concerning the use of the mails for fraudulent purposes it is quite likely that the business will be materially curtailed.

TO STOP GAMBLING IN MARINE INSURANCE.

The British Parliament has undertaken to stop gambling in marine insurance risks. Consul General Griffiths, of London, reports as follows:

A drastic marine insurance act was passed prohibiting gambling on loss by maritime perils. It is principally directed against the employes of shipowners, who, it appears, have trafficked more or less in this sort of insurance. The act makes void a marine insurance policy taken out by anyone who has no bona fide interest in the safe arrival of a ship or the safety of the subject-matter insured, or bona fide expectation of acquiring such interest, and a contract of marine insurance taken out by any person in the employment of a shipowner, not being part owner. Such a policy is declared by the act to be a gambling policy, and renders the person effecting it liable to six months' imprisonment or a fine of \$486, and forfeiture of any money received on the policy. The broker or other person through whom such a policy is effected is subject to the same penalties.

E. C. Cooper succeeded E. Myron Wolf as insurance commissioner of California on June 16.

AETNA LIFE CHANGES.

Secretary J. S. Rowe, of the Aetna Life, who for some months has been in immediate personal charge of the New York city branch office, has effected a complete reorganization and one that is generally commended and congratulated.

Mr. Rowe sends "The Chronicle" the following communication:

Charles H. Phelan, who has been with the company since the liability department was started, has been appointed New York branch manager of our accident and liability department, and also of the Aetna Accident and Liability Company. In directing the work of the various departments Mr. Phelan will have the following assistants.

Arthur M. Murray, for many years experience in the accident and health field in that city, has been appointed superintendent of the liability department.

James Tracy Hill, who has had many years' experience in the accident and health field in that city, has been appointed superintendent of the accident and health department.

John N. Thurlow, who has been superintendent of the burglary, plate glass and fly wheel departments of the Etna Accident and Liability Company, will continue to act in that capacity.

A General Agency is open
in the State of

PENNSYLVANIA

For one of the best Old Line
Companies in America

Write "B," care of this paper

Most agents take a vacation during a part of the Summer months. The agents of the Philadelphia Life, having the advantage of a direct contract with the Company, can generally be placed in territory where they may enjoy a vacation and at the same time have the advantage of writing business and making money.

Write Perry to-day for contract.

To Conserve Industrial Efficiency.

IN AN address delivered by Edwin W. DeLeon, president of the Casualty Company of America, Tuesday, in Chicago, before the annual convention of the National Association of Master Plumbers of the United States, the general merits of the economic problem in regard to the care of workmen were treated by him. He entitled his address "The Conservation of Industrial Efficiency."

"One hundred years ago," Mr. DeLeon said, "the first labor legislation in the civilized world was enacted in England and, strange as it may seem, it had its origin in the unregulated employment of women and children that led to abuses so shocking as to arouse the nation to action. This resulted in the passage of the Factory Acts, with which the names of Lord Shaftesbury and Robert Owen will be forever associated. The labor legislation of the entire civilized world, and especially of the States of this country, has made great progress since that time and has come at the present day to mean the regulation of hazardous occupations, the safeguarding of dangerous machinery, the limitation as to age of employment and of hours of labor and the periodical inspection of plants. * * * * Under present day conditions industrial efficiency is slowly and oftentimes laboriously acquired and its proper conservation is as much a matter of national concern as the conservation of our natural resources. In the same way that the reckless and unlicensed waste of natural resources has been checked by Federal intervention, so will the unnecessary expenditure of health, strength and even life be reduced and in time practically eliminated by a comprehensive adequate system of regulation and prevention.

Trainmen and Fishermen.

"According to figures compiled by the United States Government, the annual mortality among wage-earners on account of accidents of occupation is from 30,000 to 35,000, while the number of non-fatal accidents is more than 2,000,000 each year. It is perhaps not generally known that the greatest percentage of mortality existed among the fishermen of Gloucester, Mass., being nearly 12 per cent. of the total number of men employed, while among railroad trainmen the percentage was only about 8 per cent. for the period of ten years ending 1907."

After a short sketch of some of the more important legislative acts re-

garding the employed in this country Mr. DeLeon continued:

"President Roosevelt in a speech at the Jamestown Exposition in 1907 stated that workingmen should receive a certain definite and limited compensation for all accidents in industry, irrespective of negligence. In his message to Congress in 1908 he said: 'Probably in no other respects is our legislation, both State and National, so far behind practically the entire civilized world as in the matter of liability of compensation in accident or injury.'"

Mr. DeLeon then rehearsed the history of the Federal Liability Act of 1908 and the Federal Workmen's Compensation Act, which was passed soon after. He called attention to the European tendency to substitute a system of State insurance for the liability of the employer for negligence. "There is a great contrast between the facility of social legislation of this sort under the flexible constitution of a nation like Great Britain," he said, "and the difficulty of securing similar legislation in forty-six sovereign States, each with its own rigid constitution and with conditions oftentimes designed to impede the passage of effective labor legislation." Emphasis was laid upon the difference in public opinion in States with slight manufacturing experience and the older States of the Union, where the business interest of the community is alive to the fact that humanitarian conditions of employment mean increased productiveness and a higher degree of efficiency.

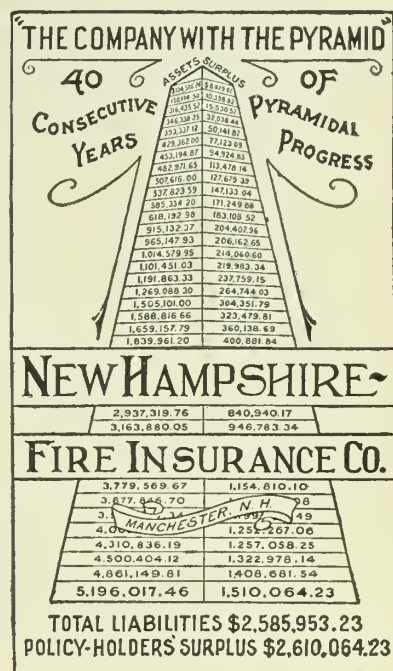
"Voluntary co-operation between employers and employees," Mr. DeLeon added, "will furthermore supplement legislation in effecting these desired changes. This tendency is clearly indicated by some of the great industrial concerns of this country, that have adopted, solely through this voluntary co-operation, profit-sharing schemes, pension systems and mutual insurance against the risks of employment."

FAVOR CONTRIBUTION.

The Brotherhood of Carpenters and Joiners, at their annual meeting, took action last week in favor of employers liability insurance to which the employees should also contribute. They favor a scheme, calling for a contribution of one-sixth from the employees, one-half from the employer and one-third from the State, a compulsory insurance plan being favored.

This is the first action on the part

of any labor organization in the United States, avowedly favorable to compulsory insurance with contributions of employees, as a solution of the employers liability problem.



THE BANKERS LIFE ASSOCIATION

DES MOINES, IOWA.

ERNEST E. CLARK, President.

Exceptional Record During twenty-nine years for

**LOW RATE OF MORTALITY
ECONOMY OF MANAGEMENT
PROMPT PAYMENT OF CLAIMS
SECURITY OF ITS FUNDS**

and satisfactory results for its policyholders.

SAFETY FUND INSURANCE

NIAGARA

Fire Insurance Company

—OF—

NEW YORK

OFFICE:

46 CEDAR STREET, CITY.

THE GOOD END OF

A BAD BEGINNING.

For about fifteen years the State of New York has required all liquor sellers and dealers to give a bond for good behavior. When the famous black horse cavalry was in its prime at Albany the political grafters made it quite a plum for the surety companies that they represented, because there were no losses and no saloon-keeper ever violated the law, so far as "statistics" indicated.

This condition produced that inevitable fringed edge of liquor selling society which styles itself "brokers."

Every time the whirligig of politics revolved another company seemed to be favored with this business and the predecessor retired from the field as discreetly and quietly as possible. Some of them made a fairly good get-away, but at least one was badly crippled, although it has now recovered.

The point of interest at the moment is centered in the fact of the wretched condition to which one company reduced itself by reason of over-indulgence in this excise form of dope and the pleasing intelligence to the stockholders of another one that it has reformed and will "never again."

Incidentally comes a most gratifying commendation of the work this journal has done in reforming the company practices in regard to entering into these self-destructive contracts. The new laws just enacted will do much to remedy the evil in future, but by no means will they make the writing of the so-called Raines law hotel bonds, a business that any company can undertake without impairment of credit and a slump in its stock value, not theoretical but literal. As an illustration there has been offered within the month a company's shares at \$59 for which \$150 was paid less than two years ago.

As a further illustration of the folly of the young companies putting their estate to float by bonding the liquor saloons it may be well to quote from the recent report of the examination of the Fidelity and Casualty Company, made by the Insurance Departments of New York and Texas. As an illustration of the experience of a careful company, the report of the Fidelity and Casualty Company states with reference to excise business of the company for the year covered by the examiners:

Premiums, \$48,654.12; losses, \$51,477.14.

There in the outline is the whole story of excise bonding.

Governor Hughes has just signed the amendment to the excise law that

permits the saloonkeeper to deposit \$2,000 in cash in lieu of a surety bond, and this measure may serve to restrain the newcomers from venturing into this field. While the measure is highly gratifying to the surety companies for more than one reason and is applauded by the liquor dealers as well, it presents some curious phases, two of which may be worth mentioning. First, why when the bond is \$1,800, there is tacked on an additional \$200 for "contingent expenses," as the act runs? It was explained that each forfeiture cost the State an average of \$200. What becomes of the \$1,800 is not stated and has not been discovered. Annual reports tell little. Department demands are ever on the increase. The income must be consumed either by increase of present salaries or putting additional henchmen on the pay-roll. That is of interest, however, to the surety companies only as it shows them what silly asses they have been making of themselves in feeding the grafters.

One surety man figures it out that the saloonist who puts up \$2,000 deposit is in direst need of a bond and, by implication, cannot get one from a surety company for a deposit of \$1,800 and that it expects to violate the law and can afford to forfeit the deposit. And another says that the effect of the new law will be to create a new class of grafters on the liquor dealers, who, bad as they are, are infested and infected by far more disgusting and contemptible grafting parasites.

From the standpoint of the disinterested onlooker it would appear that the mere fact that a man tendered the State \$2,000 in cash as a bond for a liquor license indicated clearly that it was hush money. On the other hand it indicated that the applicant was unable to procure the endorsement of any responsible and respectable surety company.

Another surety man, familiar with excise matters, figures it out that those who put up their \$2,000 forfeit will be no worse off under the new conditions than they were under the old. Formerly they have been preyed upon in different ways to an extent that equaled the amounts.

The whole situation is quite interesting. The gratulation afforded here is that present and future companies may put themselves in a position where a reasonably accurate appraisal of their shares of stock can be made.

Merely Incidental.

There were 105 warrants for Sunday law violations issued in this city on Monday last. That means a possible loss of \$200,000—to sureties.

FOR MORE SAFETY DEVICES.

The increase of accidents in this city for the past month over the corresponding month of last year is interesting in view of the failure of the public service corporations to obey the orders of the Public Service Commission to instal safety devices.

This is the comparative record as given out in the commission's report for May, just given out, relating to the railway record:

	1909	1910
Passengers	1,962	2,063
Not passengers	559	487
Employees	459	640
Total	2,980	3,190

201st YEAR.

SUN Insurance Office OF LONDON.

FOUNDED 1710.

UNITED STATES BRANCH:

54 PINE STREET, NEW YORK.

WESTERN DEPARTMENT:

171 LA SALLE ST., CHICAGO.

PACIFIC DEPARTMENT:

Sansome & Sacramento Sts.,
SAN FRANCISCO, CAL.

AGENTS WANTED
AT UNREPRESENTED POINTS.

T H E PROVIDENT LIFE AND TRUST COMPANY OF PHILADELPHIA

Insurance in Force, \$214,509,255.00
(Paid for Basis)

Assets \$70,514,350.45
(Market Value, Dec. 31, 1909)

Contingency Reserve . \$9,207,276.38
(Inclusive of Capital Stock, \$1,000,000.)

The Provident has been particularly distinguished for the development of a highly trained force of agents. The systematic instruction which its agents receive has resulted in their being recognized as representatives of exceptional knowledge of the business and of marked efficiency.

IN RE COLUMBUS CASUALTY.

A temporary injunction was obtained last week at Columbus, O., by E. J. Smith, owner of 210 shares of capital stock, restraining the Columbus Casualty Company, a recent promotion, from disposing of any part of its assets, pending a hearing.

The incident is the latest of a series which have brought this concern into the limelight for some weeks past. It was found impaired when the Ohio insurance department examined it, and Mr. Smith claims that he put up \$25,000 to tide it over.

Then came the announcement that a securities company had been organized under a New Jersey charter to "hold" the Columbus Casualty, and about half a dozen other concerns operating under West Virginia and Delaware charters from Philadelphia, and consolidate them eventually.

Now comes Secretary Galloway, of the Columbus Casualty, with an interesting statement that may add to the gaiety of the promoters world. He says:

The bold attempt to secure control of the Columbus Casualty Company has been thwarted.

The Columbus Casualty Company is a corporation with home office in Columbus, Ohio, capitalized at one hundred thousand dollars (\$100,000) fully paid up. The charter was secured in 1908, and owing to the business or financial depression just preceding this period, it was necessary to underwrite two hundred and ten shares (210) of the capital stock, which at that time was unpaid. This amount was guaranteed by a resident of this city, and the company proceeded to organize and write business. In October, 1909, the State insurance department, after an investigation, ruled that the company was impaired six thousand dollars (\$6,000) over the legal limit. This, of course, was due to the cost of development and the fact that the company started without a surplus. However, the stockholders made up the impairment by depositing their stock as security on a loan for the amount necessary to make the impairment good. The amount of this note was left in the bank on a certificate of deposit, and the guarantor of the 210 shares of stock above referred to was an endorser on the note.

When this note became due on May 21, 1910, Frank R. Shinn, treasurer, and one of the trustees of this company, presented himself at the bank holding the note, fully prepared to negotiate payment of the same, and was informed that the note had been taken up with the stock security earlier in the day by the endorser. It then developed that this party was making a systematic attempt to get control of the company, and an appeal was at once made by the officers of the company to the State superintendent of insurance of Ohio, who immediately ordered an examination of the company's condition, which resulted in a showing of admitted ledger assets of \$109,523.97. The State insurance department, after reviewing the

situation, informed the party who by questionable methods had secured the stock that he could not vote the stock at the stockholders' meeting on June six.

It should be understood, of course, that the party holding this stock had no monetary interest in it, outside of his endorsement on the note, which the stockholders were ready and will relieve him of.

The above is given you as the true facts in the matter and would respectfully refer you to the State superintendent of insurance of Ohio for a verification of same.

WORTH OF A WHOLE MAN.

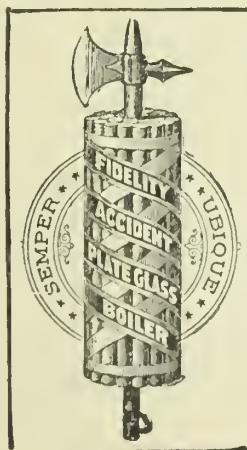
On Monday the Appellate Division affirmed a verdict of \$30,000, obtained by Charles McMichael against the Federal Printing Company, of this city, for the loss of his right hand and part of four fingers of his left one.

The verdict was reached on the contention that the machine at which he was employed was defective. This apparently emphasized the growing recognition of the public appreciation of the liability of the employer as defined in the new statute in this State to be effective to-morrow.

This verdict instantly raises two subjects for thought: First, the employer's need of liability insurance, and, second, the query as to what the amount of the verdict would have been, had the man been killed instead of only maimed. Usually the verdicts in industrial accident life losses have averaged considerably under \$5,000.

This prompts the caption: "What's a Whole Man Worth?"

Over \$15,000,000 is annually poured into the coffers of those who exploit and advertise "fake" consumption cures, according to a statement issued by the National Association for the Study and Prevention of Tuberculosis, in session at Boston on Monday. The report states that for this vast sum the victims receive nothing in return but are often deprived of the chance for a real cure.



"The Leading Fire Insurance Company of America."



WM. B. CLARK, President.
W. H. KING, Vice-President.
HENRY E. REES, Secretary.

Assistant Secretaries,
A. N. WILLIAMS, E. S. ALLEN,
E. J. SLOAN, GUY E. BEARDSLEY.

IT PAYS THE AGENT

To represent the best company. There are many excellent standard life insurance companies. Which is the best? In stability, progressiveness, liberal contracts to agents and low cost to policy-holders no company surpasses

The Union Central Life Insurance Co. of Cincinnati.

Assets, \$74,523,966.28
Liabilities, \$72,324,302.92

Good openings are occurring from time to time. Address

JESSE R. CLARK, President.
ALLAN WATERS, Sup't of Agents.

OUR BOND—YOUR SECURITY.

T. J. FALVEY, JOHN T. BURNETT,
President. Sec'y & Treasurer.

**Massachusetts Bonding and Insurance Co.**

Organized under the Laws of the Commonwealth of Massachusetts.

Home Office, 77-81 State Street, Boston.

Capital\$500,000.00
Surplus\$250,000.00

SURETY BONDS and BURGLARY and THEFT INSURANCE.

THE FIDELITY & CASUALTY COMPANY

97 TO 103 CEDAR ST., NEW YORK CITY.

ASSETS - \$9,598,924.02

Cap. & Surplus \$3,564,229.90

LOSSES PAID \$31,636,503.21
to Jan. 1, 1910.

This Company grants Insurances as follows:

Bonds of Suretyship for Persons in Positions of Trust, Fidelity Bonds, Burglary, Plate Glass, Steam Boiler, Fly Wheel, Employers, Public, Teams, Workmen's Collective, Elevator and General Liability; Personal Accident, Health and Physicians' Liability

OFFICERS:

GEORGE F. SEWARD, President.

Robert J. Hillas, V.-P. & Sec'y. Henry Crossley, Ass't Sec'y.
Frank E. Law, 2d Ass't Sec'y. George W. Allen, 3d Ass't Sec'y.

Federal Inquiry for Workmen.

JUST before the adjournment of Congress the United States Senate sent to the regular calendar for later consideration the House bill for Federal inquiry as to compensation of workmen. As the proposed inquiry would include in its scope the problem of employers liability there is unusual interest in the report which the House committee has made on the bill. In this report the general question of compensation of workers is discussed rather thoroughly, and it is easy to understand from this how important the inquiry may be.

The report of the House committee follows in part:

One of the most pressing problems of interstate commerce that to-day demands the attention of Congress is that of wisely and equitably adjusting the loss to workmen of life and earning power, which is the certain and inevitable consequence of modern methods of transportation.

The general principle of liability is seriously and sometimes fatally restricted by the superadded limitation of contributory negligence.

Employees to-day bear both the physical and financial loss in a large percentage of accidents, with disastrous effect upon their families. Employers, though endeavoring to conduct their business with care, are harassed by a constant succession of suits for negligence, being subjected to great waste of energy and money in defending them, and being mulcted with large verdicts when they have no real moral blame.

Proposed Legislation.

There has been introduced and is now pending before the judiciary committee a bill, H. R. 1, the object of which is to eliminate entirely the existing common law doctrine of liability with all of its modifications and to substitute therefor statutory compensation. The bill is limited by its terms to persons carrying on occupations and trades subject to the regulative power of Congress, and changes the law for injuries received on mail routes.

Hearings have been had upon the bill. Notice was given to the leading common carriers throughout the country and to the representatives of the employees. They appeared before the committee, and it was frankly stated by the representatives of the carriers and of the locomotive engineers that in their judgment the time was rapidly approaching when some method of the kind proposed by the pending bill, if a proper and equitable basis could be found, would be the best possible solution of the problem.

Some Objections Urged.

The objections urged before the committee against the present system of liability were, in substance—

(1) That uncertainty of rights and obligations involves suffering to the workmen and hardship upon the employers.

(2) That only a small proportion of

workmen injured by accidents of employment get small compensation, and that as a result many, and their dependents, are forced into a lower standard of living and often become burdens upon the State through public or private charity.

(3) That the system is wasteful, being costly to employers and the State and of small benefit to the victims of accidents, as a very large proportion of amounts recovered is paid for costs of litigation and for attorneys' fees.

(4) That the system is slow in operation, involving of necessity great delay in the settlement of cases, and that delay is fatal to families dependent on daily earnings.

(5) That the operation of the law breeds antagonism between employers and employees.

(6) That antagonism of interests retards development of prevention of accident measures.

As a result of these hearings the committee and the parties directly interested, the common carriers and the employees, were of the opinion that it was important that more information of a definite, tangible and thorough character should be obtained before a scheme could be devised which would be satisfactory to employers and employees.

Eight different States have appointed commissions to investigate the subject. One commission, that of the State of New York, has made its report.

For Congress to intelligently act upon this very important subject and to frame adequate constitutional legislation for equitable distribution of this great loss of earning power necessarily incident to the operation of interstate railways, many facts must be obtained, much detailed accurate information provided.

The object of this resolution is to provide for the appointment of a commission with full authority to obtain by exhaustive investigation available data upon a great number of important subjects that must of necessity enter into such legislation. With this information obtained the particular committee of the house to which such proposed legislation will be referred will be in position to reach a conclusion which will be fair and just both to the employer and employee.

COMMERCIAL - UNION

ASSURANCE CO.,
(LIMITED)

OF LONDON.

OFFICE:

Cor. Pine & William Sts.
NEW YORK.

1860 50th YEAR 1910

HOME LIFE

Insurance Company of New York.

GEORGE E. IDE, President.

Assets	\$23,626,018.63
Liabilities	21,858,691.52
(Including Deferred Dividend Fund)	
Dividend Endowment Fund	
(Deferred Dividends)	2,119,044.00
Net Surplus	1,767,327.00
Insurance in Force	92,532,583.00

The record for 1909 shows the following GAINS:

Insurance in Force	\$4,164,239.00
Assets	1,917,117.00
Deferred Dividend Reserve	148,581.00
Contingency Reserve (Surplus)	655,149.17

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS is unsurpassed for net low cost and care of interests of all members.

**THE PENN MUTUAL
LIFE INSURANCE COMPANY
OF PHILADELPHIA**

On January 1, 1909, rates were reduced and values increased to full 3% reserve.

BONDS--CASUALTY

**AGENTS
IF
YOU** { Can Command Bond or Casualty business
Are seeking an Agency connection
Are not representing another like Company

ADDRESS, AGENCY DEPARTMENT,

**The Empire State Surety Co.
NEW YORK**

A BIG OPENING.

The Federal postal savings bill, just signed by President Taft, opens a wide field for the surety companies in the matter of depository bonds. While the act itself, on its face, so far as indemnity goes, puts the banks of deposit of these postal funds on practically the same basis as the National banks, there is a general law that requires a bond from depositories of public funds. When every postoffice in the United States becomes a savings bank there will be a lot of new business for surety companies and many changes in the established habits of the people.

The W. M. Byrne general agency at St. Louis, representing the Maryland Casualty and National Surety companies, has resigned the latter because the former has taken up surety lines. The lines are forming for the coming conflict.

Franklin C. Elder, long connected with the Gallatin National Bank and the Bankers Life Insurance Company, and later in charge of the management of a large Stock Exchange house, is now with the New York Life Insurance Company as advisory representative. His friends wish him every success in his new venture.

The Massachusetts Fire and Marine is now entered and doing business in Rhode Island, Connecticut, New York, New Jersey and Pennsylvania. It will be represented in New York by Major A. White, at Philadelphia by Platt, Yungman & Co., and at Providence by Beach & Sweet.

Nico De Coers van der Velde died last week at his home in this city. He had been for twenty-five years the general inspector for the Germania Life Insurance Company. He was born in Amsterdam, Holland, fifty-four years ago.

The burglary insurance situation in New York seems to be reaching a fixed basis. When the new secretary, Nelson D. Sterling, gets down to active work there is a strong probability that the troubles that have so long afflicted the association will be ended, at least for some time to come.

"Warring on Injurious Insects" is the title of Samuel Hopkins Adams' article in the July "American Magazine." Says Mr. Adams in the course of his remarks: "The greatest potential discovery is that of the parasitic

benefactor which should perform upon the American house fly or the mosquito the miracle of exorcism which St. Patrick wrought on the snakes of Erin. In round numbers, \$300,000,000 would not be an overestimate of the consequent saving in human life and earning power, plus the increased value of real estate."

A press dispatch from Alton, Ill., states that Charles W. Freeman, a young traveling salesman, is in a predicament as a result of having applied for a mail route in Yellowstone Park. Freeman made application for the position and later took a traveling position, which is more lucrative. To-day word came that he had been awarded the mail route and was to begin work July 1.

Freeman wired he could not accept and the officials wired back that he would have to do so or forfeit a bond of \$5,000 and spend twelve months in jail. This must be interesting for the sureties and certainly sheds light on the intricacies of suretyship.

The Standard Life, of Pittsburg, has been incorporated under the laws of the State of Pennsylvania, with an authorized capital of \$300,000. The company proposes to take over the Standard Mutual Life, of that city, which now has an annual premium income of over \$160,000 and is writing at the rate of about \$400,000 new business per month.

Sinclair E. Allison, formerly connected with the actuarial department of the Canada Life and the New York Life, has been appointed actuary of the Reliance Life, of Pittsburg.

Arthur Earle, actuary of the Columbian National Life, has resigned to become secretary of the newly organized Travellers Life Insurance Company, of Montreal.

Hanover Fire

INSURANCE
COMPANY
of New York



Agencies
in all the Principal Places
in the United States.

HARTFORD LIFE

INSURANCE COMPANY,
OF CONN.

1909 Policies are Participating, or Non-participating, with Lower Rates and Values based on FULL RESERVE.

For Right Contracts,
Address, Second Vice-President,
Home Office, HARTFORD, CONN.

THE Philadelphia Casualty Co.

WALTER LE MAR TALBOT, Pres't.

Our New Accident Policy is Perfection.
It's the Policy Your Client Wants.
It's the Policy That's Easy to Sell.

Personal Accident, Health, Liability
Automobile, Plate Glass and
Credit Insurance.

Agency Correspondence Solicited.

COME AND PROSPER

Among the 15 largest American companies (excluding industrials) this is our 1909 ranking:

First place in percentage of gain in insurance in force; third place in gain over 1908 in amount of paid-for new business.

New business first quarter of 1910 far in excess of first quarter of 1909. Our agents are busy and prosperous—and are not driven by the Home Office.

New York Agency: 1401 Empire Building, 71 Broadway.

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY,
Springfield, Mass.

Incorporated 1851

British Pride and Pockets.

AN ILLUSTRATION of American influence in London is given by "The Finance and Insurance Chronicle," of London, in its current issue. It seems that the interest of the British fire underwriters' pocket has led the editor of this journal to ask what matter if Englishmen have to pocket their pride and follow the Americans' lead in establishing differential ratings regarding building construction. The discussion by the London editor follows:

The time has undoubtedly arrived when the necessity for differential rating of "buildings" and "contents" should be carefully considered by every fire office. Disguise the fact as we may, and deprecate as strongly as we like the unholy suggestion that we should follow the lead of the American, who has already established the system in the most elaborate and mystifying fashion, the importance of discrimination is in no way diminished. Why should the rate for the structure be the same as that for the property contained in it? The creation of a sensible answer has always been beyond us.

Structural Defects.

It may be that in our readiness to appreciate the hazardous nature of a large percentage of stocks we unconsciously ignore the dangers which lurk in the uncertain ingredients of twentieth century bricks and mortar. Or probably we fail to take into consideration that, in many cases, insurances on "building" extend to cover property other than that which the strict interpretation of the term might be understood to indicate. It seems to us, however, in spite of all the arguments enumerated in its favor, that the imposition of an all-round rate is frequently an unpardonable injustice. We are prepared to admit that where a building happens to be of defective construction, or abnormal height, or is lined with wood throughout, or boasts the existence of well-holes and hoists, this decision might be somewhat modified. But a moment's reflection upon the unhappy position of any well-built modern risk, minus these drawbacks, convinces us that not otherwise should identical rating be adhered to.

Enormity of Stock Losses.

In it, for the purpose of an example, we will assume there is deposited the extensive stock-in-trade of a draper and milliner, and that a fire originates in one of the upper stories. The brigade arrives, the plug is located, bang goes the pump, and in less time than it takes to tell the water is pouring down the staircases and percolating through the lath and plaster ceilings in inconceivable fashion, whilst every room is filled with a dense, black smoke. How does the office fare in regard to the settlement of the claim? The loss on the building, practically speaking, is imaginary, for even plastered walls and ceilings retard the progress of a fire and give time for the application of the

means of extinguishment; but that on the contents, aggravated by the action of smoke and water, is, in all probability, well nigh "total."

Under-Insurance Evil.

This miserable habit of under-insuring would, we believe, be entirely abolished if differential rating were adopted, and the office would then not be compelled to sacrifice—as it is fearfully afraid it will—a considerable proportion of its premium income. It must not from these remarks be taken for granted that the differential treatment of buildings and stocks is wholly unknown on this side of the Atlantic. In the writing of the commonest form of insurance—i. e., that applicable to the ordinary private dwelling house—it has long been the custom to charge a rate of 1s. 6d. per cent. for the building and 2s. for the contents, whilst for pictures of more than the average value as much as 4s. 6d. per cent. is demanded. Certain portions of the cotton manufacturers' premises have, for the past thirty-five years, also been favored with special schemes of distinctive rating, and the delightful variability of the charges made for farming property need scarcely here be called to mind.

Unfilled Prophecies.

During the last few years varying allowances have been provided (on paper) for the buildings and contents of risks constructed of fire-resisting materials, but whether it is that precious few conform to the stringent conditions prescribed, or that offices never take the trouble to ascertain whether they do—preferring to stick to the old rule of rating each story as a shed—we are not in a position to say. The fact remains, however, that we have never yet come across a policy with a "construction" discount allowed. Yes; we are sadly behind-hand, and the wonder is that some enterprising individual does not float a company with the object of making a system of differential rating its specialty. It would be assured of success. What matter if we have to pocket our pride and follow the American's lead? Under certain circumstances—rare, undoubtedly—he is worthy of our patronage, and endeavoring to improve the present method of rating our fire risks is one of them.

JOHN C. PAIGE & CO.

INSURANCE

65 KILBY STREET

BOSTON

The Preferred
ACCIDENT INSURANCE COMPANY
of New York

SUPERIOR POLICIES

KIMBALL C. ATWOOD, President
290-292 Broadway, New York.

New England Mutual Life

Insurance Company

BOSTON, : : : MASS.

Chartered 1835

Assets, January 1, 1910..\$51,316,543.00
Liabilities 47,050,672.15

Surplus \$4,265,870.85

Sixty-six years of honorable dealing with its policyholders has placed the **NEW ENGLAND MUTUAL LIFE INSURANCE COMPANY** in the front rank of Life Insurance Companies of the Country.

ALFRED D. FOSTER, President.
D. F. APPEL, Vice-President.
J. A. BARBEY, Secretary.
WM. F. DAVIS, Assistant Sec'y.
J. G. WILDMAN, Assist. Sec'y.

EDWARD W. ALLEN, Manager.
220 Broadway, New York.
LATHROPE E. BALDWIN, Manager.
141 Broadway, New York.
CHARLES H. STRAUSS, Gen. Ag't.
20 Fifth Ave., New York.

THE FRANKFORT

MARINE, ACCIDENT
AND PLATE GLASS INSURANCE CO.
OF FRANKFORT-ON-THE-MAIN GERMANY
ESTABLISHED 1865.

United States Department, . . . 100 William Street, New York, N. Y.

TRUSTEES:

RICHARD DELAFIELD, Pres. of National Park Bank
ERNST THALMANN, of Ladenburg, Thalmann & Co.
STUYVESANT FISH, 214 Broadway, New York City.
C. H. FRANKLIN, U. S. Mgr. and Attorney JNO. M. SMITH, Sec. U. S. Branch

INSURANCES TRANSACTED
LIABILITY—Employers, General, Vessel Owners, Burglary
Public, Landlords, Contingent, Workmen's Collective
Teams, Elevator, Druggists & Physicians. Individual Accident & Health
Industrial Accident & Health

AGENTS WANTED FOR UNOCCUPIED TERRITORY

INCORPORATED 1833.

British America

Assurance Company

HEAD OFFICE, TORONTO, CANADA

UNITED STATES BRANCH.

JANUARY 1, 1910.

Assets	\$1,556,740.94
Liabilities	902,438.61
Surplus	\$ 654,302.33

Hon. GEORGE A. COX, President.
JOHN HOSKIN } Vice-Presidents.
W. R. BROCK }
W. B. MEIKLE, General Mgt.

The Connecticut Mutual

That means the best life insurance to have and the best to sell. If you can sell life insurance, you can sell more of it for the CONNECTICUT MUTUAL.

Men of Character and Ability are invited to apply.

Conn. Mutual Life Ins. Co.,
Hartford, Conn.

Please mention this paper.

FOUNDED 1792

118th ANNUAL STATEMENT

INSURANCE COMPANY OF
NORTH AMERICA.
OF PHILADELPHIA, PA.

ASSETS.

Real Estate	January 1, 1910.	\$ 364,410.00
First Mortgages on Real Estate		373,803.48
Philadelphia, New York, Boston and other City and State Loans		1,134,390.00
Pennsylvania, Philadelphia and Erie, Lehigh Valley and other Companies' Bonds and Stocks		8,909,150.32
Cash in Bank and Bankers' hands		1,134,635.88
Notes Receivable and Unsettled Marine Premiums....		347,440.69
Net Cash Fire Premiums in course of Transmission....		1,069,510.62
Accrued Interest, and all other property		52,160.57

Total Assets

LIABILITIES.

Capital Stock	\$ 3,000,000.00
Reserve for Re-Insurance ..	6,813,862.47
Reserve for Losses	877,250.00
All other Liabilities	104,982.45
Surplus over all Liabilities..	2,589,406.64

\$13,385,501.56

Surplus to Policyholders.....	\$5,589,406.64
Increase in Reinsurance Reserve	349,934.71
Increase in Net Surplus.....	838,500.98
Increase in Assets.....	1,371,438.93

Eugene L. Ellison.....President
Benjamin Rush.....Vice-President
T. Howard Wright.....Secretary
Henry W. Farnum.....Assistant Secretary
John O. Platt.....Assistant Secretary

Agencies in all Prominent Cities & Towns.

Liability

Boiler

Plate Glass

Automobile Liability and Defence

Employers' Compensation

Insurance

Accident

Disability

Fly Wheel

Casualty Company
of America

HOME OFFICE KUHN-LOEB BUILDING 52-54 WILLIAM STREET NEW YORK

Royal Exchange Assurance

OF LONDON.

Incorporated by Royal Charter A.D. 1720.

UNITED STATES OFFICE:

92 William Street * * * New York City

UBERTO C. CROSBY, General Manager.

RICHARD D. HARVEY. Assistant General Manager.

THE
FIDELITY MUTUAL LIFE INSURANCE COMPANY
OF PHILADELPHIA
Has some excellent Agency Positions

FOR INFORMATION APPLY TO

ALEXANDER McKNIGHT, Vice-President

L. G. FOUSE, President.

NOW READY!

Survivorship Annuity Tables

Net Premiums, Mean and Terminal Reserves

**American Experience Table,
LIFE OF NOMINATOR**

**Danish Survivorship Annuitants' Table,
LIFE OF ANNUITANT**

And 3½ Per Cent. Interest

BY
MILES M. DAWSON,
Consulting Actuary

SEND ALL ORDERS TO

The Chronicle Co. (Ltd.)

No. 90 William St.

NEW YORK

The Chronicle.

1866

Published by THE CHRONICLE COMPANY, Ltd., 90 William St., New York City.

1910

VOLUME LXXXVI.

New York, July 7, 1910.

NUMBER 1

HARTFORD LIFE INSURANCE COMPANY, OF CONN.

1909 Policies are Participating, or Non-participating, with Lower Rates and Values based on FULL RESERVE.

For Right Contracts,
Address, Second Vice-President,
Home Office, HARTFORD, CONN.

FOUNDED 1792

118th ANNUAL STATEMENT INSURANCE COMPANY OF NORTH AMERICA. OF PHILADELPHIA, PA.

ASSETS.

	January 1, 1910.
Real Estate	\$ 364,410.60
First Mortgages on Real Estate	373,803.48
Philadelphia, New York, Boston and other City and State Loans	1,134,390.00
Pennsylvania, Philadelphia and Erie, Lehigh Valley and other Companies' Bonds and Stocks	8,909,150.32
Cash in Bank and Bankers' hands	1,134,635.88
Notes Receivable and Unsettled Marine Premiums....	347,440.69
Net Cash Fire Premiums in course of Transmission....	1,069,510.62
Accrued Interest, and all other property	52,160.57

Total Assets

LIABILITIES.

Capital Stock	\$ 3,000,000.00
Reserve for Re-Insurance ..	6,813,862.47
Reserve for Losses	877,250.00
All other Liabilities	104,982.45
Surplus over all Liabilities..	2,589,406.64

\$13,385,501.56

Surplus to Policyholders.....	\$5,589,406.64
Increase in Reinsurance Reserve	349,934.71
Increase in Net Surplus.....	838,500.98
Increase in Assets.....	1,371,438.93

Eugene L. Ellison.....President
Benjamin Rush.....Vice-President
T. Howard Wright.....Secretary
Henry W. Farnum.....Assistant Secretary
John O. Platt.....Assistant Secretary

Agencies in all Prominent Cities & Towns.

Royal Exchange Assurance OF LONDON.

Incorporated by Royal Charter A.D. 1720.

UNITED STATES OFFICE:

92 William Street * * * New York City

UBERTO C. CROSBY, General Manager.

RICHARD D. HARVEY. Assistant General Manager.



Insurance Brokers

Place Your SURETY and CASUALTY business in the "EMPIRE."

CAPITAL, - - - - - \$500,000

Business Producers not now under contract wanted for open Territory.

Address Agency Department,
THE EMPIRE STATE SURETY CO.,
84 William Street, New York

THE HOME LIFE INSURANCE COMPANY OF AMERICA

Incorporated 1899.



THE COMPANY FOR THE AMBITIOUS AGENT who desires to sell "COMMON SENSE" insurance at LOWEST COST, and who seeks, through most liberal first year and guaranteed renewal commissions, to receive just recognition of service. All policies registered, signed and sealed by the Insurance Commissioner of the State of Delaware, making them truly

SAFE AS GOVERNMENT BONDS.

Address Executive Offices, 416-18-20 Walnut Street,
PHILADELPHIA, PA.

JOHN LANGHAM, Jr.,
President.

JOSEPH L. DURKIN,
Secretary.

GEORGE M. NETTLESHIP,
Manager of Agencies.

EDITION ALMOST EXHAUSTED

SAVES TIME AND LABOR

Various Derived Tables

AMERICAN EXPERIENCE

3 and 3½%

BY

MILES M. DAWSON

TABLE OF CONTENTS.

Single Premiums, Pure Endowment.
 Accumulations, Pure Endowment.
 Forborne Immediate Annuities.
 Accumulated Temporary Insurances.
 Accumulated Increasing Insurance.
 Single Premiums Endowment Insurance.
 Single Premiums Temporary Insurance.
 Immediate Temporary Annuities.
 Valuation Columns.
SELECT AND ULTIMATE VALUES.
 Single Premiums, Whole Life.
 Life Annuities.
 Terminal Reserves, Life, Limited Payment, Endowment.
 Mean Reserves, Life, Limited Payment, Endowment.
LOGARITHMS, SEVEN PLACES.
 Forborne Immediate Annuities.
 Curtate Summations of D Column.
 Immediate Temporary Annuities.

USES.

Computing Annual Term Insurance Premiums:
 Divide temporary insurance values by immediate temporary annuities.
 Computing Annual Endowment Insurance Premiums:
 Divide endowment insurance values by immediate temporary annuities.
 Computing Annual Pure Endowment Premiums:
 Divide pure endowment values by immediate temporary annuities or take reciprocals of forborne immediate annuities.
 By these means, the net extra premium for a special guaranty can be quickly and accurately computed.
 Computing Annual Semi or Double Endowment Premiums:
 Add temporary insurance and pure endowment values for proper amounts and divide by immediate temporary annuity.
 Computing Limited Premiums:
 Divide the proper single premiums by immediate temporary annuity.
 Computing Surrender Values:
 Extended Insurance. Find the temporary insurance value next lower than the sum to purchase extension. This gives even number of years. Apply remainder to pay for additional days according to daily differences in the table.
 Extended Insurance with Fractional Paid-up Endowment:
 Deduct from purchase money, value of insurance for unexpired term; multiply remainder by accumulation, pure endowment, to get amount of endowment.
 Computing Terminal Reserves:
 Unvarying Benefits. Multiply net premiums by forborne immediate annuity and deduct accumulated temporary insurance.
 Return Premium, Full Reserve. Multiply net premium by forborne immediate annuity and deduct accumulated temporary insurance and accumulated increasing insurance, multiplied by gross premiums to be reduced.
 Return Premium, Extra Reserve. Multiply net extra premiums by forborne immediate annuity and deduct accumulated increasing insurance, multiplied by gross premiums to be returned.
 Warranted Commissions for New Business.
 Surrender Values.
 Dividends.
 For these purposes the "select and ultimate" will be most useful.

SEND ALL ORDERS TO

THE CHRONICLE CO. (Ltd.)

90 William Street, New York

The Chronicle

VOLUME LXXXVI

NEW YORK, THURSDAY JULY 7, 1910.

NUMBER 1

MILES M. DAWSON, President.
A. C. Harwick, Vice President.
R. B. Dawson, Treasurer. A. L. Dern, Secretary.
Emil Schwab, Manager New England Department,
200 Devonshire Street, Boston, Mass.

All communications should be addressed to and remittances should be made to The Chronicle Company, Limited.
Entered at the Post Office, New York, N. Y., as Second Class Mail Matter.

PUBLISHED EVERY THURSDAY BY
THE CHRONICLE COMPANY, Limited.
No. 90 WILLIAM ST., NEW YORK.
Phone "567 John." Cable Address, "Chronogram," New York.

Subscription Price:
Three Dollars a Year. Single Copies, Twenty-five Cents.
Postage Prepaid in the United States and Canada.

NEW YORK'S SAFE AND SANE FOURTH.

A Roll of 191 Injured Persons as Against 359 Last Year and 38 Fire Alarms, Instead of 149, the Record of the Day Under the Plan Fathered by Mayor Gaynor.

NEW YORK had a safe and sane Fourth of July to an extent that completely justified the steps taken by Mayor Gaynor to lessen the roll of dead and injured, which newspapers have been accustomed to publish on the morning after. The announcement of New York's intentions had a sympathetic effect throughout the country, which ought to be more marked next year. The following table tells part of the city's story of the day:

	1910	1909
Killed	2	3
Injured	191	359
Injured, probably fatally....	2	4
Injured by gunshots and stray bullets	35	40
Fires	38	149

In the Children's Court on the morning after four boys were arraigned on charges of discharging pistols in the public streets, as against more than 200 on the corresponding morning of last year. Not only was the number of fire alarms reduced from 149 to 38, but no serious blaze occurred and the estimated maximum loss was only \$2,000.

Mayor Gaynor on Tuesday referred to the reduction in the number of casualties owing to Fourth of July celebrations, calling attention to the fact that the present good had been done with the laws still inadequate, there being nothing to prevent the public from buying fireworks in Jersey City and bringing them into this city.

From the mayor's remarks it was judged that by next year there might



Courtesy of the New York World.

ANOTHER KNOCKOUT.

be some more effective way to prevent the indiscriminate setting off of fireworks than the mere refusal of licenses to retailers.

As to the old-fashioned celebration which replaced the indiscriminate dis-

charge of fireworks, the mayor had these things to say:

"The parade was fine. I served my time as a member of the National Guard and used to think that we looked fine when we turned out, but

I never saw the National Guard look so fine as yesterday. The city may well be proud of them.

"A few people did all they could to create dissensions in the National Guard about parading, but they failed. It is astonishing how mean some people can be. I want to express my sincere thanks to Major-General Roe for calling out the National Guard. Most people seem to think that I called out the National Guard. No, General Roe came to me at the very beginning and entered into the matter in the most wholesome way, and also Colonel Appleton and other officers.

"I want to also express the thanks of the mayor to President Finley and his committee. Considering the short time, only about three weeks, which they had to do their work, they did wonders. And the community subscribed all the money that was necessary.

"And last, but not least, I desire to express the mayor's thanks to Alderman Marx, a veritable steam engine in boots, who was the first person to speak to me about having the celebration, and who did more than any other man to make it a success."

THE NEWSPAPERS AND THE HOLIDAY.

The Sun.

By the enforcement of the ordinances and regulations imposed by the authorities against the sale of fireworks at retail the city had a day of comparative quiet and peace for the Fourth of July and was not kept in a ferment of unnecessary noise during the week preceding the holiday. Nerves and health were protected, and doubtless many youngsters who might have been gloriously and patriotically mutilated have whole bodies to-day. Were there no other gain to be put down to the credit of the safe and sane Fourth its vindication would be clear from these facts.

But there are other things to be put to its credit. The patriotic exercises cannot have been without good effect, not only on the children but on their elders. The parades furnished amusement and instruction for thousands whose day might otherwise have been without spectacular diversion. The concerts provided a form of enjoyment appropriate and much to be desired. The millions of New Yorkers who cannot leave town for even a day had opportunities for rational pleasure wherever they may live.

But the principal gain is to be found in the shortened list of dead and injured. Here safe and sane spells something tangible, something every citizen can measure and comprehend, something that needs no explanation or defence.

The World.

The success of the new method of celebrating the Fourth surprised New

York. So great a change in a single year had scarcely been anticipated. The police and the city's law officers have made an admirable record and set a precedent which leaves little danger that we shall ever go back again to the old way of tumult, fire and blood.

It was hard facts like the seven persons killed in New York last year, the nine killed in Philadelphia, the twelve killed in Cleveland O., in 1908, the annual heavy loss by needless fires, that commended the experiment of the New Fourth, but it made good in other ways. It spared the city a fortnight of preliminary noise and danger. It saved 50,000 invalids from being driven to distraction.

Nor was the success of the old-fashioned Fourth all on the negative side. It was interesting. The parade was fine. The city's fireworks were a reasonable compromise with custom. Numerous public exercises served to remind people what the Fourth is for. If some of them were ill attended it was because other rational methods of spending a holiday proved more attractive.

The old-fashioned Fourth has come back to New York to stay.

The Tribune.

The "sane Fourth" yesterday is a standing rebuke to those who follow the counsels of despair. The annual celebration got worse from year to year, its noise more deafening and the fireworks more fiendish and deadly, despite all the preaching against its barbarism in the press and elsewhere. Its evils seemed to be rooted in human nature as firmly as the evils of any other institution whose improvement is despaired of—in the love of noise and flame and in the weakness of parents. Yet with human nature unchanged, and with very little effort, the old barbarism was practically wiped out, for a day at least, and we hope for good. Large parts of the city were as quiet as they are on Sunday, and where powder was burned the deadly nuisances of the past, the cannon cracker and the bomb, were unheard, and even the ordinary little firecracker was a rarity. For the most part children seemed to enjoy themselves just as much with minor explosives as they used to with charges of powder big enough to blow up a battleship. The saving in wear and tear on the people's nerves shows in the record; the saving of life, limb and property appears in the short accident roll.

Mayor Gaynor deserves congratulations on the success of his plan and on his courage in putting a stop to the general sale of fireworks and directing public attention to a proper celebration of the day.

EXCHANGE COMMITTEES.

Willis O. Robb, manager of the New York Fire Exchange, has issued the following announcement:

W. B. Ward, of Ward & Crawford, retires from the arbitration committee and is succeeded by D. T. Walden, of the agency of Whilden & Hancock. The arbitration committee now consists of the following members: C.

W. Sparks, chairman, London Assurance Corporation; A. E. Miller, of A. E. Miller; F. H. Crum, North River Insurance Company; J. H. Kelly, Westchester Fire Insurance Company; J. W. Nichols, Queen Insurance Company; J. F. Hastings, North British and Mercantile Insurance Company; D. T. Walden, Whilden & Hancock.

Lyman Candee, of the Globe and Rutgers Fire Insurance Company, retires from the brokerage committee and is succeeded by Arthur Lensen, Jr., of the Hamilton Fire Insurance Company. The brokerage committee now consists of the following members: M. J. Ennis, chairman, Peter Cooper Fire Insurance Company; W. D. Sammis, W. D. Sammis & Co.; C. A. Garthwaite, Stuyvesant Insurance Company; T. A. Ralston, Northern Assurance Company; W. M. Morris, Aachen and Munich Insurance Company; C. C. Wayland, of C. C. Wayland; A. Lensen, Jr., Hamilton Fire Insurance Company.

F. H. Way, of the Williamsburgh City Fire Insurance Company, retires from the executive committee and is succeeded by Charles S. Conklin, of the Assurance Company of America. The executive committee now consists of the following members: Geo. C. Howe, chairman, Niagara Fire Insurance Company; Charles A. Norris, United States Fire Insurance Company; Wallace Reid, of Wallace Reid; E. E. Pearce, London and Lancashire Fire Insurance Company; D. M. Darby, Caledonian Insurance Company; C. G. Smith, of C. G. Smith; C. S. Conklin, Assurance Company of America.

G. W. Montgomery, of Montgomery & Fountain, retires from the rate committee and is succeeded by F. A. Pawley, of the agency of F. A. Pawley. The rate committee now consists of the following members: W. B. Ogden, Jr., chairman, W. B. Ogden & Son; E. F. Schleyer, Norwich Union Fire Insurance Society; Otto Delleve, Phoenix Assurance Company; H. J. Ferris, Home Insurance Company; James Marshall, Northern Insurance Company; H. E. Hess, Fidelity-Phoenix Fire Insurance Company; F. A. Pawley, of F. A. Pawley.

E. G. Letzkus has been appointed manager of the liability department of the Philadelphia Casualty Company.

SPECIAL OPPORTUNITIES offered now in Southern States to Representatives of

**CITIZENS
NATIONAL LIFE
INSURANCE
CO.**

W. H. GREGORY,
President.

IN NEW ENGLAND

THE FOURTH IN BOSTON.

Boston's "safe and sane" Fourth was a glorious, tremendous and unqualified success. The weather man did all he could to help it, the crowds were large and orderly, the laws were obeyed, and not in years has the day gone by with so little to deplore in its wake. According to a table got up by the Boston "Globe" there was no one killed in consequence of the celebration, and the injured numbered only twenty-eight. Compare that with the Boston record of the Fourth for the three years preceding, as reported in the "Boston 1915" publication, and we have for 1907 three killed and fifty-nine injured; for 1908, six killed and one hundred and ninety injured, and for 1909 five killed and one hundred and sixty-seven injured. Certainly a reassuring and gratifying advance, and the particular beauty of it is that, from the description of the injuries, the toy pistol was conspicuously by its absence, and no cases of tetanus are to be apprehended. The fire record for the city was equally gratifying, there having been but thirty-eight bell alarms from 6 p. m. July 3 to midnight, July 4, as against fifty-six last year. The total loss for the day will not exceed \$4,500, and few of the calls were traced to the use of fireworks. So the law and the elements not always kindly to the life, fire and casualty underwriter, did deal gently with him this time.

Showing of Massachusetts Bonding.

Report of the Massachusetts Insurance Department on the examination of the Massachusetts Bonding was filed Tuesday, and shows up most creditably for that company. Its income for 1909 was \$632,563, of which \$588,597 was for net premiums; disbursements for the same period, \$339,540; admitted assets end of 1909 were \$1,058,588; liabilities of \$359,291, plus \$500,000 capital, leave \$199,296 net surplus, or surplus to policyholders of \$699,296. Quite a showing for a company which did not begin business till November 26, 1907. The department finds that the underwriting of the company appears to be conducted with conservatism, ability and profit, and that its investments are carefully, conservatively and ably administered. It criticises the accounting department, but has assurances that satisfactory changes will be made.

Interesting Particulars.

The May bulletin of the Boston Manufacturers Mutual Fire Insurance

Company contains some interesting particulars. Among them is the gratifying information that at a fire in the plant of the International Paper Company at Palmer's Falls, New York, which occasioned a loss of over \$5,000, the old hands and the new hands worked together in extinguishing the fire, although a strike had been going on at that plant for some time and was still unsettled. The labor situation was entirely ignored, giving place to the obligations of good citizenship. The fire, which completely destroyed a building of the Detroit Valve and Fitting Company at Wyandotte, Mich., again afforded an example of the fatality which sometimes pursues the best intentions. This building had been but recently completed, and was under contract for a sprinkler equipment, at the time the fire occurred.

Connecticut Association Protests.

The Connecticut Association of Local Fire Insurance Agents, at its mid-summer meeting, held at East Norwalk, the 24th ult., unanimously adopted a resolution, calling the attention of the companies interested in the expense reduction movement to the fact that, while improved public fire protection, better and fireproof construction building, and increased number of sprinkler equipments in risks of various kinds, are constantly resulting in lower rates to the insuring public, and a decreased loss ratio and better classification for the companies, the local agents, who are a prominent factor in bringing about these improved conditions, are having their incomes seriously decreased, while the cost of living and conducting the agencies has greatly increased. It is therefore respectfully requested that a greater commission than 15 per cent. be allowed as compensation to agents. A committee of four was appointed to advocate the resolution with the companies.

New England Brevities.

The liability department recently established by the United States Fidelity and Guaranty, will be placed in charge of George A. Priest, for the past sixteen years identified most creditably with the lead office of the United States branch of the Employers' Liability in Boston.

The Johnson-Jeffries mill is now over, but prior thereto a bright broker of Boston got out what looked like a ticket to the fight. A closer inspection revealed this inscription: "There is some doubt who will be the best, JEFFRIES or JOHNSON, at the Reno, Nev., fight, Monday, July 4.

But there is no doubt I have the best accident policy. NO FIGHT to get the money."

Another Paris fire insurance company, La Nationale, has decided to do a direct business in the United States, and has appointed Starkweather & Shepley of Providence its general managers for this country.

Alexander S. Browne, of Boston, inspector of agencies for the north-eastern department of the New York Life, last week completed twenty years of continuous, meritorious and successful service for that company.

The Boston Life Underwriters Association has appointed the following delegates to represent it at the National convention in Detroit next September: Regulars—Percy V. Baldwin, Edward Marsh, James H. Lake, Clarence C. Miller, Vernon B. Swett, Fred C. Sanborn, Harry M. Haven, John A. Voodry. Alternates—Charles W. Gammons, Albert H. Curtis, Chas. E. Townsend, John S. Cranston, Chas. H. Flood, Chas. E. Fish, T. Howard Lewis, William M. Bunting, Jr.

INCORPORATED 1833.

British America Assurance Company

HEAD OFFICE, TORONTO, CANADA

UNITED STATES BRANCH.

JANUARY 1, 1910.

Assets	\$1,556,740.94
Liabilities	902,438.61
Surplus	\$ 654,302.33

Hon. GEORGE A. COX, President.
JOHN HOSKIN } Vice-Presidents.
W. R. BROCK }
W. B. MEIKLE, General Mgr.

New England Mutual Life

Insurance Company

BOSTON, : : : : MASS.

Chartered 1835

Assets, January 1, 1910..	\$51,316,543.00
Liabilities	47,050,672.15
Surplus	\$4,265,870.85

Sixty-six years of honorable dealing with its policyholders has placed the **NEW ENGLAND MUTUAL LIFE INSURANCE COMPANY** in the front rank of Life Insurance Companies of the Country.

ALFRED D. FOSTER, President.
D. F. APPEL, Vice-President.
J. A. BARBEY, Secretary.
WM. F. DAVIS, Assistant Sec'y.
J. G. WILDMAN, Assist. Sec'y.

EDWARD W. ALLEN, Manager.
220 Broadway, New York.
LATHROPE, BALDWIN, Manager.
141 Broadway, New York.
CHARLES H. STRAUSS, Gen. Ag't.
260 Fifth Ave., New York.

WESTERN FIRE OFFICES AND THE NEW RULES.

Companies in the Western Insurance Bureau entered July with most of their contracts in Illinois adjusted to the new commission scale agreed upon by that organization. It took fast work on the part of special agents, but the local agents as a rule had learned what was coming and had prepared for it. The agents who made serious objection to the change of their contracts were comparatively few in number. There were some, however, who wrote very ugly letters and in a few instances field men were told they could take their supplies.

Readjustment of outstanding agency contracts is all that has been undertaken so far, and very little is being said as to what future steps will be in the program.

Some interesting situations are likely to arise, although they may not prove to be of serious moment. In a few cases agents have notified small companies that as their commission incomes are to be reduced it will be necessary for them to reduce expenses and they have decided, therefore, to reduce the number of their companies. No great number of such cases are looked for, but the smallest of the bureau companies will probably lose some agents.

Some well informed field men express the belief that when the full program is carried out, those non-union companies which fail to join the bureau will be left with the third rate agencies—those which are out for excess commissions, which are not high-grade in their underwriting and are slow pay.

One change already noted in Illinois is the affiliation with the Illinois Field Club of the representatives of the Connecticut, National Union, Milwaukee Mechanics and Milwaukee Fire, which have entered the bureau. It is much to be hoped that the other bureau companies not now affiliated with the field club will join it soon. Otherwise some serious embarrassment may be experienced. The bureau deals mainly with commissions and does not take cognizance of rates. The field club deals with rates and not with commissions. If the bureau decides upon separation there may arise cases, unless all bureau companies are in the field club, where non-club companies will be left in bureau agencies, and if they cut rates there will be no power to discipline them, while club companies, which can be disciplined for rate infractions, would be forced out into non-affiliated agencies.

ILLINOIS FIRE MARSHALS.

The action of the Supreme Court of Illinois last week in reversing itself and holding the law regarding the parole of prisoners from the penitentiary valid, will probably result in the State fire marshal of Illinois becoming active shortly. The ground on which the court first declared the law void was because it created the parole board and provided for its compensation in one act. While no mention was made of the fire marshal act it was drawn so similarly that the decision was believed to affect it also. Accordingly the State auditor was not safe in drawing warrants for the compensation of the fire marshal and his assistants and the expenses of the office, so the bureau has been inactive for about six months. The court having changed its position, doubt as to the validity of the fire marshal act is expected now to disappear.

WESTERN FIELD MEN.

Considerable sentiment exists among Western field men in favor of having only one field organization instead of two in each State. Previous to ten years ago each State had its State board, except where the laws prevented, and its membership included both union and non-union field men. Following separation the Western Union required most of the State boards to go upon a union basis and in some of the States the non-union field men organized separate bodies of their own which co-operated with the union organizations to a greater or less extent.

Within the past two or three years the last of the State boards have been deprived of their rating powers, which have been turned over to independent inspection bureaus. About all that is left to the field organizations is police duties. In States like Illinois, for example, the two field organizations have to take up nearly every important question through joint committees. Both field organizations are working along the same lines and co-operation is absolutely necessary if much is to be accomplished. The question naturally arises, why it should be necessary to put up with the delays and misunderstandings resulting from two organizations, which could be avoided if all the field men were in one association.

One thing which makes this question the more pertinent is the fact that in Minnesota, whose field organization is acknowledged to be the best in the West, there is no question of union or non-union, stock or mutual in the State board. That organization maintained its identity and old form

while others were reorganized. It has maintained better conditions in Minnesota than are to be found in almost any other State. Naturally the field men in some of the other States see no good reason why the two organization systems should be maintained under the changed conditions.

15 PER CENT. COMMISSION ONE WAY TO CUT COST.

A Western company officer who attended the meeting in New York last week and who is familiar with the various movements now on foot in the West to reduce expenses predicts that the next few months will see more important and interesting changes in the fire insurance business of the country than has any like period in many years.

The recent letter issued by the committee of Western managers on the subject of expense has caused a large amount of thought and comment on this question. One well known manager has expressed his views, which, while in accord with the general idea of expense reduction, go further than most men seem inclined to go in that he favors going back to the old 15 per cent. flat commission basis at one fell swoop. He says the companies have gone mad on commissions, that the only way to cut off the tail of a mad dog is to cut it just behind the ears and it is cruel to the dog to do it piecemeal. He says in part:

"Get back to the oldtime standard 15 per cent. commission from which standard companies never should have departed. It is well understood that the departure from the 15 per cent. commission was merely a war measure; but since a number of the standard companies in an organized body, put their stamp of approval on the present excessive commissions paid to agents by standard companies, they have found it one of the most difficult problems to contend with

IT PAYS THE AGENT

To represent the best company. There are many excellent standard life insurance companies. Which is the best? In stability, progressiveness, liberal contracts to agents and low cost to policy-holders no company surpasses

The Union Central Life Insurance Co. of Cincinnati.

Assets, \$74,523,966.28
Liabilities, \$72,324,302.92

Good openings are occurring from time to time. Address
JESSE R. CLARK, President.
ALLAN WATERS, Sup't of Agents.

and reform they have ever experienced in the history of fire underwriting. But now that, through agitation on the part of the public, legislative bodies and State officials, the companies are waking up to the fact that, unless they bring about promptly a reduction in the excessive commission cost of our business, the several States will enact legislation regulating this extravagant expenditure for the companies, it certainly must appeal to every thoughtful and fair-minded underwriter, as exceedingly more businesslike and dignified for companies to take immediate and heroic action on this subject themselves."

Not only is the desire to forestall legislative action a motive for endeavoring to reduce expenses, but the fact that the margin of underwriting profit is growing narrow also impels in the same direction. Along this line a company official last week called to the attention of the Illinois Field Club the advisability of making a declaration against the granting of relief rates so freely as it has been done.

From several Western States come reports that field men of large companies doing a general business are finding it almost impossible to show any advance in premiums this year. While June appears to have been a pretty good month for most companies as regards losses, the first five months of the year were so hot that profits for the first half are not up to the usual standard in many offices. This matter of high loss ratios is becoming somewhat chronic in the West, apparently due in a large degree to the constant working down of rates and loss of good business to mutuals, interinsurers and others. Unless the expense ratio can be reduced, it apparently will be but a short time when many companies will see profits disappear entirely in the West.

OVERHEAD WHISKY LINES.

The National Association of Local Fire Insurance Agents has received notice from a co-operating company that its strict compliance with the overhead writing rules of the National Association in respect to whisky lines in Kentucky has occasioned the loss of insurance on this class of risks to the company and to its local agents. In consequence, Chairman W. E. Metzger, of the executive committee, has notified co-operating companies of the complaint made that some companies on the list were not complying with the rules of the National association in regard to overhead writing. He says: "We beg, therefore, to call your attention

to the fact that it is the purpose of the National association to require that all co-operating companies shall protect their agents' territorial rights in respect to all forms of insurance, excepting steam railroad schedules."

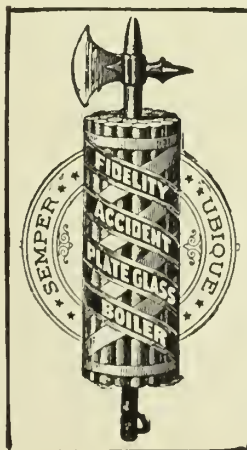
It is understood that the National association is prepared to take drastic action in the case of any company wilfully violating the rules of the association. The following resolution on the subject was adopted at the last annual convention of the National association:

CO-OPERATING COMPANIES—
The executive committee is instructed to drop from the co-operating list any company wilfully violating the rules of this association or persistently refusing to co-operate with the association in promoting good practices; the names of said companies to be bulletined to the members of the association with the reasons for the action taken.

CASE AGAINST CROKER BEHIND CLOSED DOORS.

Underwriters need to watch critically steps in the movement designed to oust Chief Croker from command of the fire department. Behind closed doors in fire headquarters yesterday Deputy Chiefs Lally and Langford and Battalion Chief Howe, who, with Chief Croker have been investigating the Washington street fire of June 6 last, in which two men lost their lives, filed separate reports finding the chief guilty of incompetence, neglect of duty, and violation of the rules of the fire department. These separate reports later will be embodied into the majority report of the committee already planned, and Chief Croker will face charges which, if sustained, can result only in his dismissal from the department.

Chief Croker will file a minority report defending his actions at the fatal blaze. Yesterday the separate reports were read, while he was absent from the room, and he will learn their exact contents only when the final majority report is filed against him.



THE FIDELITY & CASUALTY COMPANY

97 TO 103 CEDAR ST., NEW YORK CITY.

ASSETS - \$9,598,924.02

Cap. & Surplus \$3,564,229.90

LOSSES PAID \$31,636,503.21
to Jan. 1, 1910.

This Company grants insurances as follows:

Bonds of Suretyship for Persons in Positions of Trust, Fidelity Bonds, Burglary, Plate glass, Steam Boiler, Fly Wheel, Employers, Public, Teams, Workmen's Collective, Elevator and General Liability; Personal Accident, Health and Physicians' Liability

OFFICERS:

GEORGE F. SEWARD, President.

Robert J. Hillas, V.-P. & Sec'y. Henry Crossley, Ass't Sec'y.
Frank E. Law, 2d Ass't Sec'y. George W. Allen, 3d Ass't Sec'y.

A General Agency is open
in the State of

PENNSYLVANIA

For one of the best Old Line
Companies in America

Write "B," care of this paper

OUR

Course of Insurance Education.

Department for Furnishing
Prospects.

New "Model Policy"

Will Plough the Field and Assure
the Harvest for Good Agents.

Phoenix Mutual Life

INSURANCE COMPANY,

Hartford, Conn.

Write Home Office.

COMMERCIAL - UNION

ASSURANCE CO.,

(LIMITED)

OF LONDON.

OFFICE;

Cor. Pine & William Sts.

NEW YORK.

The Prudential's Surplus.

VICE CHANCELLOR HOWELL, sitting in Newark last Thursday and Friday heard arguments in the suit of Leon F. Blanchard and others against the Prudential for a distribution to stockholders of a part of the company's surplus. They are to be continued today and to-morrow.

The complainants were represented by John R. Hardin and Robert H. McCarter. The Prudential was represented by Richard V. Lindabury, general counsel; former United States Senator John C. Spooner and Edward D. Duffield, of the company's law department.

For the Plaintiffs.

Mr. Hardin began by saying that there was a wide difference between the capital stock of an insurance company and that of an ordinary manufacturing or trading company.

"The fund of an insurance company is its premium receipts," he said, "and until that becomes insufficient no call can be made on the stock. The capital stock of an insurance company is only a guarantee fund, to be resorted to when necessary.

"The primary fund unquestionably belongs in gross to the insurance company, and there can be no question raised as to the ownership of the fund. The surplus belongs to the company as completely as the fund in gross, unless there is a contract right to share it. The stock plan puts the ownership of the company in its stockholders, and under that plan all the gain of business belongs to the stockholders.

"The tendency of the day is against a large surplus, and the earnings should be distributed in the form of dividends to the stockholders. Any dividend that the company may earn, according to law, should be distributed among them. The directors of the company seem to have forgotten that the company is a stock company and that its stockholders have clear and well defined rights in it."

For the Company.

Senator Spooner declared in reply that the Prudential was, in its nature, a public institution and that the interests of its policyholders were directly involved in the proceedings in court.

"The court will never supplant its judgment for that of the board of directors," he said, "unless it is made clear that the action of the board of directors is tainted with fraud or is oppressive. The distinctions in law between the ordinary money-making

corporation and other corporations are nowhere more clearly drawn than in the State of New Jersey."

"In modern legislation," Mr. Spooner said, "the rights of the policyholders were conserved as much as those of the stockholders, and that the act for the protection of the deferred dividend policyholders, intended as a shield, appeared to have been turned into a sword against the policyholders. He denied that any gratuity was allowed, and he praised President Dryden for his efforts to stem the rising tide of prejudice against industrial insurance. He insisted that it was entirely within the power of the board of directors to act as it did in connection with the distribution of the surplus, saying that it was necessary, as a matter of equity to policyholders.

Mr. Lindabury discussed the reference in the complaint to the amount of cash dividends and other benefits to policyholders beyond the requirements of their contracts and the enlarging and changing of such contracts.

"The most important of these concessions was made in 1897," he said. "The company at that time changed its industrial policies into profit-sharing or participating policies. The rates on the new industrial policies were not increased above the rates on the old ones, and, in order to place the old and the new on the plane of equality, the company accorded participation to the old policies in the same manner and to the same extent as to the new. The cost of these various concessions to the company amounted, on December 31, 1909, to \$12,678,060. The claims now made that these concessions were illegal, and amounted simply to taking money out of the pockets of the stockholders and giving it to the policyholders."

The action of the directors in thus apportioning the surplus was defensible upon every principle of morals, equity and law, Mr. Lindabury said.

MERGER DEAL IS OFF.

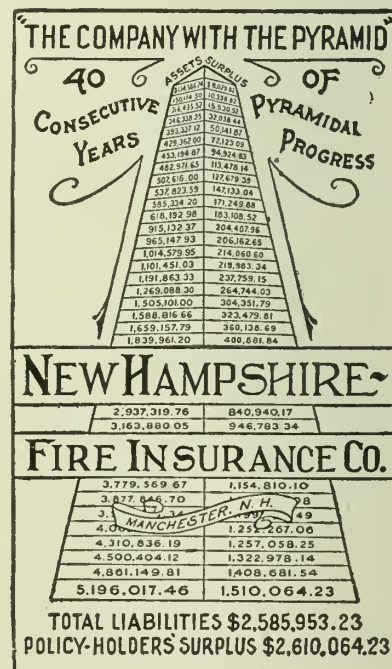
State Auditor Barton, of the Nebraska Insurance Department, has decided to forbid the proposed consolidation of the Royal Indemnity Company and the Commonwealth (Life) Insurance Company of Omaha, Neb. The stockholders of the Royal Indemnity were not particular, anyhow, about making a sudden expansion from their original plan of having a \$100,000 institution, and as such it will begin doing business under a State li-

cense in a few days. The consent of the required two-thirds of the stockholders of the Commonwealth to effect the merger could not be obtained because many of them desired to keep to the life insurance business. So the Commonwealth will continue as a life company, with an extensive reorganization of its management.

State Auditor Barton had already indicated that he would not license the Commonwealth if he found that more than 15 per cent. of the receipts had been spent for promotion when the application was made. When it was found that this limit had been exceeded, it looked as if the company would be without a license. When the proposed merger with the Royal Indemnity fell through, the auditor gave his consent to issue a license to the company on its present financial basis, providing a reorganization could be effected.

Van B. Lady, the secretary and general manager, holds possession of his position by court injunction, but will apparently be eliminated by the purchase of his contract, which has a half year to run at \$350 a month and the liquidation of other financial obligations claimed by him against the company.

E. M. Fairfield has resigned as director and president and Sherman Saunders, already a director, is to succeed him as president; Alonzo B. Hunt has resigned as director and treasurer and A. D. Marriott, already a director, is to succeed him as treasurer.



More for Workmen, Less for Lawyers.

IN THE last session of the Illinois State Legislature provision was made for the appointment by the governor of a commission of twelve members, six of whom shall be employers of labor and six employees or representatives of employees. It is directed to investigate the subject of industrial accidents and the law of liability for injuries received in the course of employment, and the best method of providing compensation for such injuries; and to report to the governor by September 15, 1910, its conclusions, with a draft of such bill or bills as it recommends. It can report only such recommendations as are agreed upon by a majority of the employers and a majority of the employees upon the commission.

Emphasis was laid upon the subject of Edgar A. Bancroft, president of the Illinois State Bar Association, in his annual address, in the course of which he said:

The subject of "Employer's Liability," or, rather, "Workingman's Compensation and Industrial Insurance" is worthy of special consideration by the bar and the general public.

Its chief importance is not in the legal questions involved, nor yet in providing a surer recompense to injured workmen. It lies in the fact that, if a plan is found for insuring every workman against loss in industrial efficiency through the accidents of his employment, it will not only end the personal injury disputes and relieve the courts of a very large burden, but it will also preserve the independence of the men and their families and avoid the wasteful anti-social influence of such strifes.

For the efficiency of modern machinery is not more wonderful than the increasing efficiency of the workmen who operate the machines. And both are capable of indefinite enlargement if proper regard is paid to the character and the welfare of the workmen. Without any additional physical labor or mental strain, the quality and quantity of their work may be increased by their good feeling toward their employer, and their interest in the success of the enterprise. Therefore, many manufacturers are joining sympathetically in the discussion of a uniform law which will, in some fair and complete manner, insure all employees against accidents occurring while on duty.

As pointed out by Prof. Mechem's very instructive address of last year—the employer's present liability for the acts of his servant within the scope of his duty has strictly no ethical or logical basis, but was engrafted upon the law. Of like origin are the counterpart rules as to "fellow servant," "assumed risk" and "contributory negligence." To the proposal to abolish these defenses it is natural for the employer and the employer's lawyer to object that this

is taking one man's property for the benefit of another.

So far, the principal legislation in America is the Federal law as to interstate railroads—making the carrier the insurer of the safety of its employees while on duty against injuries from all causes except their own wilful acts.

Methods Used Abroad.

In Germany the whole matter is handled by a department of the Government, which operates a plan of compulsory industrial insurance. Every employer must insure with the government all his regular employees whose annual wage is less than \$500. Each employee is enrolled in a "Trade Assembly" embracing all workmen in that class of work, and his employer pays into the fund of such particular "Trade Assembly" a certain per cent. of the total average annual wages of such employees—the payment varying according to the hazards of the occupation. When an accident occurs, the government's insurance department takes charge of the man, provides surgical attention and hospital service, and pays certain monthly sums so long as his disability continues. If he dies, it provides for his funeral and gives a certain pension to the members of his family dependent upon him. Employees who receive \$500 or more a year, or who are employed temporarily or outside any specified class, are insured only at their option and by making a monthly contribution from their wages. The employer is not required to make any provision for them, but has only his legal liability, if any, to meet in case of accident. Against this he can protect himself, as the employer often does in this country, by insuring in a private liability insurance company.

The Government insurance department, in dealing with insured employees, has a fixed scale of compensation quite similar to that of the accident insurance companies of this country. Each permanent disability has its fixed compensation, being a certain specified per cent. of the workman's average wages. In case of death, his family receive an amount equal to his average wages for a certain period, as two or three years.

Of course, the per cent. varies according to the occupation. The loss of the left hand, for example, is relatively a smaller disability for a clerk than for a workman.

In Russia the law casts the burden for all injuries to employees while on duty, except those due to the fault of the employee himself, directly upon the employer. And it gives to such employee—or, in case of his death, to his dependent relatives—a lien on the factory for the payment of damages

201st YEAR.

SUN Insurance Office OF LONDON.

FOUNDED 1710.

UNITED STATES BRANCH:

54 PINE STREET, NEW YORK.

WESTERN DEPARTMENT:

171 LA SALLE ST., CHICAGO.

PACIFIC DEPARTMENT:

Sansome & Sacramento Sts.,
SAN FRANCISCO, CAL.

AGENTS WANTED
AT UNREPRESENTED POINTS.

The Connecticut Mutual

That means the best life insurance to have and the best to sell. If you can sell life insurance, you can sell more of it for the CONNECTICUT MUTUAL.

Men of Character and Ability are invited to apply.

Conn. Mutual Life Ins. Co.,
Hartford, Conn.

Please mention this paper.

BONDS OF SURETYSHIP.

The Guarantee Company of North America

HEAD OFFICE, MONTREAL

Edward Rawlings, President.

H. E. Rawlings, Asst. Mgr.

Richard B. Scott, Secretary & Treasurer.

It is the Pioneer Company, was established in 1872, and is conducted under a conservative management of over 55 years experience.

It has recouped to employers over \$2,190,000 for losses sustained by the fidelity of employees and has a surplus of \$1,041,423.23 to credit of shareholders and total resources of \$1,919,892.38 for the security of insured.

Branch Offices:

NEW YORK: 111 Broadway,
D. J. Tompkins, Secretary.
BOSTON: 114 Milk Street,
W. A. Hamilton, Agent and Attorney.
CHICAGO: Room 400, The Temple,
J. R. Pruyn, Resident Sec. and Atty.
PHILADELPHIA: 500 Arcade Bldg.
W. H. Jackson, Res. Secretary.
PITTSBURG: 1120 Farmers Bank Bldg.
E. R. Munro, Resident Secretary.
LOUISVILLE: 316 Columbia Bldg.
P. N. Clarke & Co., Agents.

that have been or may be recovered, and for the payment of any pension which may be fixed by a judgment of the court with the consent of the plaintiff or agreed upon between the parties.

The English employer's liability act, like the Russian, provides for a change in the rule of liability, rather than for a scheme of industrial insurance—which takes and keeps the subject of compensation for accidents out of the courts.

Automatic Insurance.

The difference between these two methods of dealing with the subject is important. The lawyer is apt to fix his attention upon the legal questions, and the discussion of changes in the rules of liability tends in the same direction. But this, it seems to me, misses the essential point in the problem; which is to secure to the employee industrial insurance that will be automatic and free from wasteful expense; that will require not attorneys, nor court contests with their uncertainties and delays, but will give to the employee a fair and a fixed recompense according to his disability, and save the employer from the costs of litigation, and make the loss to the employer precisely equal to the benefit to the employee.

Therefore, the discussion should not center upon constitutional questions, or the changes in the law of liability or grounds of defense. But upon a plan, to be fairly worked out by competent and disinterested men, which will bring such a saving to the employer of time and annoyance and the expenses of litigation as will recompense him for waiving the question of his constitutional rights, and will bring such a similar benefit to the employee—specific and certain compensation for each injury—that he can well afford to waive the advantage which he may occasionally have in the unlimited damages which a jury may award.

Under the present rules of the employer's liability in this State, the cost of accidents to a manufacturing business of average hazards is from 3-5 to 4-5 of one per cent. of the annual payroll; that is, if an employer has 1,000 men and an annual payroll of \$400,000, it now costs him for accidents on the average from \$2,400 to \$3,200 per annum. That amount represents:

(a) What is paid to employees in settlement or after judgment. Of this, on the average, one-half is taken for attorney's fees, lost time preparing for and during trial, and actual expenses;

(b) The attorney's fees and expenses and loss of time on the part of the employer, which represents an amount equal to from 50 to 75 per cent. of the total payments made.

Employees Get a Fraction.

Therefore, the employer is paying to-day three or four times as much on account of personal injuries as his employees themselves receive. Each is damaged by the annoyance, the hostile feelings and the interference with his regular business which litigation threatened or pending, always entails, with the further and indirect damage to each from the unfriendliness of the other. In addition to all this, society is suffering the

expenses of litigation and the injury of disturbed relations between employer and employee.

Both employer and employee would be gainers, measured merely in dollars, from a method under which one would pay and the other would receive a reasonable amount in every case of injury, which both would know in advance and which would be paid and received without strife, or litigation. Such is the only solution really worth while; and it is worthy the best thought and effort of the members of our profession, as well as of employers and employees.

In Russia, the courts, without a statute on the subject, have adopted the German plan of a governmental to be obtained of the actual pecuniary damage from the particular injury; so that, when a workman brings an action for the loss of a hand, the master's liability having been determined, the court fixes the amount by reference to the German schedule, giving him such per cent. of his annual wage as is assigned by the German law to such a disability to a man in such employment. But this leaves two questions to be litigated: (1) Whether the injury was caused by the employee himself; and (2) the present value of such per cent. of his average wages for the period of his probable disability. The court cannot, without the plaintiff's consent, enter a judgment for monthly payments. Therefore, it is only a partial solution. It is to the interest of society that the disability payment, like the earnings before disability, should be monthly, to avoid the hazard of loss or misuse of the money paid.

Therefore, unless we are to adopt the German plan of a governmental department of insurance—which presents many serious difficulties—an adequate law, instead of forbidding arrangements between employer and employee to effect this end, should encourage and legalize any plan which provided definite and fair compensation for all classes of injuries at least equal to a schedule of minimum payments which the law should fix. Instead of remitting the parties, as our law at present does, to the uncertainties and delays of litigation, it should so limit the possible advantages of strife to either party that it would be to the mutual interest of both to agree.

The Illinois Commission.

The recent act for the appointment of a commission to study this question, in providing that six of its members shall be employers and six shall be employees or their representatives, illustrates the present partial view of the problem. It treats it as a question affecting only two groups of society—employers and employees. The great body of society which supports the courts and is injured by trade strifes, and which ought to be impartial, is not represented. It is to be hoped that the importance of the subject will so impress itself upon the commissioners that they will have no thought of obtaining, in their conferences, particular advantages for the side which they represent, but will be anxious to study both sides with impartiality and will act with independence in following their conclusions. It is not a subject for trading or

compromise; it must be dealt with in a large, broad, public-spirited way, with society's interest, as well as that of the immediate parties, always in view.

EMPLOYERS LIABILITY

RATES MAY GO UP.

At a meeting yesterday afternoon, which was attended by some twenty liability insurance companies, for the purpose of discussing the new employers' liability laws, that go into effect in this State on September 1. a committee of five liability insurance attorneys was appointed for the purpose of forecasting the probable court interpretations of the laws, that liability insurance underwriters might have some basis on which to make rates. Another committee was appointed for the purpose of suggesting forms of indorsements and insuring clauses for policies to make the present policy forms conform to the new laws. Another committee of five underwriters was appointed for the purpose of suggesting policy forms and indorsements to be used in this State in the general business of liability insurance after September 1.

It was apparently the consensus of opinion that it would be necessary to very materially increase employers' liability premium rates in this State to cover the increased liability of all employers of labor.

FEDERAL LIFE INSURANCE COMPANY CHICAGO

ISAAC MILLER HAMILTON, ; ; President

Admitted assets.....	\$2,447,499.17
Capital stock.....	177,300.00
Surplus apportioned and unapportioned	77,510.61
Excess security to policy holders	254,810.61
1909 insurance in force increased over.....	\$6,300,000.00
Surplus increased over....	100,000.00

**HIGH-GRADE MANAGERS AND AGENTS WANTED.
ATTRACTIVE POLICIES.
DESIRABLE CONTRACTS.
WILL ENTER NEW TERRITORY.**

Address,
CHARLES M. TURNER,
General Manager,
Marquette Building, CHICAGO, ILL.

KINGSBURY GOES WITH THE U. S. CASUALTY.

Edson S. Lott, president of the United States Casualty Company, has appointed F. H. Kingsbury executive superintendent of the company with headquarters in the home office.

Mr. Kingsbury, consequently, has resigned as secretary of the Pennsylvania Casualty Company, of which he was one of the organizers. He has been the underwriter of the Pennsylvania Casualty since it began business—about a dozen years ago. He will give particular attention to the liability department of the United States Casualty. His insurance experience commenced with the American Mutual Indemnity Company, of Scranton, in 1898.

Upon the organization of the Pennsylvania Casualty he assumed control of all its business except the agency department, giving particular attention to underwriting propositions. For several years past he has paid special attention to the liability business and the financial affairs of that company. He served two years on the executive committee of the Liability Insurance Association, he has served one year on the executive committee of the Board of Casualty and Surety Underwriters, and he is at the present time the board's secretary and a member of the executive committee.

ENTERPRISE CASUALTY TAKEN TO COURT.

Judge Holland, in the United States Circuit Court on Tuesday, issued a temporary injunction restraining the officers and stockholders of the Enterprise Casualty Company from holding a meeting at noon of that day and also from disposing of any of the assets until a hearing to-morrow. The meeting was to consider a proposal to increase the capital stock of the company from \$100,000 to \$1,000,000.

At a meeting late Tuesday afternoon, at which more than a hundred stockholders were present, it was voted to wind up the affairs of the concern, and James D. Kelly, Winthrop Smith and W. E. Bernard were appointed a committee for that purpose.

The complainants in the injunction case were T. Coleman Dupont, Alexis I. Dupont, W. Windor Laird, H. I. Brown and E. G. Buckner, all of Wilmington.

In the bill of complaint upon which the petition for the injunction was based the complainants declare that they purchased from one hundred to five hundred shares each of the stocks of the insurance company under various representations regarding the

concern, which they now allege were false.

They aver that officers of the concern represented the Enterprise Casualty Company as being duly authorized by law to execute contracts of insurance; that the capital stock of the company was \$1,000,000, with a reserve fund of \$500,000; that at the time the stock was purchased by the complainants, between February and May of this year, there had been more than \$800,000 received in bona fide subscriptions for stock, and \$1,000,000 in policies already subscribed. That also a number of prominent Philadelphians were members of the board of directors.

All these representations the complainants declare to be false. They charge that while the concern was incorporated under the laws of Pennsylvania on April 14, 1909, with a capital stock of \$100,000, they were not granted the right to execute insurance policies until April 14 of this year.

They also assert that with the exception of F. T. Chanler, Arthur L. Wheeler, Paul B. Vrooman and H. E. Clark, who were elected to the board of directors last month, none of the other men named were either directors or stockholders of the company.

In asking that the meeting be prevented to-day the complainants charge that the officers of the company had withheld their stock certificates in order to deprive them of the right to participate in the election and other matters affecting the policy.

It is also charged in the bill of complaints that L. V. Gilliam, a former treasurer of the company, was \$23,000 short in his accounts. The other officers of the company are charged with wasting the funds of the company through improper and unlawful expenditures. For this reason the court is asked to appoint a receiver to take over the books and assets of the concern and make an accounting.

To Expiate His Crime.

Napoleon J. Rivet, of Lowell, Mass., is sentenced to die in the electric chair during the week beginning Sunday, July 24, for murdering Joseph J. Gailoux in February, 1908. The facts brought out at the trial showed that the murderer and his victim were friends. Fourteen months before the killing, Rivet, who was then working as an insurance solicitor, took out a policy of \$1,000 on the life of Gailoux. Rivet was the beneficiary of this policy, and he paid the first and second premiums thereon, which had become due at the time of death.

RECTOR 2817

ESTABLISHED 1864

E. S. BAILEY

DEALER IN

INSURANCE STOCKS

A SPECIALTY

66 Broadway NEW YORK

1860 50th YEAR 1910

HOME LIFE

Insurance Company of New York.

GEORGE E. IDE, President.

Assets	\$23,626,018.63
Liabilities	21,858,691.52
(Including Deferred Dividend Fund)	
Dividend Endowment Fund	
(Deferred Dividends)	2,119,044.00
Net Surplus	1,767,327.00
Insurance in Force	92,532,583.00

The record for 1909 shows the following
GAINS:

Insurance in Force	\$4,164,239.00
Assets	1,917,117.00
Deferred Dividend Reserve...	148,581.00
Contingency Reserve (Surplus)	655,149.17

INSURANCE STOCK QUOTATIONS.

	Capital	Approx. Annual Div.	When Payable	Bid Price P.C.	Asked Price P.C.
City of New York.....	\$500,000	10	"	195	205
Commonwealth.....	500,000	10	J&J	328	...
Continental.....	2,000,000	70	"	935	970
Empire City.....	200,000	8	"	123	...
Fidelity-Phoenix.....	2,500,040	V	"	290	300
German Alliance.....	400,000	15	J&J	275	300
German American.....	1,500,000	30	"	570	575
Germania (\$50).....	1,000,000	15	"	1,525	...
Glens Falls (\$10).....	200,000	30	"	1,525	...
Globe and Rutgers.....	400,000	40	Q	470	...
Hanover (\$50).....	1,000,000	10	J&J	190	205
Home.....	3,000,000	30	"	695	705
Nassau (\$50).....	200,000	10	"	165	175
Niagara (\$50).....	1,000,000	20	"	305	315
North River (\$25).....	350,000	10	A&Q	155	165
Pacific (\$25).....	200,000	6	J&J	135	145
Peter Cooper (\$20).....	150,000	6	"	60	105
Stuyvesant.....	400,000	10	"	155	160
United States (\$25).....	250,000	V	"	80	70
Westchester (\$10).....	400,000	35	F&A	455	...
Williamsburg City (\$50).....	250,000	20	J&J	880	400

V—No Information.
Q—Quarterly.

The Phenix Report.

IN THE matter of the examination of the Phenix Insurance Company of Brooklyn, the examiners have now filed their formal report with Superintendent Hotchkiss of the New York State Insurance Department. "It is expected," says a statement by the department, "that the facts developed by the report as to the falsity of the company's statements will be brought to the attention of the district attorney of New York county."

The report, among other things, criticizes the large collateral loans made by the company to former State Superintendent of Insurance Pierce and certain deputies and examiners then connected with the department. Although all of these loans were ultimately paid, the examiners are of the opinion that they were made in violation of the insurance law. In connection with the report the State Insurance Department issued a statement, in which it said:

It will be recalled that, following discoveries of gross irregularities in the management of this company, President George P. Sheldon was summarily removed from office last December, and, on facts presented to the district attorney, indicted for grand larceny. Mr. Sheldon died before such indictment could be pressed. Shortly thereafter the Phenix company was emerged with the Fidelity Fire Insurance Company, and the combined companies are now known as the Fidelity-Phenix Fire Insurance Company and doing an active business.

The examination just completed covers the transactions of the Phenix Insurance Company since the last previous examination, which was of the statement of June 30, 1887. It has been particularly searching, however, as to the recent years of the company's existence. From such examination, the examiners conclude that the surplus of the company on December 31, 1906, was actually but 286,477, though reported as \$1,626,477; that though reported for 1907 as \$849,461, such surplus not only did not exist, but the capital was impaired to the extent of \$372,429; and, similarly, that though the company on December 31, 1908, claimed a surplus of \$1,010,453, its capital was actually impaired to the extent of \$126,167, a difference of \$1,136,620.

The present examination was made as of September 30, 1909, and the examiners find at that time a surplus above capital of \$421,200, instead of \$1,546,648, as claimed by the company in its quarterly statement as of that date.

The difficulties of the company seem to be mainly traceable to two causes: First, the purchase by President Sheldon early in his administration of large blocks of the securities of the Council Bluffs Water Works Company, nearly half of whose stock and bond issues seem to be owned by

the Phenix Insurance Company; and, second, an apparent general want of supervision or examination by the State Insurance Department during a period upwards of 20 years.

For the bonds and stock of the Council Bluffs Water Works Company the Phenix paid approximately \$557,000, and such holdings—the water works company now being in the hands of a receiver—are and for some time have been of problematical value, they being carried in the examiners' statement at \$112,400. These securities have for many years passed in and out of the books of the Phenix at the time of its annual statements, such books being manipulated and other securities purchased and devious means devised; all to the end that their actual ownership by the insurance company would be concealed from the department. The last of these transactions was in January, 1909, when coincident with the deposit by the insurance company of \$250,000 in the Carnegie Trust Company and \$225,000 in the Empire Trust Company, the Council Bluffs and a small amount of other securities were transferred to the Carnegie Trust Company for \$494,400, President Sheldon, as it is claimed by the trust company, agreeing for the insurance company that he would repurchase such securities at the above price plus a commission of 1 per cent. ninety days after date. This agreement was renewed, and these securities were held by the Carnegie Trust Company at the time of the examination and the disclosures which followed, it claiming also that the deposits made with it and the Empire Trust Company were as collateral to such agreement. The matter is now in litigation. But the examiners significantly point to the fact that one Robert Sewall, for some time president of the Council Bluffs Water Company, is probably identical with the Robert Sewall who, prior to Mr. Sheldon's election as president of this company, was a member of the firm of Sewall, Pierce & Sheldon—the Pierce of such firm shortly thereafter becoming superintendent of insurance of New York. They also state that Mr. Sheldon for many years was the treasurer of the water works company.

Not only was the purchase by the insurance company of the water works company securities largely responsible for the juggling of the books and for repeated false annual statements, but many others of the criticized transactions of the president of the company seem to be traceable to such purchase.

It is already well known that the Phenix Insurance Company, not only through the administration of Mr. Pierce, from 1891 to 1897, but until the recent examination, practically received no attention from the insurance department. Also, that during such period large collateral loans were made by such company to Superintendent Pierce and certain deputies and examiners then connected with the department. The report brings out the fact that all of these loans were ultimately paid; though, as it

states, even granting that the credit of \$15,000 for counsel fees allowed Mr. Pierce after he retired is valid, the small amount of interest paid by him on his loan really resulted in a loss of upwards of \$15,000 to the company. They also note the fact that, not only during but after Mr. Pierce's incumbency, his loan was paid up and taken on again every six months when department statements were due, so that it never appeared thereon.

The examiners also suggest that these transactions were in violation of section 7 of the insurance law, which then, as now, prohibited any gift or credit, on any pretense whatever, from a company subject to examination to the superintendent of any clerk or employee of the Insurance Department. Stress is also laid upon the numerous false statements made by the officers of the company; it appearing that all the statements for the past decade or more have been knowingly false. It is expected that the facts developed by the report as to the falsity of the company's statements will be brought to the attention of the district attorney of New York County.

Among the new matters brought out by the report are:

That all dividends declared since at least the losses incident to the San Francisco conflagration have been so declared upon erroneous figures; a condition of impairment rather than of surplus having existed during most of this time.

A deception to the extent of about \$1,000,000 practiced upon the department by the company in stating its losses at San Francisco.

The carrying of a special account in connection with such losses, that the department—and even the directors of the company—might be deceived.

The purchase of the company's stock with its own funds, and a number of peculiar and questionable transactions at the Chicago agency, particularly in connection with the sub-agency at San Francisco, which resulted in the ultimate falsification of the books and seemingly a considerable loss to the company.

A number of other matters worthy

YOU WILL BE THE MASTER



of your own fortunes if you sell life insurance for

THE PRUDENTIAL.

Your ability will regulate your progress and earning.

Write for Agency.

THE PRUDENTIAL
Insurance Company of America.

Incorporated as a Stock Company by the State of New Jersey.

JOHN F. DRYDEN,
President.

Home Office,
NEWARK, N. J.

of comment are also brought out. Among them being large collateral loans made to President Sheldon, in violation of law; investments of a questionable character made by him and acquiesced in by his finance committee, among them a purchase of the bonds and stock of the Sheldon Marble Company, which resulted in a loss of \$26,000, and as to which and other similar loans the examiners state: "The president either had a special interest, aside from the company he represented, or was distinctly negligent in not exercising proper care"; as well as certain transactions with Fisk & Robinson and Carter, Wilder & Co., both in connection with the manipulation of the insurance company's assets and also with the personal deals of Mr. Sheldon, some of which resulted in the indictment of the latter.

The report indicates that Vice-President Ingraham and Secretary Koster, as well as the latter's predecessor, Secretary Wright, now deceased, were for years fully cognizant of the transactions of President Sheldon, yet, aside from protests from time to time, did not inform the directors of the company of what was going on; but, instead continued to draw their comfortable salaries.

Further, the report emphasizes the statement frequently made that directors of corporations too often do not direct. It says: "The testimony taken at such examinations clearly indicates that the Phenix Insurance Company was a one-man concern, directed in its policy by its president, and whose directors, other officers and general agents were under his complete domination. Even though the officers failed to properly advise the board of the continuing irregularities, such fact can to no extent be considered a valid excuse for the non-performance of the duties of such board as expressed in the charter. It would appear that the directors took full advantage of the provision of section 13 of the amended charter, in delegating to committees and to the president power to transact much of the most important business of the company. This wholesale delegation of power, without proper supervision or subsequent examination of the manner in which the duties of the president and the various committees were performed, operated to the detriment of the company. If proper supervision and examination had been exercised the condition of the company and the irregular practices would not have gone unnoticed for so long a period of time.

The names of the directors of the company during the whole period covered by the examination are set out in the report; the directors for 1909 being George P. Sheldon, W. J. Logan, John Cartledge, George M. Hard, George Ingraham, E. C. Converse, F. J. Logan, B. J. Greenhut and Charles F. Koster.

The report also refers to the activities of President Sheldon in promoting and retarding legislation, particularly through his agent, William H. Buckley, whose correspondence with Mr. Sheldon furnished the basis for the recent investigation conducted by the insurance department.

THE SUN'S SOUVENIR.

As a souvenir of the bi-centenary of the Sun Insurance Office of London, a handsomely gotten up edition of "The Early Days of the Sun Fire Office," by Edward Baumer, late manager and secretary, has been issued by the home office of the company. The work, which was written for the occasion, is gotten up partly in old style typography, and contains much of the official record of the formation of the company. The volume, which is bound in white and gold, is liberally illustrated with cuts of ancient fire engines, primitive fire policies, early Sun marks, street maps of London, a facsimile of the head of a policy dated 1726 (printed from the original plate), and two full page illustrations in color, one of them being a picture of the Sun float on the River Thames, and taken from an old water color drawing.

The Sun in the year of its organization, 1710, "employed in the service of the Office thirty lusty able-bodied firemen who are cloth'd in blue livery and having silver badges with the Sun marked upon their arms, and twenty able porters likewise who were always ready to assist in quenching fires and removing goods, having given bonds for their fidelity."

This statement is but an example of the picture which the volume draws of some of the conditions of life prevailing in London two hundred years ago.

NEW BRITISH LEGISLATION.

John L. Griffiths, United States Consul General in London, has made a report to the State Department at Washington regarding legislation in Great Britain affecting the commercial and financial world enacted during the past year, in the course of which he says:

The assurance companies act was the most vital law passed in reference to public companies. It is both a consolidating and amending statute. It extends to all insurance companies provisions of former acts which theretofore applied to life insurance companies only, such as, for example, the requirement that new insurance companies shall make a deposit of \$7,333 with the paymaster general. The greater portion of the act did not come into operation until July 1, 1910. One section, which took effect from the date of the passage of the act, December 3, 1909, relates to collecting societies and industrial assurance companies. It validates policies insuring funeral expenses of parent, grand-parent, child, brother, or sister. It also legalizes policies taken out on the life of another in whose life the insurer had no apparent interest, provided the policy was effected by or on account of a person who had at the time a bona fide expecta-

tion that he would incur expense in connection with the death or funeral of the insured, and if the sum assured is not unreasonable for the purpose of covering these expenses.

The "Insurance Directory and Business Chart of Baltimore City, Washington D. C., and the States of Maryland, Delaware and West Virginia, for 1910," published by Jas. M. McClellan, of the "Baltimore Underwriter," is just out.

LEADING FIRE COMPANY OF THE WORLD



NOTEWORTHY ADVANCE.

The

BERKSHIRE LIFE Insurance Company,

OF PITTSFIELD, MASSACHUSETTS,

takes an advanced step in the interest of the policyholder by the adoption of the following liberal features in its new policy contract:

- Low premium rates.
- Large surrender values.
- Dividends at the end of each policy year.
- Thirty-one days of grace in payment of all premiums after the first year.
- Paid-up insurance or cash surrender value or extended insurance after two years' premiums have been paid.
- Loans for the full cash surrender value.

Policy payable in one sum or in instalments for terms of years.

Policy has no restrictions upon residence or travel and is incontestable after the first policy year, except for non-payment of premiums.

Right of the insured to change the beneficiary.

Liberal re-instatement privileges.

Every effort has been made to make this new policy the very perfection in a life insurance contract.

For further information apply to
JOHN H. ROBINSON, General Agent
FRANK ALLEN, Associate General Agent
 For New York and New Jersey,
 Postal Building,
 253 Broadway, NEW YORK.

LIFE COMPANY RECORDS.

Benjamin F. Brown, the Boston life insurance accountant and statistician, has issued his twenty-third annual compilation, "The Essential Statistics, Business, Financial and Economical, of Twenty-eight Representative Life Companies," made up from the official statements to the New York and Connecticut insurance departments.

In a ten-year view of the experience of twenty-five companies Mr. Brown says:

In the matter of lapses it is shown that a rate as high as 4.59 per cent. no later than 1906 had dropped last year to a mean of 1.92. This percentage, it is safe to say, has never before been approximated in an equal aggregation of companies, that of the year before, 2.27 per cent., being in all probability the next lowest. Doubtless with equal certainty the same may be said of total discontinuances with a percentage of 5.39, in which connection, moreover, the effect of increasing surrenders of maturing tontines in succeeding years of an extended period must be taken into account. It is also worth noting that the drop of 0.64 in percentage as compared with that of the preceding year (6.03) represents a decrease of \$52,537,000 in terminations other than by death and maturity, meaning just that sum of additional gain to insurance in force independently of increase in new issues.

The largest individual company gains from new business (gross) were, in amount, \$68,322,500 (57.7 per cent.), \$32,932,500 (55.2 per cent.), \$25,094,900 (41.5 per cent.), and \$18,028,900 (58.8 per cent.), all profiting in some measure, as the table shows, by decrease in lapses.

An interesting feature of the exhibit, introduced for purposes of comparison, is the showing of terminations coming under the general head of "Waste" in 1894. Doubtless the impression is more or less general, even among the well informed, that the waste record in certain years of the last decade is without parallel since the '70s. Let us see about this.

In that year of high record the percentage of lapse was 7.61 (nearly four times that of 1909, you will observe). Had an equal percentage obtained in 1906 as related to outstanding business to the amount of \$8,914,819,000, the lapse total would have figured as \$678,417,730 instead of \$409,627,572. Like application of the full waste percentage, 12.02, gives a total of \$1,071,561,200 as against \$703,741,900, the actual figure, and by scores of millions the highest of the decade. So it is that results in that far-away year make the totals and percentages of the worst years of the decade seem favorable by comparison; while those of 1909 are made to look like the proverbial 30 cents. Let us then be thankful for the much that has been gained, as against which, viewed as an earnest of the future, even the heavy temporary loss of a few past years should weigh but lightly.

Gross Expenses.

For the first time since 1904 it can be announced that the official returns

of twenty-five companies transacting ordinary business only show an increase in expenses. Ordinarily such announcement would be regarded in some quarters with disfavor, as indicating at least a partial return to past methods. As a matter of fact the showing is distinctly meritorious and consistent with true economy, as evidenced by unusually large returns in the line of value received. Close upon \$4,000,000 in amount as compared with the preceding year, the increase represents, first, initial expenses on an additional \$93,000,000 original issues; second, material improvement (at last) in quality of business, as indicated by increase of \$1.40 in mean premium unit (involving, of course, in many instances higher grade commissions); and, finally, as already made to appear, a larger gain of insurance relatively to amount issued than has been ever before recorded. To which let it be added that this measure of all-round improvement was accomplished with an increase of but 0.82 in ratio of expenses to premiums, the equivalent of 22 cents per thousand of insurance in force; from which, incidentally, you will observe how much less formidable the above-noted millions of increase appears when reduced to percentages and measured by results.

Now, a word in conclusion as to last year's relative gain from new business, to which I have referred above as "distancing" all previous records. The best relative results of record as regards the ratio of gain to volume were attained in 1902, in which year of the high-pressure period '97-'05 results in this respect had reached their culminating point. This story of that year as compared with 1909 is given concrete expression in the following tabulations, the first giving the actual ratios; the second, as based upon equal new business volume with pro rata changes in gain from new business and expense ratios:—

Ratio of volume (new business per \$1,000 of old)...	\$176 v. 97
Gain per \$1,000 new business	530 v. 286
Expenses per \$1,000 insurance in force.....	9.98 v. 6.77

Ratio of volume, equalized basis	100 v. 100
Pro rata gain per \$1,000 new business	173 v. 289
Pro rata expense per \$1,000 insurance in force.....	8.90 v. 6.81

PROMOTIONS IN GEORGIA.

Georgia expects to contribute to the underwriting world two new insurance companies. One of these companies will be known as the Andrew Jackson Insurance Company of Athens, Ga. Its chief organizer is J. A. Darwin, widely known as a life insurance man, and associated with him is E. R. Raile, who is expected to be general manager. The capital stock of the company is \$5,000,000, divided into 50,000 shares of \$100 each. In addition to life insurance the charter, which the company is asking for, will provide for writing accident, health, liability and casualty insurance. It is

planned to begin business early in the fall.

The other company, for which \$1,000,000 capital is proposed, will be called the Cosmopolitan Life Insurance Company and is being promoted by the Cosmopolitan Agency Company, of which Joel F. Armistead is president. It is planned to sell the stock of the Cosmopolitan Life at a sufficient premium to provide for organization expenses and a surplus of \$250,000. A considerable part of the stock has been subscribed already. The company will operate on a legal reserve basis and proposes to devote itself to Southern and Western States particularly.

The Preferred
ACCIDENT INSURANCE COMPANY
of New York

SUPERIOR POLICIES

KIMBALL G. ATWOOD, President
200-202 Broadway, New York.

T H E
PROVIDENT
LIFE AND TRUST COMPANY
OF PHILADELPHIA

Insurance in Force, \$214,509,255.00
(Paid for Basis)

Assets \$70,514,350.45
(Market Value, Dec. 31, 1909)

Contingency Reserve . \$9,207,276.38
(Inclusive of Capital Stock, \$1,000,000.)

The Provident has been particularly distinguished for the development of a highly trained force of agents. The systematic instruction which its agents receive has resulted in their being recognized as representatives of exceptional knowledge of the business and of marked efficiency.

MOTOR CAR INSURANCE.

In view of the great increase of effort to write automobile insurance, underwriters may be interested in a prospectus just issued by the British General Insurance Company, Limited, for owners of private motor cars. The "Policyholder" of Manchester, England, describes the prospectus as follows:

The British General's "extensive" policies include the following benefits: (1) Unlimited indemnity in respect of claims by the public for injuries to persons or animals, or damage to property anywhere in the United Kingdom; (2) indemnity up to the full value of the car (including tires, lamps and accessories) against accidental damage anywhere in the United Kingdom, including damage during transit by road, rail or inland waterway; (3) insurance up to full value of the car, etc., against loss or damage by fire, lightning, explosion, or self-ignition anywhere in the United Kingdom; and (4) insurance up to full value of car against theft (loss or damage) anywhere in the United Kingdom. The premiums required to secure these benefits appear to be quite moderate, and, of course, vary according to the value of the car and the horse power. Thus, in the case of a car value £400, of 16 horse power, the premium is £13 10s; for a car value £1,000 of 20 horse power, the premium is £18 10s. Liberal arrangements are made to cheapen the cost of the insurance where possible; renewal premiums are reduced by 15 per cent. if no claim has been made during the year, and special allowances are made of 5 per cent. off premium if car is solely driven by one person, 20 per cent. if assured bears first five pounds of each claim, and 25 per cent. if assured bears first ten pounds of each claim.

The prospectus also gives the terms for policies covering individual risks, and we observe that for third party insurances, where the indemnity is unlimited, reductions also of 20 per cent. and 25 per cent. are made if assured bears first £5 or £10 of each claim. This concession applies likewise to insurance against accidental damage to the car.

THE AUTO POLICY.

At the last meeting of the Association of Licensed Automobile Manufacturers, there was a general discussion of words that had crept into the automobile business which, in the opinion of many, were unfair to the trade as a whole, and of special interest to the companies issuing auto policies. Such expression as "pleasure car," for a machine to carry passengers, was considered pretty poor nomenclature.

The term "commercial cars" as applied to freight-carrying automobiles, was declared a misuse of the term from the fact that all automobiles are commercial and practicable.

The general opinion seemed to be that in future automobiles should be

termed "passenger automobiles" and "freight automobiles," just as the railroads term their equipment "freight cars" and "passenger cars."

In the "Glens Falls Now and Then," appears the following:

The insurance commissioner of Colorado frankly says:

The receipts of this department from license fees and taxes are nearly ten times the cost of operating the department. In view of the fact that this excess is a tax upon thrift, the savings of the insuring public coming almost directly from the pockets of the policyholders, it seems only just and fair that it should be reduced.

The revenues from the State Insurance departments in most States show a rapid increase due to the larger aggregate of insurance premiums. The sums of money over and above the department expense add very materially to the State revenue. The tax, however, falls on the policyholder. He contributes in this way to the expenses of the State, while those not policyholders share in the benefits.

The insurance companies are paying far more than their just share to the various States toward the expense fund.

Philadelphia insurance men will be the gainers by a decision of the Philadelphia Rapid Transit Company. The properties of the company are widely scattered and for several years it has been carrying its own insurance, the fund of which now amounts to about \$1,750,000. This money has now been transferred to the cash drawer and the company has arranged to place about \$18,000,000 of insurance with local agencies. Five brokerage firms, Henry W. Brown & Co., Billington, Hutchinson & Co., Creth

& Sullivan, Simon Wolf and Marx L. Mayer & Co., are arranging a schedule for placing the line. The average rate will be 40 cents per \$100, making the annual premium about \$72,000. The brokerage commission is 15 per cent.

WESTERN ASSURANCE Co.

**HEAD OFFICE,
TORONTO, - - CANADA.**

Incorporated 1851.

Hon. GEORGE A. COX.....President
W. R. BROCK and JOHN
HOSKIN, K. C. LL. D., Vice-Presidents
W. B. MEIKLE.....General Manager

United States Statement, Jan. 1, 1910.
Assets\$2,377,303.37
Surplus in United States..... 839,268.07

The Columbian National Life INSURANCE COMPANY OF BOSTON, MASS.

**LIFE, ACCIDENT AND HEALTH
INSURANCE.**

The Only Massachusetts
Non-Participating Company

The New Columbian Policies are
Unexcelled in Clearness and Liberality.

Good Contracts and Territory for
Good Producers.

ARTHUR E. CHILDS, President.

THE American Credit-Indemnity Co. OF NEW YORK.

CREDIT INSURANCE ONLY.

Insures Wholesalers and Manufacturers against Excessive Annual
Loss through the Insolvency of their Customers.

We can always use a few high-grade solicitors.

ST. LOUIS, MO.

NEW YORK, N. Y.

Offices in All Principal Cities.

A. B. TREAT, General Agent,

302 Broadway, : : : : : New York.

HYGIENIC PRINCIPLES OF VENTILATION.

Dr. W. A. Evans, the bacteriologist, who became the head of the Chicago Board of Health two years ago and who a few months ago wrote an article on the conservation of life and health, which appeared in "The Chronicle," has prepared an article on the hygienic principles of ventilation, in which he says:

I deal especially with the sanitary side of ventilation. Good air is the most important problem before health departments. Sewage engineering has made good. It has saved thousands of lives and added to the sum total of human happiness. It has approached the subject in a comprehensive way, from the health standpoint, as well as the engineering and mechanical. Sewage disposal, both in and out of the house, is causing less than 400 deaths a year in this city of 2,250,000 people.

This is not true of ventilating engineering, and it will not be so long as lung diseases are responsible for one-third the total deaths. In round figures Chicago loses 10,000 people a year from these diseases. Man consumes solid food, liquid food, or water and gaseous food-air.

Ten thousand deaths a year from bad meat or bad milk or bad water would produce a world-wide scandal, yet we accept 10,000 deaths from bad air with complacency, and a landlord, a manufacturer, a storekeeper, or a head of a house will have an easy conscience if he can think that he did not kill any more than his share. Of course, that conscience should not allow him to sleep until he takes no human life by bad air through any sin of omission or commission.

Dr. Evans then goes into this estimate of the basic hygienic principles of ventilation in a way that makes highly valuable advertising for the conservation advocates:

Attention must be concentrated on the breathing zones of the habitually occupied portions of the room. This, in the average room, means a space of from four feet above the floor level to six and a half feet above it.

In this zone there must be the greatest possible effort to prevent stagnation and dilution.

Dead zones and corner eddies afford fertile settling places for bacteria.

In them there is the smallest possible air movement. Such places should be cleaned daily; therefore, they must be readily accessible for cleaning purposes. Such zones must be unoccupied, e. g., a working desk is placed therein, conducting ducts with air inlets must be made to open into them. Ventilation of such crannies by dilution is a myth. The breathing zone must be occupied by an even up current of air moving at the rate of at least sixty feet a minute from multiple floor inlets to multiple ceiling outlets. If the natural upward flow is met by a down flow of air the expired air is buttressed right in the head zone and does its maximum harm.

The ventilating air in mechanical

systems should never enter a room at more than 40 degrees below body temperature; 30 degrees below is better still. Where men are working hard a high temperature, say, 70 degrees, is required on account of the chilling of perspiration. Where men are very still and sluggish a room temperature of 68 to 70 degrees is required. Where men are mildly active 60 to 65 is better.

The air must be protected from dust—both the introduction of dust from the outside and the dissemination of dust produced inside. It is of great importance that the relative humidity of the inside air should not be materially greater than that of the outside air. It is of some importance that it should not be more than 10 degrees less than the outside air.

The volume of air per quiet person per hour should be around 500 cubic feet, varying with the directness of removal of the polluted air. The arrangement of the ventilation must be such that the windows can be opened and the room blown out at least once in each twenty-four hours. Recirculation of air is not to be tolerated. The air must be below six parts per 10,000 in carbonic acid gas, and low in dust and bacterial content.

The statement that a new contract has been, or is about to be, let for the reconstruction of the fire alarm telegraph in this city is gratifying to underwriters, who have waited long and patiently for this event. As an emphasis to the open charge, of which proof has been offered, that the main cause of the death of two firemen in the Washington street warehouse fire was the failure of the signal telegraph to give the alarm promptly, the new contract is opportune.

Frederic B. Withington, consulting actuary of Des Moines, Iowa, has concluded a contract with the Western States Life Insurance Company of San Francisco, Cal., to act as resident actuary for that company and will shortly start for the Coast. Mr. Withington has arranged to fulfil his existing contracts with his clients, however, and will, for the present, maintain his office in Des Moines,

which will be in charge of an assistant until his successor has been decided upon.

Four insurance companies, one fire and three life, have filed applications with the California State Insurance Department for licenses to do business in that State. They are the Merchants Fire Insurance Company of Denver, the Columbia Life and Trust Company of Portland, Ore., the Scranton Life Insurance Company of Pennsylvania and the Missouri State Life Insurance Company of St. Louis.

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS is unsurpassed for net low cost and care of interests of all members.

THE PENN MUTUAL LIFE INSURANCE COMPANY OF PHILADELPHIA

On January 1, 1909, rates were reduced and values increased to full 3% reserve.

Hanover Fire

INSURANCE
COMPANY
of New York



Agencies
in all the Principal Places
in the United States.

THE FIDELITY MUTUAL LIFE INSURANCE COMPANY OF PHILADELPHIA

Has some excellent Agency Positions

FOR INFORMATION APPLY TO

ALEXANDER McKNIGHT, Vice-President
L. G. FOUSE, President.

J. P. MORGAN THINKING OF THEODORE ROOSEVELT?

By way of Denver and with credit to David H. Moffatt, the banker and railroad man, comes the rumor that J. P. Morgan is thinking about Theodore Roosevelt in connection with the Equitable trusteeship held by the late Grover Cleveland.

FOR MEDICAL INFORMATION.

An exchange bureau for medical information will be in working order for the American Life Convention on or before July 15, according to a decision of the executive committee in Indianapolis within the week. Then the American Life Convention will drop its membership in the insurance Exchange. This step was taken as a consequence of the factional disturbances existing for some time past in the exchange which have kept some of the companies belonging to the convention from being admitted, in spite of resolutions passed at the last annual meeting of the convention. One of the important changes contemplated in this service is that impairment cards will be distributed by States, so that members can make selection and pay only for such cards as they want for States in which they are doing business. By the methods of the exchange it was necessary to subscribe to the entire service.

The new bureau will be known as the medical section of the convention. Dr. Armand Ravold, medical director of the Missouri State Life, was elected chairman, and Dr. F. L. B. Jenney, medical director of the Federal Life, was made secretary. These gentlemen, with Dr. James H. Stowell, of the United States Annuity and Life, Dr. Whitfield Harold of the Southwestern Life and Dr. H. M. Woolen of the American Central constitute the board of managers.

Forty-five companies united in the request for organization of this bureau and fifty companies are already pledged to membership. Ten companies not now in the convention have indicated their desire to join the convention upon condition that the bureau is organized.

It is probable that the cards will be cleared through the office of Secretary Thomas W. Blackburn of the American Life Convention, who has severed all his company connections.

The Court of Appeals of New York has affirmed the decision in the case of the New York Board of Fire Underwriters vs. Higgins & Cox et al. The result of the litigation is that all companies writing marine and (or) floating policies covering automobiles

are required to furnish statements of the premiums received for insuring automobiles and such part of the premiums on other marine policies as represents the fire insurance on such property while in the fire patrol district, and establishes the right of the board to tax such business for the support of the fire patrol as provided for in the charter of the board.

On July 1 Henry W. Gennerich assumed the duties of agency vice-president of the Cleveland Life Insurance Company. At the age of 31 he entered the banking business, and became president of the United National Bank of New York City, that had a capital of \$1,000,000 and a surplus of \$250,000, most of which he secured. Subsequently he turned to life insurance, and from 1903 to 1906 he was with one of the big companies in New York. During the period he paid for more than \$4,000,000 of business, with an aggregate premium of \$220,000.

Edward Rapallo, special master appointed by the United States Circuit Court to pass on the claims against the Mutual Reserve Life, the receivership of which is about to be vacated, filed his report on July 1. The report of William Hepburn Russell and Chas. E. Rushmore, receivers, filed on June 29, showed assets to the amount of \$647,445.26. In addition there remains \$9,954.35 from what is known as the "special premium account."

The publication of a limited edition of net premiums and values based

upon the British Offices Life Tables, 1893, at 3 per cent. and 3½ per cent., has been announced by the "Monetary Times" of Toronto. The authors are Thomas Bradshaw, F. I. A., F. A. S., and G. Cecil Moore, A. I. A., A. A. S.

Life Ins. Co. of Virginia

Home Office, Richmond, Virginia.

J. G. WALKER, President.
T. W. PEMBERTON, 1st Vice-President.
W. L. T. ROGERSON, 2d Vice-President.
E. D. HARRIS, Secretary.

The OLDEST Southern Life Insurance Company.
The LARGEST and STRONGEST Southern Life Insurance Company.
The PIONEER Southern Industrial Life Insurance Company.
Its policies are clear and definite in their provisions and their values are absolutely guaranteed.

Assets Dec. 31, 1909.....	\$5,372,691.99
Liabilities Dec. 31, 1909.....	4,312,405.32
Insurance in Force Dec. 31, 1909	68,337,613.00
Total Payments to Policyholders since Organization	9,820,412.49

SAFETY FUND INSURANCE

NIAGARA*

Fire Insurance Company

—OF—

NEW YORK

OFFICE:

46 CEDAR STREET, CITY.

OLDEST
IN
AMERICA

STRONGEST
IN THE
WORLD

THE MUTUAL LIFE Insurance Company of New York

Mutual Life Agents Make Most Money
Because Mutual Life Policies Sell Most Freely

For terms to producing agents, address

GEORGE T. DEXTER

2nd Vice-President

34 Nassau Street

New York, N. Y.

Bardoe's Column.

ENRY W. EATON, president of the Fire Underwriters Association, has appointed the following executive committee: F. O. Affeld, manager Hamburg-Bremen Fire Insurance Company; Geo. W. Babb, manager Northern Assurance Company of London; R. M. Bissell, vice-president Hartford Fire Insurance Company; M. O. Brown, vice-president Westchester Fire Insurance Company; J. D. Browne, president Connecticut Fire Insurance Company; E. H. A. Correa, vice-president Home Insurance Company; A. E. Duncan, president Franklin Fire Insurance Company; C. W. Gerwig, secretary Teutonia Insurance Company, Allegheny; Geo. C. Howe, vice-president Niagara Fire Insurance Company; A. E. Larter, vice-president American Insurance Company of Newark, N. J.; E. Milligan, vice-president Phoenix Insurance Company of Hartford; John O. Platt, vice-president Insurance Company of North America; F. W. Sargeant, president New Hampshire Fire Insurance Company; E. W. West; A. H. Wray, manager Commercial Union and Palatine Fire Insurance companies.

The executive committee is to decide when the rules of the new association are to become operative and besides has the very broad powers necessary in view of the large field covered. The Northern Insurance Company of New York has withdrawn its signature from the association agreement.

E. E. Hall has been appointed general agent of the State Insurance Company of Nebraska, outside the Metropolitan district.

John J. Martin, formerly superintendent of agencies of the Liverpool and London and Globe Insurance

Company, died at Stamford, N. Y., on Saturday. He retired December 31, 1907, under a pension after having been in the service.

Suggestions for guidance in the preparation of combination fire insurance policies under the law that took effect on July 1 have been issued by the New York Insurance Department.

John H. Stoddart, general agent of the New York Underwriters Agency, is passing his summer in Europe.

H. E. Ziegler, recently with the Norwich Union Fire, is now on the staff of examiners in the general agency of E. E. Hall & Co.

Henry Evans, president of the Continental Fire Insurance Company, arrived yesterday on the Oceanic, after his annual automobile tour through Southern France, Spain, Italy, Switzerland and Germany. Mr. Evans did not use a railway train during the trip, his machine having met him on the pier at Cherbourg. During Mr. Evans' absence Vice-President Geo. E. Kline was at the head of the Continental interests.

Ralph K. Hubbard, for many years comptroller of the Provident Savings Life Assurance Society, has been elected vice-president of the Great Northern Life Insurance Company, of Wausau, Wis. Frank K. Kohler, formerly general agent in New York for the John Hancock, also goes to the Great Northern as superintendent of agents.

Six new assistant examiners were announced at the State Insurance Department yesterday. They are Arthur E. Peat and Charles A. Kirschgessner of Brooklyn, Ernest Willvonseder of Westchester, John H. Kirker, Jr., and Joseph H. Middleton of Albany.

THE BANKERS LIFE ASSOCIATION

DES MOINES, IOWA.

ERNEST E. CLARK, President.

Exceptional Record During twenty-nine years for

**LOW RATE OF MORTALITY
ECONOMY OF MANAGEMENT
PROMPT PAYMENT OF CLAIMS
SECURITY OF ITS FUNDS**

and satisfactory results
for its policyholders.

Germania Fire

INSURANCE CO.,

NEW YORK.

ORGANIZED 1859.

Cash Capital.....\$1,000,000.00
Assets\$6,562,329.14
Net Surplus.....\$2,008,419.02
Surplus for Policyholders,\$3,008,419.02

HEAD OFFICE:

Cor. William and Cedar Streets.

OUR BOND—YOUR SECURITY.

T. J. FALVEY, JOHN T. BURNETT,
President. Sec'y & Treasurer.



**Massachusetts
Bonding and
Insurance Co.**

Organized under
the Laws of the
Commonwealth of
Massachusetts.

Home Office, 77-81 State Street, Boston.

Capital\$500,000.00
Surplus\$250,000.00

**SURETY BONDS and BURGLARY and
THEFT INSURANCE.**

"The Leading Fire Insurance Company
of America."



WM. B. CLARK, President.
W. H. KING, Vice-President.
HENRY E. REES, Secretary.
Assistant Secretaries,
A. N. WILLIAMS, E. S. ALLEN,
E. J. SLOAN, GUY E. BEARDSLEY.

COME AND PROSPER

Among the 15 largest American companies (excluding industrials) this is our 1909 ranking:

First place in percentage of gain in insurance in force; *third place* in gain over 1908 in amount of paid-for new business.

New business first quarter of 1910 far in excess of first quarter of 1909. Our agents are busy and prosperous—and are not driven by the Home Office.

New York Agency: 1401 Empire Building, 71 Broadway.

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY,
Springfield, Mass.

Incorporated 1851

COMPARATIVE RESERVE TABLES

BY

MILES M. DAWSON

Consulting Actuary.

Containing Mean and Terminal Reserves for the
usual forms of policies and by the
following standards:

American Experience, Select and Ultimate $3\frac{1}{2}$ per cent.
American Experience, Select and Ultimate 3 per cent.
American Experience, Modified Preliminary Term $3\frac{1}{2}$ per cent.
American Experience, Modified Preliminary Term 3 per cent.
American Experience, Select and Ultimate 4 per cent.
Actuaries', Modified Preliminary Term 4 per cent.
American Experience, Committee of Fifteen, $3\frac{1}{2}$ per cent.
American Experience, Illinois and Tennessee, $3\frac{1}{2}$ per cent.
American Experience, Michigan, $3\frac{1}{2}$ per cent.
American Experience, Wisconsin, $3\frac{1}{2}$ per cent.
American Experience, New Jersey, $3\frac{1}{2}$ per cent.
H^M, Canadian Life Officers' Association, $3\frac{1}{2}$ per cent.
O^[M], Select and Ultimate, $3\frac{1}{2}$ per cent.

THIS covers all the standards, other than the net level
premiums, in use in this country. Tables showing
the first year margins set free by each method of valu-
ation are given.

Send all orders to the Publishers,

The Chronicle Co., Ltd.

No. 90 William St.

NEW YORK

NOW READY!

Survivorship Annuity Tables

Net Premiums, Mean and Terminal Reserves

**American Experience Table,
LIFE OF NOMINATOR**

**Danish Survivorship Annuitants' Table,
LIFE OF ANNUITANT**

And 3½ Per Cent. Interest

BY
MILES M. DAWSON,
Consulting Actuary

SEND ALL ORDERS TO

The Chronicle Co. (Ltd.)

No. 90 William St.

NEW YORK

The Chronicle.

1866

Published by THE CHRONICLE COMPANY, Ltd., 90 William St., New York City.

1910

VOLUME LXXXVI.

New York, July 14, 1910.

NUMBER 2

Dr. Leslie D. Ward Dead in London.

Working to Safeguard Cotton Bills.

Congress and the Employe Problem.

By SYLVESTER C. DUNHAM.

HOME OFFICE OF THE

Metropolitan Life Insurance Co.

(INCORPORATED BY THE STATE OF NEW YORK, STOCK COMPANY)

The Company OF the People, BY the People, FOR the People

PROOF OF PUBLIC CONFIDENCE

This company has more premium paying business in force in the United States than any other Company, and for each of the last 16 years has had more New Insurance accepted and issued in America than any other Company.

The number of Policies in force is greater than that of any other Company in America, greater than all the Regular Life Insurance Companies put together (less one), and can only be appreciated by comparison. It is a greater number than the Combined Population of Greater New York, Chicago, Philadelphia, Boston, St. Louis, Cleveland, Cincinnati, San Francisco, Pittsburgh, Baltimore, New Orleans and Buffalo.

ASSETS.

Municipal and R. R. Bonds and	
Stocks	\$123,246,161.39
Bonds and Mortgages	105,183,172.02
Real Estate	23,311,215.73
Cash	5,420,643.42
Demand Loans on Collateral	172,930.00
Loans to Policyholders	11,193,245.61
Prem. deferred and in course of	
collection (net)	5,190,288.45
Accrued Int., Rents, etc.	3,290,211.85
Total	\$277,107,868.46

LIABILITIES.

Reinsurance Fund and Special	
Reserves	237,213,384.00
All other Liabilities	9,992,264.48
Capital and Surplus	29,902,219.98
Total	\$277,107,868.46



Largest Office Building in the World—Madison Avenue, Fourth Avenue, 23d Street and 24th Street, New York City.

THE DAILY AVERAGE OF THE COMPANY'S BUSINESS DURING 1909 WAS:
456 per day in number of Claims paid.
6,535 per day in number of Policies placed and paid for.

\$1,463,755 per day in New Insurance placed and paid for.
\$183,403.75 per day in Payments to Policyholders and addition to Reserve.
\$132,172.72 per day in Increase of Assets.

OFFICERS

JOHN R. HEGEMAN	President
HALEY FISKE	Vice-President
GEORGE H. GASTON	2d Vice President
GEORGE B. WOODWARD	3d Vice President
FRANK O. AYERS	4th Vice President
F. F. TAYLOR	5th Vice President
JAMES M. CRAIG	Actuary
STEWART L. WOODFORD	Counsel
WM. J. TULLY	General Solicitor
FRED'K. H. ECKER	Treasurer
WALTER STABLER	Comptroller
JAMES S. ROBERTS	Secretary
JOHN R. HEGEMAN, JR.	Asst. Secretary
J. J. THOMPSON	Asst. Secretary
T. R. RICHARDSON	Asst. Secretary
GEO. B. SCOTT	Asst. Secretary
FRED'K. A. BETTS	Asst. Secretary
GEORGE C. PENHALLOW	Asst. Secretary
THOMAS H. WILLARD, M. D.	Med. Dir.
AUGUSTUS S. KNIGHT, M. D.	Med. Dir.
E. M. HOLDEN, M. D.	Asst. Med. Director
W. S. MANNERS, M. D.	Asst. Med. Director
J. BERGEN OGDEN, M. D.	Asst. Med. Dir.
D. M. GEDGE, M. D.	Asst. Med. Director
I. J. CAHEN	Manager Ordinary Dept.
LEE H. FRANKEL, Ph. D.	Mgr. Indus. Dep.
JACOB CHADEAYNE	Mgr. Intermediate Br.
CHAS. G. REITER	Asst. Actuary
JAMES C. BROWN	Asst. Actuary
JAMES D. CRAIG	Asst. Actuary
RAYMOND V. CARPENTER	Asst. Actuary

Paid to Policyholders since Organization, plus the Amount now invested for their Security, \$537,223,523.83.
Number of Policies, 1 Force, December 31, 1909, \$10,621,679. Total Outstanding Insurance Placed and Paid for.
December 31, 1909, \$2,041,951,700.00.

In its Ordinary Department policies are issued for from \$1,000 to \$1,000,000 on individual lives, premiums payable annually, semi-annually and quarterly. In its Industrial Department policies are issued on all the insurable members of the family for weekly premiums. Full particulars regarding the plans of the Metropolitan may be obtained at its Home Office, 1 Madison Avenue, New York City, or its Agents in all the principal cities of the United States and Canada.

EDITION ALMOST EXHAUSTED

SAVES TIME AND LABOR

Various Derived Tables

AMERICAN EXPERIENCE

3 and 3½%

BY
MILES M. DAWSON

TABLE OF CONTENTS.

Single Premiums, Pure Endowment.
Accumulations, Pure Endowment.
Forborne Immediate Annuities.
Accumulated Temporary Insurances.
Accumulated Increasing Insurance.
Single Premiums Endowment Insurance.
Single Premiums Temporary Insurance.
Immediate Temporary Annuities.
Valuation Columns.
SELECT AND ULTIMATE VALUES.
Single Premiums, Whole Life.
Life Annuities.
Terminal Reserves, Life, Limited Payment, Endowment.
Mean Reserves, Life, Limited Payment, Endowment.
LOGARITHMS, SEVEN PLACES.
Forborne Immediate Annuities.
Curtate Summations of D Column.
Immediate Temporary Annuities.

USES.

Computing Annual Term Insurance Premiums:
Divide temporary insurance values by immediate temporary annuities.
Computing Annual Endowment Insurance Premiums:
Divide endowment insurance values by immediate temporary annuities.
Computing Annual Pure Endowment Premiums:
Divide pure endowment values by immediate temporary annuities or take reciprocals of forborne immediate annuities.
By these means, the net extra premium for a special guaranty can be quickly and accurately computed.
Computing Annual Semi or Double Endowment Premiums:
Add temporary insurance and pure endowment values for proper amounts and divide by immediate temporary annuity.
Computing Limited Premiums:
Divide the proper single premiums by immediate temporary annuity.
Computing Surrender Values:
Extended Insurance. Find the temporary insurance value next lower than the sum to purchase extension. This gives even number of years. Apply remainder to pay for additional days according to daily differences in the table.
Extended Insurance with Fractional Paid-up Endowment:
Deduct from purchase money, value of insurance for unexpired term; multiply remainder by accumulation, pure endowment, to get amount of endowment.
Computing Terminal Reserves:
Unvarying Benefits. Multiply net premiums by forborne immediate annuity and deduct accumulated temporary insurance.
Return Premium, Full Reserve. Multiply net premium by forborne immediate annuity and deduct accumulated temporary insurance and accumulated increasing insurance, multiplied by gross premiums to be reduced.
Return Premium, Extra Reserve. Multiply net extra premiums by forborne immediate annuity and deduct accumulated increasing insurance, multiplied by gross premiums to be returned.
Warranted Commissions for New Business.
Surrender Values.
Dividends.
For these purposes the "select and ultimate" will be most useful.

SEND ALL ORDERS TO

THE CHRONICLE CO. (Ltd.)

90 William Street, New York

The Chronicle

VOLUME LXXXVI

NEW YORK, THURSDAY JULY 14, 1910.

NUMBER 2

MILES M. DAWSON, President.
A. C. Harwick, Vice President.
R. B. Dawson, Treasurer. A. L. Dern, Secretary.
Emil Schwab, Manager New England Department,
10 Devonshire Street, Boston, Mass.

All communications should be addressed to and remittances
should be made to The Chronicle Company, Limited.
Entered at the Post Office, New York, N. Y., as Second Class
Mail Matter.

PUBLISHED EVERY THURSDAY BY
THE CHRONICLE COMPANY, Limited.
No. 90 WILLIAM ST., NEW YORK.
Phone "567 John." Cable Address, "Chronogram," New York.

Subscription Price:
Three Dollars a Year. Single Copies, Twenty-five Cents.
Postage Prepaid in the United States and Canada.

TO SAFEGUARD COTTON BILLS.

Surety Men, Bankers, Railroad Officials and Commission Merchants Hard at Work on the Solution.



LONDON, July 13.—The bankers' committee recently appointed to inquire into the cotton trade situation has decided to propose that, commencing in November, American cotton bills of lading shall be negotiated only when they are guaranteed by an American banking institution. It is expected that the proposal will be adopted after consideration at a general meeting of English and Continental bankers.

The committee made its investigation as a result of the discovery at Liverpool last April of irregularities in the bills of lading on American cotton.

Joel Rathbone, vice-president of the National Surety Company, said yesterday afternoon:

"The committee representing surety companies that went South to investigate the matter of cotton bills of lading, of which I was a member, returned and made its report in regard to a guarantee against forged bills. As another form of guarantee is now wanted—namely, that the railroad has received the cotton—the whole matter went back to the committee to consider an amended guarantee. The committee will meet tomorrow morning, and they expect, before long, to have their plan in proper and efficient shape. The original intention was for a joint guarantee by the companies which were looking the matter up. As practically all the twenty-two or so companies in the surety association will probably act in harmony, it will probably have to

be by reinsurance, as twenty-two signatures are too many for a joint guarantee."

Cortlandt S. Van Rensselaer, of the American Surety Company, had this to say:

"The surety companies are endeavoring to work out a method by which they can safely and profitably make such guarantees as the bankers want. It is probable that something definite will be decided upon within the next week. As yet no decision has been made. Some representatives of the leading banks and some officials of the railroads chiefly affected, have gotten together in regard to the better safeguarding of bills of lading. By the time that they have worked out that problem, it is believed that the surety companies will have decided what sort of a guarantee they can offer, and at what rate."

At a meeting held in the Corn Exchange Bank on Tuesday five of the leading banks in this city which handled cotton bills and seven railroads which haul a great deal of cotton were represented. The railroads were the Rock Island, the Illinois Central, the Southern Railway, the Louisville & Nashville, the Atlantic Coast Line, the Seaboard Air Line and the Central Railway of Georgia. The meeting was devoted to a discussion which developed complete harmony regarding the need of additional safeguards.

Another conference will be held at White Sulphur Springs, Virginia, next Tuesday, where the traffic managers of the Southeastern lines, which handle the bulk of the cotton crop, are holding a convention. The New York

bankers will send a sub-committee of three members to attend the Virginia conference.

The Railroad Side.

Perhaps the best statement of the side of the railroads is contained in an interview given by Robert Walker, general counsel of the Chicago, Rock Island & Pacific Railway Company, in reply to those who insist that the responsibility for bills of lading should always be with the railroads whether the goods they represent have been shipped or not.

Mr. Walker said:

The United States Supreme Court, in the Friedlander case, decided that there was no justice in shifting the burden upon the railroad in the case of worthless bills of lading there before the court. It is necessary to make discriminations. Concededly, where a railroad is so reckless as to put into the hands of shippers signed bills of lading in large quantities the railroad ought to answer, without squealing, for any consequences resulting therefrom. But where an honest, experienced station agent, who has known a particular shipper for years and has never known him to fail to perform a promise, lets the shipper have a complete bill of lading on the shipper's solemn promise to load the goods within two days, obviously it is a sharp injustice to wish to hold the railroad liable for the value of the goods if it happens that this shipper, for the first time in his life, fails to load the goods. It is plainly the shipper's default, not the railroad's. Between these two instances there are all the possible gradations of fault on the part of one party or the other, shipper or railroad.

New York City forgets that the farmer is a busy man in shipping season, and often has to make a long trip to his railroad and his bank at a season when he can ill afford to spare the

time. He wants to make as few such trips as possible. So the railroad and the bank (never forget that his local bank does some trusting also, and could easily make inquiry of the railroad if it doubted the bills of lading) help him out, and he goes back home to hustle along his loading. And the farmer does not fail to load as agreed in one case in 10,000.

You must not be misled by the volume, in dollars, of the cotton business. We have other big crops. And take it from the viewpoint of railroad tonnage. Cotton is only four-tenths of 1 per cent. of the tonnage loaded into American railroad cars. Congress didn't hear a peep from the other 96 6-10 per cent. of our tonnage. "Order" bills of lading, which are the only kind that ever get into these scrapes, are fewer than 2 per cent. of the bills of lading issued by our railroads. And order bills of lading, on which credit is extended of the sort that the cotton merchants and banks are worrying about, constitute about 3 per cent. of that 2 per cent. So this whole rumpus is about four-tenths of 1 per cent. of our tonnage and six one-thousandths of our bills of lading.

If the bankers and cotton merchants will limit their demands to methods of facilitating their business, and I know this is all they mean to do, the railroads will assist gladly. It won't need a statute. If they will ponder this matter a little, they will see that they will be hampered by a statute.

A committee of foreign bankers, interested in cotton bills of lading, is expected to arrive here from Europe some time during the present month. So soon as they appear they will hold a conference in this city with American bankers and several large cotton shippers, in order to discuss the guarantee plan, and it is believed that foreign approval will be obtained at this or succeeding conferences for the plan now under consideration by the combination of surety companies. The undertaking also has the support of banks dealing in foreign exchange in Chicago, St. Louis and New Orleans, as well as in this city.

Bankers and Brokers Talk.

The views of some of the cotton commission merchants are also pertinent.

Henry Hentz, of H. Hentz & Company, had the following to say in regard to the failure of the United States Senate to pass the Stevens bill, putting the responsibility of the integrity of bills of lading upon the railroads issuing the bills:

The difficulty of negotiating exchange on bills of lading, occasioned by the Knight-Yancey frauds is just as acute as ever here. The New York banks and bankers, so far as the export business is concerned, must follow whatever instructions they receive from the European banks who issue the credits, hence if something practical is not arranged before the time arrives to move the next crop it may seriously interfere with the move-

ment. It is unfortunate that the Stevens bill, which passed the House, did not get to the Senate before it adjourned on Saturday last. This bill is a very desirable one, as it makes the railway companies liable for the acts of their agents (of course, it does not cover the forgeries). The Senate probably will take up the Stevens bill early in December.

H. Norden, of A. Norden & Company, spoke as follows:

We gave up the raw cotton export business some time ago, and one of the reasons for it was the loose system of issuing through bills of lading which has been in vogue down South. Fortunately for us, we never suffered any losses, but we were always in fear of something going wrong. It is no surprise that the foreign bankers have announced their determination not to accept such bills of lading during the next season. A law making railroads responsible is absolutely necessary, and it is to be hoped that the Stevens bill will be passed at the next session of Congress. In the meantime it will be necessary to exercise great caution and much discretion in the acceptance of bills of lading. I believe that a large number of the foreigners will be willing to accept bills from large houses known to them, and that in the end the whole matter will be settled satisfactorily, perhaps even without the guarantee of the surety companies.

Oscar L. Gubeiman, of the banking house of Knauth, Nachod & Kuhne, was skeptical in regard to the surety company plan. He said:

The difficulty of negotiating exchange on bills of lading, following the Knight, Yancey and Steele Miller frauds will have the effect of concentrating the cotton business down in the South in much stronger hands. The man who heretofore operated a large business with a small capital will find it very difficult to negotiate exchange.

I think that hereafter banks in this city will send representatives to the principal cotton centres down South for the purpose of investigating the firms for which they do business. They will also demand signed statements showing the financial standing of the houses, and will negotiate bills of lading only of firms of unquestionable character.

Philip J. Kraft, of the foreign department of the banking firm of Hallgarten & Company, declared that hereafter foreign houses would refuse to accept bills of lading unless they were guaranteed in some way that the documents were genuine, and that the cotton was actually shipped. He added that the plan of the surety companies for taking the risk would be satisfactory, provided they made a reasonable charge for the guarantee.

George Brennecke, until recently president of the New York Cotton Exchange, asserted that serious complications would soon arise to the detriment of the financial and mercantile interests of the community unless American bills of lading could be

made satisfactory to foreign bankers. Mr. Brennecke continued:

When I appeared before the Congressional Committee and spoke in favor of the Stevens bill, I expressed the opinion that if the Government failed to pass a law governing bills of lading, a panic would overtake the country next year. Congress chose to adjourn without taking any action—and there you are.

In London last week at the meeting of the International Law Association, Thomas Baty, LL.D., of London, declared that the reason why insurance companies had been admitted to membership in the association was that their interest in a just solution of questions of prize law and through bills of lading is undeniable.

"And," he added, "the high standing of Lloyds and other British insurance companies makes them bodies which are eminently entitled to make their voices heard in the councils of jurists and merchants."

PRESIDENT TAFT AND THE WORKMEN'S INQUIRY

President Taft has invited W. C. Brown, president of the New York Central Lines, and Daniel L. Case, editor of the Brotherhood of Railways Trainmen's Journal, to serve as members of the commission which was authorized by Congress to investigate the subjects of employers' liability and workmen's compensation. Senator Warner, of Missouri; Senator Hughes, of Colorado; Representative Denby, of Michigan, and Representative Brankley, of Georgia, are also members of the commission, which, it is hoped, will be able to make its recommendations to Congress at the next session.

G. F. SEWARD WOULD SAFEGUARD EMPLOYERS.

George F. Seward, president of the Fidelity and Casualty Company, has written as follows to "The Chronicle" in regard to the Federal inquiry as to workmen's compensation:

"I am an absolute well-wisher for compensation laws, but have great fear that they will not always be just to employers. What is granted reasonably will be taken later perhaps as a mere beginning, and claims for broader laws urged with irresistible force under our system, which makes legislators regardless of the wishes of men who hold votes in overwhelming numbers."

Reinhold R. Koch, president of the American Assurance Company of Philadelphia, has been elected president of the Atlantic Casualty Company of Philadelphia.

CONGRESS AND THE EMPLOYE PROBLEM.

Written for THE CHRONICLE.

By SYLVESTER C. DUNHAM,
President Travelers Insurance Company of Hartford.



IF IT were within the authority of Congress to enact a measure somewhat like the Workmen's Compensation Act of England, I have no doubt that the benefits to society would be very large.

I believe some benefit would be derived from an act providing a suitable scale of compensation for such industries as may be made the subject of legislation by Congress, which would be limited, I suppose, to those engaged in interstate commerce. Such a law ought to have a helpful influence upon the States in favor of similar legislation for the vastly greater number of workingmen whose interests cannot be provided for by Federal legislation.

I have long believed in the principle that industrial injuries suffered by employes on the course of their employment should be regarded as an element in the expense of the operation and I have advocated this doctrine for many years.

It has come to be generally recognized in the last twelve or fifteen years, and particularly during the last five years, that the present method is obsolete and that it does not apply equitably to modern industrial conditions. Much injustice is done to both employers and employes under a method which makes a personal controversy and a possible lawsuit of nearly every injury. This injustice is illustrated by the well-known fact that in many cases of serious disablement and indeed fatal injuries no recovery can be had while in other cases of less gravity excessive verdicts are obtained.

Probably ninety per cent. of all the employes in the country work for corporations and the sense of personal obligation that once existed between master and men has largely disappeared. The relation of employer and employe is far more mercenary than it was when things were done upon a more moderate scale and each felt a personal interest in the welfare of the other.

It has become necessary to substitute a legal obligation for a moral obligation and while the English solution of the problem is far from satisfactory, it is based upon the well-founded principle that the industry should furnish compensation for all injuries suffered in the course of its prosecution.

A material factor in such a system is a scale of compensation reasonable for both parties. Such a measure would prevent the waste incurred under the present methods for which the law and not the insurance companies is responsible.

It must be admitted that it is now necessary for employers and those representing them to spend a large amount of money in resisting claims for which the law does not now provide. A radical change in the law is the only way to convert this waste into a fund that will be helpful to injured persons. Such a law ought also to go far to heal the estrangement between employers and employes. Compensation for occupational injuries could then be furnished without excessive expense or undue delay and the employer would have no unfounded claims to contest and no extortionate verdicts to satisfy.

A proper system should be worked out with the utmost care and with the benefit of the best experience and advice obtainable. A proper commission appointed by Congress could act with judgment and deliberation, the result of which ought to be a well considered, systematical and complete measure, which if followed by the States would prevent further errors of haste and inexperience such as we have recently witnessed in Ohio and New York.

S. C. DUNHAM.

INSURANCE STOCK QUOTATIONS.

RECTOR 2817

ESTABLISHED 1864

E. S. BAILEY

DEALER IN

INSURANCE STOCKS

A SPECIALTY

66 Broadway NEW YORK

	Capital	Approx. Annual Div.	When Payable	Bid Price P.C.	Asked Price P.C.
City of New York.....	\$500,000	10	Q	195	205
Commonwealth.....	500,000	10	J&J	326	...
Continental.....	2,000,000	70	"	925	970
Empire City.....	200,000	8	"	125	...
Fidelity-Phenix.....	2,500,040	V	V	280	290
German-Alliance.....	400,000	15	J&J	275	300
German American.....	1,500,000	30	"	570	575
Germania (\$50).....	1,000,000	15	"	285	295
Glens Falls (\$10).....	200,000	30	"	1,525	...
Globe and Rutgers.....	400,000	40	Q	470	...
Hanover (\$50).....	1,000,000	10	J&J	190	205
Home.....	3,000,000	30	"	695	705
Nassau (\$50).....	200,000	10	"	165	175
Niagara (\$50).....	1,000,000	20	"	305	315
North River (\$25).....	320,000	10	A&O	155	165
Pacific (\$25).....	200,000	6	J&J	135	145
Peter Cooper (\$20).....	150,000	6	"	90	105
Stuyvesant.....	400,000	10	"	155	160
United States (\$25).....	250,000	V	V	60	70
Westchester (\$10).....	400,000	35	F&A	455	...
Williamsburg City (\$50).....	250,000	20	J&J	840	400
V—No information.					
Q—Quarterly.					

LEGISLATIVE COMMITTEE FORMALLY ORGANIZES.

With the election of Assemblyman Edwin A. Merritt, Jr., as chairman and senator, Alexander Brough as vice-chairman, and ex-Justice M. Linn Bruce, of the New York Supreme Court as counsel, the legislative committee appointed to investigate graft charges in the Legislature and the State departments was formally organized at the Murray Hill hotel. The first meeting of the committee will be held on July 26, and the hearings may not begin for another week.

"I do not care to start on this work with any preliminary flourish of trumpets," said Chairman Merritt. The work of the committee will have to speak for itself. We have come down here to do precisely what the Legislature by its concurrent resolution instructed us to do."

Mr. Bruce expects to confer with Governor Hughes and with Superintendent Hotchkiss, of the State Insurance Department, in regard to the work.

"When I was first asked to become counsel of this committee," said Mr. Bruce yesterday, "I sent word that I was willing to undertake the work provided my views of the purpose, scope and methods of investigation were in accord with those of the committee. Among other things I said that I favored an immediate, impartial, thorough and unsparing investigation in conformity with the terms of the concurrent resolution under which the committee acts and which confers its powers.

"Since the committee has seen fit to select me as its counsel, I am assured that the committee's views and mine are in accord. It will take some time to select associate counsel and other necessary assistants to the committee, and also some time to gather data and arrange it in shape to begin the public hearings, but as soon as

this has been done the hearings will start.

"I shall avail myself of the very first opportunity, in company with Chairman Merritt, to confer with Governor Hughes and also with State Superintendent of Insurance Hotchkiss. The Governor is a master investigator. No one is better able and more willing, I believe, than he to give valuable suggestions."

GAYNOR TAKES CHARGE OF THE CROKER CASE.

Mayor Gaynor has taken charge of the fire department investigation into the fatal Washington street fire of June 6, which was being used by opponents of Chief Croker in the fire department. Fire underwriters derived considerable satisfaction from a statement made by the Mayor, in which he asserted that there was no suggestion of removing Chief Croker.

"I doubt if there will be any charges against him," said the Mayor. "Commissioner Waldo has not made any. He is regarded as a good fireman. But there must be an administrative head of the fire department, and only one, and there will be, while I am Mayor. Chief Croker invited the present inquiry by criticising the firemen at the Washington street fire, and the commissioner would have been very remiss had he not ordered the investigation."

Commissioner Waldo has received the minority report of Chief Croker as a member of the Washington street fire inquiry committee. The Chief refrains in his report from answering the strictures which his fellow-committeemen made upon him. The Chief gives a formal record of the proceedings of the committee, draws no conclusions, and calls attention to the Commissioner's inquiry order to show that any criticism or recommendation is unjustified.

The Commissioner has ordered the

investigating board to reconvene at fire headquarters to-day, despite the fact that the work was apparently finished. The Commissioner declined last night to talk about the order to reconvene.

GUARANTEE CO. OF N. A. PAYS \$25,000 CLAIM.

The Guarantee Company of North America has paid \$25,000 to Robert Lyon, receiver of the Allegheny National Bank of Pittsburg. The order was made by Judge Charles P. Orr of the United States Circuit Court. The Guarantee Company of North America issued a blanket bond for the total of \$55,000—\$20,000 on William Montgomery and \$15,000, \$10,000 and two \$5,000 bonds on the men in the bank working with Montgomery. The losses aggregated \$496,000, and Montgomery is now in the Federal prison at Ft. Leavenworth, Kan. The receiver sued for \$55,000, alleging that the other men in the bank assisted Montgomery in his fraudulent transactions. The Guarantee Company contended that Montgomery alone caused the loss. The majority of the board of directors of the bank approved the settlement.

"The Leading Fire Insurance Company
of America."



WM. B. CLARK, President.
W. H. KING, Vice-President.
HENRY E. REES, Secretary.
Assistant Secretaries,
A. N. WILLIAMS, E. S. ALLEN,
E. J. SLOAN, GUY E. BEARDSLEY.

THE Philadelphia Casualty Co.

WALTER LE MAR TALBOT, Pres't.

Our New Accident Policy Is Perfection.

It's the Policy Your Client Wants.
It's the Policy That's Easy to Sell.

Personal Accident, Health, Liability
Automobile, Plate Glass and
Credit Insurance.

Agency Correspondence Solicited.

CHICAGO'S GREATEST COMPANY

ILLINOIS LIFE INSURANCE CO.

OLDEST IN CHICAGO **CHICAGO** LARGEST IN ILLINOIS

JAMES W. STEVENS, PRESIDENT

We Guarantee where others Promise

The year 1909 was the most successful in this company's already splendid record of successful years.

INSURANCE IN FORCE
FIFTY MILLION DOLLARS

Dr. Leslie D. Ward Dead in London

LONDON, July 13.—Dr. Leslie Dodd Ward of Newark, N. J., first vice-president of the Prudential Life Insurance Company, died at 7:15 o'clock this evening after a week's illness. Kidney trouble was the cause of death. With Dr. Ward when the end came were his son, Leslie Perry Ward, and Frank Munsey, the publisher.

Dr. Ward's illness came on suddenly. While he had suffered from headache before leaving New York, physicians there had found no sign of kidney disease. Directly after his arrival in Europe he was much entertained socially both in London and Paris.

While attending a performance at a theater he was overcome with drowsiness and had to be assisted to his carriage. It was found that a blood clot had formed on the brain. Although Dr. Ward showed great resisting power, which led to hopes for his recovery, the development of pneumonia sapped his remaining strength, and he had been unconscious since Saturday.

The body will be shipped to New York for interment on Saturday by the Campania. A memorial service has been arranged for to-morrow in London.

Dr. Leslie Dodd Ward was born in Madison, N. J., on July 1, 1845. His family was among the first settlers of Connecticut, and subsequently emigrated to New Jersey, where they founded the city of Newark in 1666. An ancestor, Josiah Ward, married Elizabeth, daughter of Captain Samuel Swain, one of the pioneers of New Jersey.

Dr. Ward was educated at the Newark Academy but left school to enlist in an unattached company to go to the Civil War. He was sent home, before he reached the front, and returned to the academy. He went off again, just as he should have graduated, to join the Thirty-seventh Regiment of New Jersey Volunteers.

After the war he entered the College of Physicians and Surgeons, receiving his degree in 1868. He practiced medicine in Newark, taking high rank in his profession and acting as county physician of Essex County for many years. In 1874 he

THERE WERE GIANTS IN THOSE DAYS.

The sudden and, until within a few days, unexpected death of Dr. Leslie G. Ward, vice-president of the Prudential Insurance Company, of Newark, removes one of those remarkable, far-sighted, indomitable men who formed the group which has brought that great idea of John F. Dryden through from the weakness of infancy to the greatness of full maturity. There were indeed giants in those days. From a puny, struggling "friendly society," an exotic, by many, yes, by most deemed "un-American," and not suited to our conditions, to the life insurance company which last year issued a larger volume of protection upon lives than was ever before written by any company in a single year, is a tremendous march to be compassed in a lifetime.

This, though he is thus stricken down, who was but yesterday in vigorous health, Dr. Ward lived to do and to see. May his lifelong associate and friend, President Dryden, whose conceptions, labors and achievements he so nobly seconded, long be spared to continue the work and behold its glorious results!

MILES M. DAWSON.

helped John F. Dryden found the Prudential Life Insurance Company, of which he was medical director. He was elected first vice-president of the company in 1884, and was in charge of both the home office and the field force.

Dr. Ward was also director of the

Fidelity Trust Company, the Union National Bank of Newark, the National Surety Company of this city, the Public Service Corporation of New Jersey, and the American Steel and Wire Company. He belonged to the Union League, the Lawyers', the Essex, the Morristown, and the Morristown Golf Clubs, and was president of the Essex County Country Club. He was for many years staff surgeon of the Essex Troop, the crack cavalry squadron of New Jersey.

A Republican in politics, Dr. Ward was a delegate to the National Convention at Philadelphia in 1900, which nominated McKinley, and was a member of the committee which notified President McKinley, and the college of electors which elected him. He was a delegate to the National Convention at Chicago in 1904 and was again placed on the notification committee.

Dr. Ward was well known for his knowledge and interest in art. He was president of the commission in charge of the \$2,000,000 Essex County Court House in Newark, which was completed about four years ago. The elaborate decorations of both the interior and exterior were chiefly the result of his suggestion and work. He had made valuable collections of rare pictures for his home in Newark and his country estate at Brooklake Farms, near Madison, N. J., and his libraries contain thousands of valuable volumes.

On March 5, 1874, Dr. Ward married Miss Minnie Perry, daughter of James Perry of Newark. She died several years ago. One son, Herbert Edgar Ward, also died several years ago, leaving a daughter. Another son, Leslie Perry Ward, survives him.

THE NATIONAL LIFE U. S. A.

Wants Good Producers for District and General Agents

A SPLENDID CHANCE

to grow with a Western Company more than forty years old, operating in thirty States and Territories.

WORK FOR YOURSELF!

We have a Special Proposition for 1910. Why not write us?
CHICAGO'S OLDEST AND STRONGEST COMPANY

Robert D. Lay, Secretary, 159 La Salle Street, Chicago.

Doings and Sayings in Chicago.

SEVERAL new casualty companies are reported as about to enter Chicago soon, but up to the present time they do not seem to have completed satisfactory arrangements. Officers of the Pacific Coast Casualty were in the city several weeks ago, arranging for a transfer of its general agency to another office and the opening of a surety branch. The proposed office is a fire insurance agency and none of the men presented as possible managers of the company's business seemed to meet all the requirements.

The Prudential Casualty of Indianapolis has made overtures to several men in Chicago, but so far is not known to have closed with anybody. The Commercial Casualty of Newark has been in correspondence with Chicago parties and it was understood a representative of the company would visit the city before this, but nothing has been seen of him. The Southwestern Surety was also corresponding with a prospective general agent, but the negotiations are reported to have been dropped.

Meanwhile the established offices in the city go on much as usual. The automobile liability conference is working satisfactorily, although three companies are outside—the American Fidelity, Casualty Company of America and Philadelphia Casualty. The American Fidelity has done a large automobile business in the city for several years and the others are doing a good volume also, according to reports.

The plate glass compact is not effective yet, as the Empire State Surety and the Great Eastern Casualty have refused to join up to the present time.

Several surety offices report gains in volume of business for the first

half of this year over the same portion of last, but the gains on the whole are not what were expected. There is a general feeling that business conditions are not right.

* * *

Whatever George H. Holt of Chicago may think of the action of the executive committee of the Chicago Association of Commerce in denying responsibility for what Mr. Holt said before the Illinois Fire Insurance Commission, fire insurance men in the Windy City are in a happy frame of mind about it. At the request of the commission the Association of Commerce sent a committee to attend one of the hearings. Mr. Holt as a member of that committee voiced his individual views, which were exceedingly offensive to the fire insurance managers and the impression got abroad that he was speaking officially for the association. Some of the managers who are members of the association protested and the action of the executive committee was the result.

Mr. Holt has given much more grata to the fire insurance people. He is a man of large means and much energy. What his business is it would be hard to say, because he has so many businesses. He is a lumberman, vice-president of the Columbian National Life Insurance Company, owner of the Manhattan building in Chicago, prominent in the Building Managers Association, head of the Chicago High Pressure Commission, president of the Policyholders Union, is engaged in the equipment of risks with sprinklers making his profits out of handling the insurance and paying for the equipment out of the difference between the old and new rates. He is a general critic of fire

insurance. His attitude in this regard is attributed by some to his inability to get as low rates as he wants on his various equipped risks. Not only has he been active in Illinois, but especial offense has been taken at his going to Indiana to help the attorney-general of that State in his anti-trust prosecutions.

Mr. Holt has given much more study to fire insurance than have most men not actually engaged in the business and "much learning has made him mad" at the companies for the way they conduct their business. He has some good ideas, and, like others who view fire insurance from the outside, some theories which the men who really run the business think very poorly of. If he were an insignificant person in the business world, he would be regarded very much as a mosquito is, but his prominence, influence and activity put him more in the position of the proverbial bull in the china shop, capable of causing much trouble.

* * *

The committee of Western managers which recently addressed a letter on the expense question to the companies recognizes that it has a large job ahead of it. It was not for want of earnest efforts on its part that a similar committee in 1906 failed to do anything in the way of reducing expenses in Chicago. That attempt failed while the companies were still adjusting San Francisco losses and the need of saving money on expenses as perhaps they had never done before.

Undoubtedly most of the companies now are in favor of reducing the large city expenses. There may even be unanimity on this general proposition, but the rub will come when the work-

INCORPORATED 1833.

British America
Assurance Company

HEAD OFFICE, TORONTO, CANADA

UNITED STATES BRANCH.

JANUARY 1, 1910.

Assets	\$1,556,740.94
Liabilities	902,438.61
Surplus	\$ 654,302.33

Hon. GEORGE A. COX, President.
JOHN HOSKIN }
W. R. BROCK } Vice-Presidents.

W. B. MEIKLE, General Mgr.

A GREAT SIX MONTHS

We closed the first half of 1910 with a rousing increase in new business over our record for the first half of highly prosperous 1909.

In policies and dividends we have what the public wants. In literature and canvassing aids we have what the agent wants. And back of all is a reputation gained from 59 years of activity as a Massachusetts Company.

If you are a genuine producer, a *delivering* producer, and wish to join our forces, address

GEORGE D. LANG,

Superintendent of Agencies

Massachusetts Mutual Life Insurance Company,

Springfield, Mass.

Incorporated 1851

ing out of the details of how it is to be done begins. Take Chicago as an example. There are about two hundred fire insurance companies represented in the city. They are represented under all sorts of arrangements. A comparatively few are on the sole agency basis with local agents. A very few have salaried managers and no downtown local agents. More have salaried managers and one or more local agents also and the vast majority have a number of local agents each. The commission contract with all its companies—40 some being on a graded scale and others flat. Many of the agents have a contingent commission agreement. One office is said to have the same contract with all its companies—40 per cent. flat and 10 per cent. contingent—but this office does mostly a preferred business, and it probably gets no more on that class than many others.

The agents, in turn, have all sorts of arrangements. Some of them are large personal producers and buy comparatively little from brokers. Others buy most of their business from brokers. Others employ solicitors, compensated in whole or in part by salary. Some of the agents are but little different than brokers; they have the first agency of some minor company in which they place but little business and second or third agencies of other companies, in some of which they can place business only after receiving permission from the manager or first agent. By being agents, however, they can secure higher commissions than brokers receive.

Then there are some three thousand brokers—some of them high-grade men, who understand the business, some of them solicitors of small risks, mostly in the foreign sections of the city in which they reside, some of them connected with real estate and

mortgage loan agencies which could not be brokers under board rules.

Will Pinch Somebody.

It is evident that any readjustment of expenses is going to pinch somebody, and the class that stands the loss will do all it can to block the movement. In the Eastern movement the commission scale for the broker is taken as the basis and an overriding commission is proposed for writing the policies and handling the business. In the West, however, the tendency in the past has been to take the agent's commission as a basis and work down from that to the broker's commission. Here is where perhaps the greatest difficulty comes in. The companies maintaining salaried city offices are dependent almost entirely upon the brokers for business and are not inclined to starve the geese that lay their golden eggs. A commission scale for brokers, however, which is satisfactory to them was unsatisfactory to the local agents the last time reduction of expenses was tried and some of the agents were influential enough to keep their companies from agreeing to the proposed scale. But the local agents are not a unit in wanting brokers' commissions reduced. They want just as large facilities for carrying downtown business as possible. To get there they must have preferred and outside business also, in order to help out their classification and distribution. They must depend largely upon brokers to furnish them this business, as they have not the time to solicit it themselves, and they do not want the broker starved out of the game, as they need him.

Another question which the agents raise is that of solicitors. The board rules fix the rates of brokerage, but there is nothing to prevent an agent or a salaried manager from hiring a

good broker on a salary basis and paying him more than he could earn as a broker. The agents contend that unless the compensation of solicitors is covered by the agreement that may be made the companies with salaried offices will hire the best of the brokers as solicitors at prices which the agents cannot pay and make any money on the transaction.

It was evident at the hearings before the Illinois Fire Insurance Commission and from the expressions of Commissioner Hartigan, of Minnesota, and others that the opinion is held by these men on the outside who are investigating the expense question that some of the middlemen should be gotten rid of, as they add to the cost which the public has to pay. But the question arises, who is the middleman? Is he the broker who stands between the agent and the assured, but actually solicits the business, or is he the agent who stands between the broker and the company? The weeding out of perhaps two-thirds of the so-called brokers might be a benefit to the business, but how about the well-equipped men who really handle the insurance of their customers, working out forms, devising legiti-

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS is unsurpassed for net low cost and care of interests of all members.

THE PENN MUTUAL LIFE INSURANCE COMPANY OF PHILADELPHIA

On January 1, 1909, rates were reduced and values increased to full 3% reserve.

The Connecticut Mutual

That means the best life insurance to have and the best to sell. If you can sell life insurance, you can sell more of it for the CONNECTICUT MUTUAL.

Men of Character and Ability are invited to apply.

Conn. Mutual Life Ins. Co.
Hartford, Conn.

Please mention this paper.

THE FRANKFORT

MARINE, ACCIDENT
AND PLATE GLASS INSURANCE CO.

OF FRANKFORT-ON-THE-MAIN GERMANY

ESTABLISHED 1865.

United States Department, 100 William Street, New York, N. Y.

TRUSTEES:

RICHARD DELAFIELD, Pres. of National Park Bank
ERNST THALMANN, of Ladenburg, Thalmann & Co.
STUYVESANT FISH, 52 Wall Street, New York City.

C. H. FRANKLIN, U. S. Mgr. and Attorney JNO. M. SMITH, Sec. U. S. Branch

INSURANCES TRANSACTED

LIABILITY— Employers, Public, Teams,	General, Landlords, Elevator,	Vessel Owners, Contingent, Druggists & Physicians.	Burglary, Workmen's Collective Individual Accident & Health Industrial Accident & Health
---	-------------------------------------	--	---

AGENTS WANTED FOR UNOCCUPIED TERRITORY

mate means for reducing the rate and in every way giving the service for which the assured pays, except the writing of the policies and the reporting them to the companies? So, too, there are agents who could be spared, who get a commission on the business the broker produces for doing little except writing the policies or placing the lines, but how about the agents who maintain fully equipped offices, employ inspectors and do practically all the work a good broker ought to do except the soliciting?

The expense in the large cities has to be reduced and in the operation the fittest probably will survive. After the struggle is over will it be found that the agents are still on deck or that the American agency system is not adapted to the large cities and has been superseded by branch offices and brokers after the English plan?

"IN THE FRONT OFFICE."

"In the Front Office" is the title of a publication just issued by the Rough Notes Company of Indianapolis, concerning things that affect the bank balance. The volume, which is unique in both matter and form, contains plans and suggestions for writing more fire insurance, schemes for making the office more productive at less cost, and effective means of advertising the fire insurance business. It undertakes to differentiate between "The House Built on the Sand" and "The House Built on a Rock." An automatic card system for following up each detail of business and a loose-leaf system for keeping expiration records are described. Rules have been set forth for the analysis of business day by day, according to the cost per unit method of big business successes. An effort is made to show how one department may be used to help another until the transaction becomes an endless chain. The volume also contains a well classified mass of miscellaneous suggestions for keeping a big business up on its toes.

WHAT THE DUTCHESS SAYS TO ITS OWN.

A circular letter has been issued by the president and directors of the Dutchess Fire Insurance Company of Poughkeepsie to the agents and policyholders of the company, in the course of which they say:

We will therefore first call your attention to the fact that in the disagreement which we have with the Insurance Department, no question of solvency, or that we have a very considerable surplus over and above all liability of every nature, is raised by the department or by any other source. Further, we are not only doing business as hitherto, but intend to continue so to do.

As to our president, who has been connected with this company and its predecessors for forty-three years past, after the most searching, even inquisitorial, examination by the Insurance Department, we remain clear and firm in our belief that there is not even a shadow cast upon his reputation, which remains, in the judgment of both the stockholders and the directors, absolutely unblemished and above reproach. Our board of directors is largely composed of leading residents of this city, among whom four are bank presidents, two are vice-presidents of banks, two are prominent members of the Dutchess County bar, one, Mr. William W. Smith, the well-known philanthropist, and other gentlemen of like high standing, and the directors, after full consideration of every criticism which has been made upon our president, have absolutely refused even to consider the question of his retirement, and their action was emphatically and practically unanimously indorsed at a subsequent meeting of the stockholders. The criticisms referred to, so far as they have consequence at all, concern matters regarding the closing of the affairs of the old company, and these questions will be passed upon by the court in an action which has been brought for winding up the old company's affairs. So far as such questions concern us, the representatives of the new company, we as law abiding citizens, with full confidence in the wisdom and integrity of the court, are content to abide the action of the

court, and we do not intend to submit to dictation on these questions from any other source whatsoever.

BIG MEXICAN CONTRACT FOR NATIONAL SURETY.

The National Surety Company of New York, through Robert M. Nugent, its representative in Mexico City, has entered into a contract with the Federal Government of Mexico for bonding employes of the post-office, Federal telegraph and general government departments. The contract took effect on July 1, and provides for bonding several thousand men.

MEXICAN MARKET FOR FIRE ESCAPES.

Arnold Shanklin, United States Consul General at Mexico City, writes that there is an unusual opportunity in Mexico for the sale of fire escapes. These would especially be useful in case of earthquakes, as fires are quite rare because of the construction of buildings. About twenty years ago there was not a building in the Mexican capital more than three stories high, but now there are a number of four, five and six story buildings, and not one with a fire escape.

The Columbian National Life INSURANCE COMPANY OF BOSTON, MASS.

LIFE, ACCIDENT AND HEALTH INSURANCE.

The Only Massachusetts
Non-Participating Company

The New Columbian Policies are
Unexcelled in Clearness and Liberality.

Good Contracts and Territory for
Good Producers.

ARTHUR E. CHILDS, President.

MEN OF ENERGY ARE OFFERED WORK OF MOMENT

In desirable localities representing a sixty-year old institution, with modern, liberal, law-conforming policies, and helpful Home office co-operation. Much good territory available. Many opportunities for advantageous positions. Inquire NOW.

UNION MUTUAL LIFE INSURANCE COMPANY PORTLAND, MAINE

FRED E. RICHARDS, President.

Address either:
ALBERT E. AWDE,
Supt., 396 Congress St.,
Portland, Maine.
THORNTON CHASE,
Supt., 405 Exch. Bldg.,
Los Angeles, Cal.



Insurance Brokers

Place Your SURETY and CASUALTY
business in the "EMPIRE."

CAPITAL, - - - - - \$500,000

Business Producers not now under contract wanted for
open Territory.

Address Agency Department,
THE EMPIRE STATE SURETY CO.,
84 William Street, New York

ASSET GUARANTEE STOCKS FOR BANKS?

United States Treasury Department officials are disposed to question the practicability of the plan to start a company in Washington for the purpose of guaranteeing the assets of banks against appreciation or loss. There seems to be a serious obstacle in the case of national institutions. The projected company was designed to issue policies to the banks which at the same time were to buy stock in the concern and thereby to share in the dividends earned by insuring the deposits. In the case of National banks, it has been suggested that the stock of such a company might be held by the directors, but this would give the directors a chance to profit from the operations of the concern. Should the profits be large, the situation might not look nice.

HERE AND THERE.

As a result of the Continental Life and International Fire receiverships, Commissioner Blake, of the Missouri Insurance Department, is planning for the introduction in the next session of the Legislature of a bill to give the department control over insurance corporations during the period of formation.

The Louisiana bill, providing for the State Rating Commission, has been passed by the Senate with an amendment, taking away from the companies the privilege of nominating one of the commissioners, and in this form has been signed by the Governor. It is believed that the Governor will, however, respect the original intention of the bill, so that the companies will not be entirely without a voice.

Samuel B. Brewster has been appointed by the New Amsterdam Casualty Company as its manager for New Jersey and Eastern Pennsylvania for all departments. Mr. Brewster was formerly vice-president of the Aetna Indemnity Company, and more recently executive special for the Empire State Surety Company, which latter position he resigned to go with the New Amsterdam Casualty. Mr. Brewster will have a local agency at Newark for general insurance.

A pamphlet entitled "Directions for Living and Sleeping in the Open Air" has been issued by the Metropolitan Life Insurance Company to its policyholders, giving practical directions for

home treatment, which, if conscientiously followed under the guidance of a physician, may result in cure or improvement. The pamphlet was prepared by Thomas Spees Carrington, M.D., assistant secretary of the National Association for the Study and Prevention of Tuberculosis, in charge of its bureau of construction and an appointed expert on hospital construction in the New York State Department of Health. The booklet is profusely illustrated in a very practical manner, showing the way to construct window tents, tenement house roof tents, cheap porches and sleeping bags made up with bed clothes.

Colonel Paul M. Nippert of San Francisco, head of the Paul M. Nippert Company, general agents for the Aetna Indemnity Company, has resigned from the Surety Underwriters Association of California. Colonel Nippert's action was taken after due consideration and his action was therefore not a surprise to the association membership. Failure on the part of the organization to discipline members for violation of the association rules is said to have prompted Colonel Nippert to tender his resignation. The present action grows out of the trouble which started at San Francisco a couple of months ago between representatives of the Pacific Coast Casualty and Pacific Surety companies and which for a time threatened to precipitate a surety rate war.

The New Jersey Plate Glass Insurance Company of Newark has finished its plans to extend its operations to personal accident and health policies, and fidelity bonds, in addition to its present burglary and plate glass lines. The New Jersey insurance department has approved the increase of the company's capital to \$300,000, and the necessary amendment to the charter of the company.

WESTERN ASSURANCE Co.

HEAD OFFICE,
TORONTO, - - CANADA.

Incorporated 1851.

Hon. GEORGE A. COX.....President
W. R. BROCK and JOHN
HOSKIN, K. C. LL. D., Vice-Presidents
W. B. MEIKLE.....General Manager

United States Statement, Jan. 1, 1910.
Assets\$2,377,303.37
Surplus in United States..... 839,268.07

SPECIAL OPPORTUNITIES offered now in Southern States to Representatives of

CITIZENS NATIONAL LIFE INSURANCE CO.

W. H. GREGORY,
President.

Germania Fire INSURANCE CO.,

NEW YORK.

ORGANIZED 1850.

Cash Capital.....\$1,000,000.00
Assets\$6,562,329.14
Net Surplus.....\$2,008,419.02
Surplus for Policyholders,\$3,008,419.02

HEAD OFFICE:
Cor. William and Cedar Streets.

THE HOME LIFE INSURANCE COMPANY OF AMERICA

Incorporated 1899.



THE COMPANY FOR THE AMBITIOUS AGENT who desires to sell "COMMON SENSE" insurance at LOWEST COST, and who seeks, through most liberal first year and guaranteed renewal commissions, to receive just recognition of service. All policies registered, signed and sealed by the Insurance Commissioner of the State of Delaware, making them truly

SAFE AS GOVERNMENT BONDS.

Address Executive Offices, 416-18-20 Walnut Street,
PHILADELPHIA, PA.

JOHN LANGHAM, Jr., President.
JOSEPH L. DURKIN, Secretary.
GEORGE M. NETTLESHIP,
Manager of Agencies.

NORTHWESTERN NATIONAL

The program of the annual agency convention of the Northwestern National Life of Minneapolis is as follows:

Tuesday, July 12, 10:30 A. M.

O. J. Fowler, secretary agency department, presiding.
Roll call.
Reports from general agencies.
Announcements.
Inspection of home office building and auditorium.

2:30 P. M.

Robert E. Esterly, secretary and treasurer, presiding.

Addresses of welcome, L. K. Thompson, president; A. A. Crane, director.

Response—A. H. Chambers, Texas.
"What Are We Here For," B. H. Richardson, Louisiana.

"Life Insurance the Best Business," George Hoffman, Illinois.

"Northwestern National—A Bit of History," the president.

"Our Field and What We Are Doing in It," R. H. Coshun, field superintendent.

8:00 P. M.

Informal reception and smoker.

Wednesday, July 13, 9:30 A. M.

An hour with the medical department, Dr. Henry Wireman Cook, medical director, presiding.

Paper, by Dr. Stephen H. Baxter, assistant medical director, "Qualifications of Physicians for Appointment by the Northwestern National, and What We Expect of Our Examiners."

Paper, by Dr. Cook, "General Review—Value of a Chief Examiner—Necessity for Use of Examiners Appointed for Residence of Applicant—Insurable Interest—Moral Hazard—Confidential Nature of Examiner's Report."

Discussion by the representatives, in which representatives are requested to present Personal Experiences with Examiners—Practical Difficulties, Suggestions, Questions.

10:30 A. M.

Adjournment to Lake Minnetonka by chartered car; luncheon at the Lafayette Club, followed by a tour of the lake.

7:45 P. M.

An evening with the actuary, William J. Graham, vice-president and actuary, presiding.

General topic, "Value Received; or What a Man Gets From Northwestern National in Exchange for His Money."

The superiority of Northwestern National: Location—Organization—Policy Contracts—Financial Condition.

Increasing dividends: Low Mortality—High Interest Earnings—Economy of Management.

Policy valuation: Preliminary Term—Modified Term—Full Net Premium.

Special policies: Partnership Insurance—Joint Life Twenty Year Endowment—Endowment Annuity—Monthly Instalment Policy.

Surrender values.

Northwestern National's new policy forms.

Thursday, July 14, 9:30 A. M.

R. H. Coshun, field superintendent, presiding.

"Brains, Energy and Character, the Only Capital Necessary to Become a Successful Producer," W. B. Collins, Ark.

"How to Sell the Contract; or, the Art of Closing," A. W. Crary, North Dakota.

"Big Applications," Messrs. Hoffman, White, Odell, Andrews, et al.

"An Endless Chain; or, How to Use Policyholders in Getting New Business," John M. Andrews, Ark.

"Keeping the Business on the Books," Charles L. MacGregor, Minnesota.

"Things to Be Remembered When Soliciting"; "Things to Be Forgotten When Soliciting," C. M. Odell, Minn.

"Our Attitude Toward Competitors," George M. Marnie, Minn.

"The Organization of New Companies and Its Effect on Agency Work," A. H. Chambers, Texas.

2:30 P. M.

How I Secure Business:

"In Country Districts," S. C. Tweed, Minnesota.

"In Towns," H. J. C. Hirschman, N. D.

"In Cities," C. N. Whidden, Minn. Experiences in the Field; Short talks by Messrs. Bidlake, Honey, Stowell, McKeon, Stickney, et al.

"How to Secure and Train New Agents and How to Hold Them," Charles Milton, Kansas.

"Life Insurance and the Banker," S. A. Netland, Minn.

"Advertising That Pays," L. J. Anderson, Minn.

"Minnesota's Program and Plan of Organization," Frederick White, Minn.

7:30 P. M.

Banquet at Radisson Hotel.

In the matter of the Enterprise Casualty Company of Philadelphia, a stay of proceedings has been granted on a stipulation filed in the United States Circuit Court agreeing on a committee to wind up the affairs of the company without the court's aid. J. D. Kelly and W. E. Bernard, of Philadelphia, and W. Winder Laird, of Wilmington, were designated to wind up the business.

The Preferred
ACCIDENT INSURANCE COMPANY
of New York

SUPERIOR POLICIES

KIMBALL C. ATWOOD, President

390-292 Broadway, New York.

Life Ins. Co. of Virginia

Home Office, Richmond, Virginia.

J. G. WALKER, President.

T. W. PEMBERTON, 1st Vice-President.

W. L. T. ROGERSON, 2d Vice-President.

E. D. HARRIS, Secretary.

The OLDEST Southern Life Insurance Company.

The LARGEST and STRONGEST Southern Life Insurance Company.

The PIONEER Southern Industrial Life Insurance Company.

Its policies are clear and definite in their provisions and their values are absolutely guaranteed.

Assets Dec. 31, 1909.....	\$5,372,691.99
Liabilities Dec. 31, 1909.....	4,312,406.32
Insurance in Force Dec. 31, 1909	68,337,613.00
Total Payments to Policyholders since Organization	9,820,412.46

**LEADING FIRE COMPANY
OF THE WORLD**



[of Liverpool,

England.]

Most agents take a vacation during a part of the Summer months. The agents of the Philadelphia Life, having the advantage of a direct contract with the Company, can generally be placed in territory where they may enjoy a vacation and at the same time have the advantage of writing business and making money.

Write Perry to-day for contract.

NORTHWESTERN MUTUAL

The program for the annual meeting of the agents' association of the Northwestern Mutual Life is as follows:

Tuesday, July 19, 10 A. M.

Address of welcome, George C. Markham, president of the company.
Response, W. J. Fischer, St. Louis, president of the association.
Election of new members.
Election of officers and standing committee of association.
Presentation of prizes, H. F. Norris, superintendent of agencies.

2 P. M.

Paper, "The Goblins of Life Insurance," John I. D. Bristol, New York.
Sales Demonstration (Charles Sachs, prospect)—1, H. E. Crouch, Buffalo; 2, E. S. Emmert, Muskogee; 3, a; 2, E. S. Emmert, Muskogee; 3, C. S. Sagar, Chicago.
Address, Charles Dyer Norton, Washington, D. C.

6:30 P. M., Sharp.

Gridiron dinner, Hotel Pfister, informal dress.

Wednesday, July 20, 10 A. M.

Address, Dean Street of Teachers' College, Syracuse.
Five-Minute Talks:
"The Market Value of Interviews," C. B. Taylor, Wheeling.
"The Short Cut in Competition," C. F. Junod, Chicago.
"Creative Soliciting," E. M. Carroll, New York.
"Readjusting the Readjuster," I. Kaufmann, Minneapolis.

12 P. M.

Luncheon conference (place to be announced).

1. "Salesmanship," R. S. Goldsby, Pittsburgh.
2. "Income Insurance," Franklin Mann, Chicago.
3. "The Development of Country Business," H. A. Clark, Princeton, Ill.
4. "Corporation and Partnership Insurance," M. H. O. Williams, home office.

3 P. M.

Paper, "The Future of Life Insurance," Robert R. Reid, New York.
Memorial address, "M. D. Kimball," Dr. M. J. Stone, Cleveland.
Address, H. F. Norris, superintendent of agencies.

Evening.

Concert at Deutscher Club, Deutscher Club Orchestra. Admission by association badge.

WORKMEN'S INDEMNITY IN GREAT BRITAIN.

London, July 1.—In the Parliamentary papers, Haydn Jones asks the home secretary whether he is aware that, on account of the number of accidents in slate quarries, six of the leading insurance companies decline to insure the quarry owners

against liability under the Workmen's Compensation Act, and whether, under the circumstances on which the insurance companies' decisions are based, he will represent to the Royal Commission on Mines the desirability of an immediate investigation into the working of open quarries.

Mr. Churchill replies that he has no information to the effect that insurance companies have declined to insure the owners of slate quarries against their liability under the Workmen's Compensation Act. It is reported to him that both the Dinorwic and Penrbyn quarries, two of the largest in North Wales, are insured.

INDEMNITY JUNKET.

Ferdinand C. Schwedtmann, chairman of the committee on industrial indemnity insurance of the National Association of Manufacturers, and James A. Emery, general counsel of the National Council for Industrial Defense, sailed for Europe to-day by authority of the National Association of Manufacturers to study means of preventing accidents and the general subject of industrial indemnity. The investigation is to be extended over a period of three or four months in Germany, Austria, France, England, Switzerland, Italy and Norway.

DRAFTING FRATERNAL BILL.

Commissioner Folk of Tennessee, Superintendent Lemer of Ohio, and Charles E. Piper, former president of the National Fraternal Congress, are engaged in re-drafting the tentative bill for regulating fraternal insurance organizations. They will submit the bill to the National Fraternal Congress at its annual convention in Detroit on August 16, and to the Associated Fraternities of America in Atlantic City on August 27.

Commissioner Folk, in a short statement issued at Nashville last week, said:

While there is no cause for any uneasiness or alarm, it is a sound proposition that such institutions should be upon a foundation sufficient to insure their perpetuity. The problems confronting the fraternal system are fully recognized by the leaders, and most of them are ready to lend a co-operating hand to the efforts of the commissioners.

It is an incontrovertible proposition that every society should fully and promptly meet all benefits promised by it, and in order to do so its rates of contribution per member must be upon a basis sufficient to guarantee this, and it is also incontrovertible that rates of contribution should be so adjusted that each member will contribute to his society in accordance with the risk which the society assumes for him.

IT PAYS THE AGENT

To represent the best company. There are many excellent standard life insurance companies. Which is the best? In stability, progressiveness, liberal contracts to agents and low cost to policy-holders no company surpasses

The Union Central Life Insurance Co. of Cincinnati.

Assets, \$74,523,966.28
Liabilities, \$72,324,302.92

Good openings are occurring from time to time. Address

JESSE R. CLARK, President.
ALLAN WATERS, Sup't of Agents

RIGHT NOW ——— WRITE NOW

LIVE ASSETS for LIVE AGENTS

Live, not Life Insurance, is the only necessity of life that has not increased in cost.

It is a great asset for a Live Agent to represent the *largest* health and accident insurance company in the world, especially at this time with compulsory workmen's insurance imminent and employers' liability insurance becoming costlier every day. Up-to-the-second policies. Most liberal contracts to agents.

CONTINENTAL CASUALTY CO.,

E. G. B. ALEXANDER,
President.

1208 Michigan Ave. : : Chicago

— "Often Copied; Never Equalled." —

NATIONAL LIFE

Insurance Company,

MONTPELIER, VERMONT.

Established in 1850.
Operating in 37 States.

JOSEPH A. DE BOER, President.

FRED A. HOWLAND, Vice-President
JAMES B. ESTEE, 2nd Vice-President
OSMAN D. CLARK, Secretary
H. M. CUTLER, Treasurer
A. B. BISBEE, Medical Director
C. E. MOULTON, Actuary

This Company held January 1, 1910,
and gained during the past decade:

ASSETS . . .	\$47,490,998.98
GAIN, 167 PER CENT.	
LIABILITIES . . .	\$41,661,130.12
GAIN, 162 PER CENT.	
SURPLUS . . .	\$5,829,868.86
GAIN, 211 PER CENT.	
INSURANCE . . .	\$161,423,115.00
GAIN, 79 PER CENT.	

**Absolute Security and
Economy of
Management**

WEBB McNALL DEAD.

Webb McNall, whose title to fame was obtained by his attitude toward Eastern insurance capital during his term as superintendent of the Kansas Insurance Department in 1897 and 1898, died at his home in Gaylord, Kan., on June 24, 1910. Some five years ago he had been stricken with paralysis.

He was born in Randolph, N. Y., on October 11, 1848. He went to Kansas in 1871 and became one of the founders of Gaylord, in Smith county. Early in his career he became a leader in political affairs, and an active worker until the Populists lost control of the State, and he was removed as superintendent of insurance by Governor Stanley in 1899.

He was admitted to the bar in May, 1879, and in 1884, when he was elected a member of the legislature, he was selected to be chairman of the railroad committee of the lower house and a member of the committee on insurance. He became superintendent of insurance on February 1, 1897, and he continued in office until March 11, 1899.

One of his first rulings as superintendent was that insurance companies that did not pay claims should not be allowed to transact business in the State. He refused licenses to the New York Life, the Mutual Life and the Connecticut Mutual Life, that were parties in a controversy over the policies of the husband of Sarah E. Hilmon. He was enjoined by the courts in several instances.

He ruled also that the Clarkson rating bureau was a sort of trust organization among the insurance companies and he barred the bureau from the State. He drafted the law to require the companies to pay a tax of 2 per cent.

**NEW MEXICO PLANS
TO DO BETTER NOW.**

In view of the fact that New Mexico is about to reach the dignity of a State of the Union, added interest attaches to the attitude of the Insurance Department of the Territory on the prevention of fires. The fire loss in the Territory during the past two years has been disastrous.

Superintendent Chavez in his annual report has these things to say:

New Mexico has contributed generously during the past year towards the national ash heap donating an insurance loss of approximately \$424,000.

The responsibility for this result is largely due to the newer towns in the eastern part of the Territory, but conditions there and in other parts are materially improving, and much

better results are looked for in the future.

The estimated loss in the United States during the past year were \$203,649,000, or \$35,000,000 less than the year before. To have this amount of wealth go up in smoke every year is a disgrace, and certainly not in conformity with American principles. In taking care of the conservation of our natural resources we would do well to give heed to the annual drain upon them by fire. Property destroyed by fire is gone, and the funds of insurance companies cannot replace them. This tremendous waste can be greatly diminished, as it is shown that Berlin, with a population of 3,000,000, has a fire loss of \$150,000 annually, while Chicago with a population of 2,000,000 has an annual loss of \$5,000,000. It is estimated that 50 per cent. of all losses are the result of carelessness.

I believe that complete publicity touching upon the enormous annual waste by fire with the even more important subject, "The Prevention of Fire Waste," should be of peculiar interest to the people of New Mexico. To bring it to the attention of municipal bodies and the public in the endeavor to secure the co-operation of all in removing the physical causes of fire and to forward the movement for better fire protection and building construction along all lines.

There are no doubt many who are anxious to know just what to do to improve and to remove the possibilities of fire, while on the other hand there are many who are indifferent or do not appreciate the needs of better construction nor the dreadful fire and death traps that surround them.

I will endeavor to bring this subject before the citizens of New Mexico through the department bulletins and I am ready to assist them in all possible ways so that the end desired may be attained.

**GROUP INSURANCE
FOR 150 EMPLOYEES.**

The Nevins-Church Press Company of Glen Ridge, N. J., has insured with the Metropolitan Life its 150 men and women employes for sums ranging from \$250 to \$1,000. The Nevins-Church Company has paid the premiums and will continue to do so annually as long as the insured persons remain in the employ of the company. Should they resign or be discharged, the policy will be turned over to the individual for future payments by him.

In the event of death while in the company's employ, the full amount in the policy will be collected and paid over to the beneficiary named in the policy.

A. G. McIlwaine, Jr., president of the Orient Insurance Company of Hartford, has been chosen president of the Insurance Institute of Hartford.

HARTFORD LIFE

**INSURANCE COMPANY,
OF CONN.**

1909 Policies are Participating, or Non-participating, with Lower Rates and Values based on FULL RESERVE.

For Right Contracts,
Address, Second Vice-President,
Home Office, HARTFORD, CONN.

JOHN C. PAIGE & CO.**INSURANCE**

65 KILBY STREET

BOSTON

T H E
PROVIDENT

**LIFE AND TRUST COMPANY
OF PHILADELPHIA**

Insurance in Force, \$214,509,255.00
(Paid for Basis)

Assets \$70,514,350.45
(Market Value, Dec. 31, 1909)

Contingency Reserve . \$9,207,276.38
(Inclusive of Capital Stock, \$1,000,000.)

The Provident has been particularly distinguished for the development of a highly trained force of agents. The systematic instruction which its agents receive has resulted in their being recognized as representatives of exceptional knowledge of the business and of marked efficiency.

INDEPENDENT SURETY.

R. G. Babbage, who, as president of the proposed Independent Surety Co. of New York, was engaged in the organization of that concern with the co-operation of persons connected with the United States Realty and Improvement Company, states that the organization of the company has been deferred indefinitely. It was planned that the company should have a paid up capital of \$500,000 and a surplus of \$500,000. It was supposed by surety underwriters that the company was formed with a view of handling the surety business of the United States Realty and Improvement Company, the Fuller Construction Company and all the sub-contractors of these two big construction companies. This business amounted to considerable volume and heretofore had practically all been placed with the National Surety Company.

Since the organization of the Surety Association of America and the establishment of the new schedule of rates, which provided for a premium of one-half of 1 per cent. per annum on the amount of the contract for surety bonds on contract work, there has been considerable dissatisfaction among some of the large contractors of unquestionable standing because of what they considered the excessive rate and because they were allowed no concession from the rate charged smaller concerns less well equipped to carry out their undertakings. It is believed among surety men that this situation was an important factor in the proposed organization of the Independent Surety Company.

Another feature which was attractive in the plan of the new surety company was that under the rule of the Surety Association of America the member writing the bond and reinsuring any part of the same with another member could retain as a commission 30 per cent. of the premium on the business ceded. Under such an arrangement the Independent Surety would earn quite a handsome profit in the form of commission on the contract surety business derived from the large construction companies with which it was affiliated, which it passed along to other surety companies in the form of reinsurance.

With the announcement that the proposed organization of the Independent Surety Company has been abandoned, speculation is rife among surety underwriters as to what if any concessions, either as commissions or rebate from the tariff, the construction companies backing the Independent Surety Company secured from the association's rating bureau or from

the National Surety Company, which it is understood will now continue to write the bonds for them.

FOREIGN JUNKET FOR OHIO COMMITTEEMEN.

Governor Harmon of Ohio has named a committee according to the authorization of the Ohio Legislature to report at the next session on the advisability of substituting for the present proportionate risk law the British workmen's compensation act in the way of liability insurance. The members of the committee, who are authorized to make a trip to England and Germany in order to study the European system of a schedule of compensation for each kind of injury to a workman, regardless of contributory negligence, comprises William J. Rohr, a Cincinnati printer; William Winans, a railroad conductor; J. P. Smith, a Cleveland master horseshoer; J. Harrington Boyd, a Cleveland attorney, and George W. Parks, superintendent of the American Seeding Machine Company at Springfield.

SURETY MEN MEET.

The Surety Association of America held a meeting yesterday at the Waldorf-Astoria Hotel, at which President Henry D. Lyman of the American Surety Company presided. The question of bank depository business in Indiana was discussed, but without any action being taken. The association will receive reports later on the bank fidelity competition of Lloyds, London, and cotton bills.

New England Mutual Life

Insurance Company

BOSTON, : : : MASS.
Chartered 1835

Assets, January 1, 1910..\$51,316,543.00
 Liabilities 47,050,672.15

Surplus \$4,265,870.85

Sixty-six years of honorable dealing with its policyholders has placed the **NEW ENGLAND MUTUAL LIFE INSURANCE COMPANY** in the front rank of Life Insurance Companies of the Country.

ALFRED D. FOSTER, President.
 D. F. APPEL, Vice-President.
 J. A. BARBEY, Secretary.
 WM. F. DAVIS, Assistant Sec'y.
 J. G. WILDMAN, Assist. Sec'y.

EDWARD W. ALLEN, Manager,
 220 Broadway, New York.
 LATHROPE, BALDWIN, Manager,
 141 Broadway, New York.
 CHARLES H. STRAUSS, Gen. Ag't.
 200 Fifth Ave., New York.

201st YEAR.

SUN

Insurance Office OF LONDON.

FOUNDED 1710.

UNITED STATES BRANCH:
 54 PINE STREET, NEW YORK.
 WESTERN DEPARTMENT:
 171 LA SALLE ST., CHICAGO.
 PACIFIC DEPARTMENT:
 Sansome & Sacramento Sts.,
 SAN FRANCISCO, CAL.

**AGENTS WANTED
 AT UNREPRESENTED POINTS**

**OLDEST
 IN
 AMERICA**

**STRONGEST
 IN THE
 WORLD**

THE MUTUAL LIFE

Insurance Company of New York

**Mutual Life Agents Make Most Money
 Because Mutual Life Policies Sell Most Freely**

For terms to producing agents, address

GEORGE T. DEXTER

2nd Vice-President

34 Nassau Street**New York, N. Y.**

In New England.

THE Maryland Casualty, whose charter was recently amended to permit of its doing a fidelity business, Monday received authority from the Massachusetts Insurance Department to transact the business of fidelity and surety insurance in that Commonwealth. The new branch will be under the supervision of Geo. W. Havens, of Boston, resident manager, and it is expected that President Stone will visit the Hub ere long to the end of securing a specialist for the fidelity department.

Field & Cowles Admit Two Partners.

What the knowing ones in the Boston insurance district had been predicting for some weeks, chrystalized into certainty last Saturday when the announcement was made that John A. Jennings and George Neiley had been admitted to the firm of Field & Cowles. Mr. Jennings has been in the employ of the firm for more than twenty years, most of that time as counter man, and latterly in charge of the local department. He has a large acquaintance, and is deservedly popular with both the underwriters and the buyers of insurance. Mr. Neiley entered the office of Scull and Bradley (the forerunners of Field & Cowles) in his early manhood. He became special agent of the Royal and the Pennsylvania for Connecticut in 1889, and in 1890 was advanced to take charge of the entire New England field for those companies. He has twice been elected president of the New England Insurance Exchange, and is a fine type of the field men of that territory. With Mr. Jennings in charge of the local office, Mr. Neiley looking out for the agency field and Herbert Damon, as heretofore, caring for the marine department, the titular members of the firm will have more ample scope for the general supervision of its affairs.

Brigands Bother Boits.

A press dispatch from Rome under date of the 11th inst., brought the astonishing information that Robert A. Boit of Boston, resident manager of the Commercial Union, and his brother Edward, who is an architect, were held up by brigands while automobiling last Sunday in the vicinity of Florence. The wives of the travelers were with them, and after the ruffians had forced them to give up all the money they had with them (\$60), held them as hostages while the ladies went to their villa at Palavo for \$200 more. Thereupon the party

was set at liberty with the injunction to make no mention of the matter under pain of death. The menace was disregarded, however, and the police of Florence are now after the bandits. Judging by the usual results of such pursuits in Italy, the bandits won't have to worry any.

Travelers Wins.

In 1908 Dr. T. F. Stanton of Bridgeport, Conn., while carrying earth in the garden, ruptured his appendix. He was operated upon and died of septicemia a few days later. He was insured in the Travelers under a \$6,500 accident policy, and when his brother, James J. Stanton, applied for the proceeds, the company declined to pay. Litigation followed, the point at issue being whether Stanton's death was accidental or not, the plaintiff affirming accident and the defendant denying it. On Wednesday of last week, in the Superior Court at Hartford, Judge Curtis rendered a decision for the defendant company.

Enthusiastic Meeting.

The annual meeting of the General Agents' Association of the New England Mutual Life, which took place Thursday and Friday of last week at the Marlboro-Blenheim, Atlantic City, is described by those who were present as the most successful gathering the association has ever had. A wealth of timely topics was discussed at the three business sessions, and the dinner with which the proceedings came to an end was enjoyable to a degree. The new New England spirit was in evidence throughout. The following officers were elected for the ensuing year: President, Albert Curtis of Boston; vice-president, Major Guinn of Atlanta (re-elected); secretary, Albert R. Thomson of Detroit. The foregoing with Lee C. Robens of Hartford make up the executive committee of the association.

New England Brevities.

At Tuesday's meeting of the Boston Board of Fire Underwriters Messrs. Rothery, Hoffman and Kollock were elected members of the rating committee for three months. Messrs. Rothery, Muller and Crain were elected to serve on the brokers' committee for one year.

* * *

The Aetna Insurance Company has filed in the office of the Secretary of State of Connecticut a certificate of its increase of capital from \$4,000,000 to \$5,000,000.

FEDERAL LIFE INSURANCE COMPANY CHICAGO

SAAC MILLER HAMILTON, ; ; President

Admitted assets.....	\$2,447,499.17
Capital stock.....	177,300.00
Surplus apportioned and unapportioned	77,510.61
Excess security to policy holders	254,810.61
1909 insurance in force increased over.....	\$6,300,000.00
Surplus increased over....	100,000.00

**HIGH-GRADE MANAGERS AND AGENTS WANTED.
ATTRACTIVE POLICIES.
DESIRABLE CONTRACTS.
WILL ENTER NEW TERRITORY.**

Address,
CHARLES M. TURNER,
General Manager,
Marquette Building, CHICAGO, ILL.

FOUNDED 1792 118th ANNUAL STATEMENT INSURANCE COMPANY OF NORTH AMERICA. OF PHILADELPHIA, PA.

ASSETS.		January 1, 1910.
Real Estate	\$	364,410.00
First Mortgages on Real Estate		373,803.48
Philadelphia, New York, Boston and other City and State Loans		1,134,390.00
Pennsylvania, Philadelphia and Erie, Lehigh Valley and other Companies' Bonds and Stocks		8,909,150.32
Cash in Bank and Bankers' hands		1,134,635.88
Notes Receivable and Unsettled Marine Premiums....		347,440.69
Net Cash Fire Premiums in course of Transmission....		1,069,510.62
Accrued Interest, and all other property		52,160.57
Total Assets	\$13,385,501.56	
LIABILITIES.		
Capital Stock	\$	3,000,000.00
Reserve for Re-Insurance ..		6,813,862.47
Reserve for Losses		877,250.00
All other Liabilities		104,982.45
Surplus over all Liabilities..		2,589,406.64
	\$13,385,501.56	

Surplus to Policyholders....	\$5,589,406.64
Increase in Reinsurance Reserve	349,934.71
Increase in Net Surplus.....	838,500.98
Increase in Assets.....	1,371,438.93
Eugene L. Ellison.....	President
Benjamin Rush.....	Vice-President
T. Howard Wright.....	Secretary
Henry W. Farnum.....	Assistant Secretary
John O. Platt.....	Assistant Secretary

Agencies in all Prominent Cities & Towns.

Gains in Life Insurance.

LIFE insurance business during the first half of this year, according to a compilation made by the "Insurance Press," show a decided increase in volume, as against the corresponding period of 1909. Following is a summary from the statements used in the compilation:

Aetna—7,717 policies issued for \$20,933,504 of insurance, against 8,298 policies for \$19,809,069 last year.

American National—Issued business amounted to \$1,500,000, and business in force increased \$800,000.

Berkshire—New business \$2,324,815, against \$2,089,544 last year; mortality experience 63.52 per cent., compared with 70.5 per cent. in first six months of 1909.

Connecticut General—Business written, \$4,694,515; insurance in force increased 5 per cent.

Home Life, New York—Business paid for \$5,262,663, compared with \$4,739,833 for the corresponding period of last year; increased in business in force, \$1,536,952.

Massachusetts Mutual—7,245 policies issued for \$18,788,000, as against 6,974 policies for \$16,536,000 in first half of 1909.

Mutual Benefit—14,349 applications for \$44,074,595 of insurance; an increase of \$5,998,401, compared with similar period last year. In June 2,386

applications were received for \$7,347,350 of insurance; an increase of \$1,129,832, compared with similar month last year.

National of Montpelier—Written basis, \$10,557,193.29; paid for basis, \$8,574,711.29; gains of 14 per cent. and 15 per cent., comparing the record with similar period last year.

New England Mutual—Paid for business, additions, revivals and increases, \$14,251,542, as against \$11,808,430 first half 1909; insurance in force increased \$844,614.

New York—Paid for business was a fraction more than \$75,000,000; an increase of about \$500,000, compared with similar period last year.

Pittsburgh Life and Trust—Insurance applied for, on which premiums were paid in cash, was in excess of new insurance paid for in cash during the twelve months of 1909.

Provident Life and Trust—New business, \$17,600,000; a gain of 28 per cent.

Reliance—Paid for business in June (\$1,065,000) broke all records by more than \$50,000.

Security Mutual of Binghamton—The approved business was 34 per cent. in excess of that during the first six months of 1909, and the amount paid for was 82 per cent. in excess of that paid for during the corresponding period last year.

United States—Business written, \$1,114,484; an increase of 14 per cent.

LIQUIDATION LAW

SCORES FIRST SUCCESS.

Upon the application of Special Deputy Superintendent of Insurance Dunham, Supreme Court Justice Andrews of Syracuse granted final orders in the liquidation of the Aetna, American, Capital, Mohawk, Phoenix and Reliable Mutual Fire insurance companies of Onondaga County.

These companies were, before July, 1909, under the management of the same officers and were a year ago taken over by the Insurance Department under the new liquidation law. At that time they had obligations consisting largely of unpaid loss claims, aggregating \$20,000, and a very small amount of assets. They have been liquidated together, the department having collected an assessment from about 5,000 policyholders or members from which, with the moneys on hand, it has realized \$30,477.

The claims aggregated \$23,550, and were allowed after investigation at \$19,684. The total cost of liquidation, including salary of the special deputy superintendent, clerks and the expenses of collecting assessments, has been \$5,220, or about 17 per cent. of the amount collected.

Loss claimants will be paid in full, and, except in the Phoenix Mutual case, with interest. Moreover in most cases there will be a considerable div-

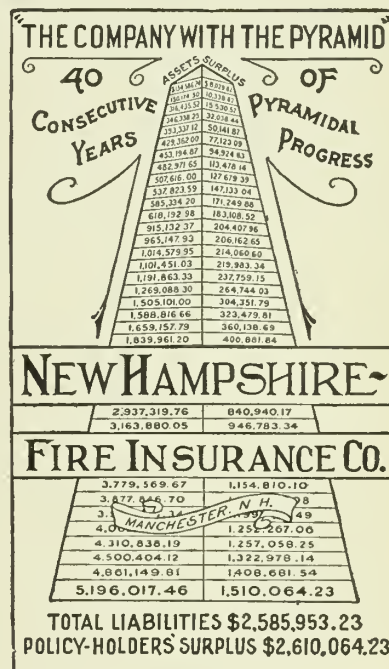
idend for the members who have paid their assessments.

The failure of these companies had much to do with the agitation that resulted in the adoption of the new code by the legislature with regard to co-operative fire companies.

A first class life underwriter with a successful field record, and an untarnished reputation can secure good open territory by addressing

SECURITY MUTUAL LIFE INSURANCE COMPANY

Binghamton, N. Y.



Bardoe's Column.

A special meeting of the Insurance Brokerage Association a membership committee of five was appointed for the purpose of inviting a number of firms not heretofore represented to become members of the association. The association was addressed by James F. Hoey, a member of the assembly insurance committee. A report was received from the special committee appointed in connection with the proposed reduction of commissions. R. C. Rathbone, who was chairman, said that a number of brokers had communicated with him recommending drastic action. Seelye Benedict strongly recommended proceeding in a dignified, business-like manner, making a protest to the companies. At the suggestion of John A. Eckert it was decided that the special committee be considerably enlarged. The committee will confer with the executive committee of the Fire Underwriters Association.

Charles H. Post, United States manager of the Caledonian Insurance Company, sailed on the Caronia last Saturday.

R. M. Bissell, vice-president of the Hartford Fire Insurance Company, has been elected chairman and A. E. Duncan, president of the Franklin Fire, vice-chairman of the executive committee of the Fire Underwriters Association.

Manager J. J. Guile, of the Sun Insurance Company, arrived on the New York Monday.

The Omnium Insurance Corporation of London has appointed J. S. Frelinghuysen representative for the United States and Canada. The com-

pany has a subscribed capital of \$1,000,000 and a paid-up capital of \$500,000. They will confine their operations to writing surplus lines for the present.

A. E. Duncan, president of the Franklin Fire Insurance Company of Philadelphia, will act as chairman of the executive committee of the Fire Underwriters Association during the absence of Chairman R. M. Bissell, who is about to leave for a protracted vacation.

E. H. A. Correa, vice-president of the Home Insurance Company, and R. M. Bissell, vice-president of the Hartford, representing the executive committee of the Fire Underwriters Association, called on President Henry Evans of the Continental and Fidelity-Phoenix Fire insurance companies regarding enrolling these two companies in the new association. After the conference President Evans said:

"I have had no opportunity to read the proposed plan of organization. An outline was given me verbally by Messrs. Bissell and Correa and a copy has been left for consideration in detail. In a general way I can say that we are opposed to any plan that does not recognize the contingent plan of compensation, and, further, I feel that to pay one commission in one part of the country and another and more liberal in another section is unfair."

Superintendent of Insurance Hotchkiss has approved the standard form typewriter policy submitted by the special committee appointed by the New York Board of Fire Underwriters. It will become lawful on January 1, 1911.

COMMERCIAL - UNION

ASSURANCE CO.,

(LIMITED)

OF LONDON.

OFFICE:

Cor. Pine & William Sts.

NEW YORK.

The Employers' Liability

Assurance Corporation, Ltd.

LIABILITY, STEAM BOILER,
ACCIDENT, HEALTH, FIDELITY
and BURGLARY INSURANCE.

UNITED STATES BRANCH.

SAMUEL APPLETON, United States
Manager,

Employers' Liability Building,
33 BROAD STREET, BOSTON, MASS.

EDMUND DWIGHT,
Resident Manager for New York State,
56 MAIDEN LANE, NEW YORK.

AGENTS WANTED.

1860 50th YEAR 1910

HOME LIFE

Insurance Company of New York.

GEORGE E. IDE, President.

Assets	\$23,626,018.63
Liabilities	21,858,691.52
(Including Deferred Dividend Fund)	
Dividend Endowment Fund	
(Deferred Dividends)	2,119,044.00
Net Surplus	1,767,327.00
Insurance in Force	92,532,583.00

The record for 1909 shows the following
GAINS:

Insurance in Force	\$4,164,239.00
Assets	1,917,117.00
Deferred Dividend Reserve...	148,581.00
Contingency Reserve (Surplus)	655,149.17

YOU WILL BE THE MASTER



of your own fortunes if you
sell life insurance for

THE PRUDENTIAL

Your ability will regulate
your progress and earning.

Write for Agency.

THE PRUDENTIAL
Insurance Company of America.

Incorporated as a Stock Company by the
State of New Jersey.

JOHN F. DRYDEN, Home Office,
President. NEWARK, N. J.

BONDS OF SURETYSHIP.

The Guarantee Company of North America

HEAD OFFICE, MONTREAL

Edward Rawlings, President.

H. E. Rawlings, Asst. Mgr.

Richard B. Scott, Secretary & Treasurer.

It is the Pioneer Company, was established in 1872, and is conducted under a conservative management of over 55 years experience.

It has recouped to employers over \$2,190,000 for losses sustained by the infidelity of employees and has a surplus of \$1,041,423.23 to credit of shareholders and total resources of \$1,919,892.38 for the security of insured.

Branch Offices:

NEW YORK: 111 Broadway,
D. J. Tompkins, Secretary.
BOSTON: 114 Milk Street,
W. A. Hamilton, Agent and Attorney.
CHICAGO: Room 400, The Temple,
J. R. Pruyn, Resident Sec. and Atty.
PHILADELPHIA: 500 Arcade Bldg.
W. H. Jackson, Res. Secretary.
PITTSBURG: 1120 Farmers Bank Bldg.
E. R. Munro, Resident Secretary.
LOUISVILLE: 316 Columbia Bldg.
P. N. Clarke & Co., Agents.

COMPARATIVE RESERVE TABLES

BY

MILES M. DAWSON

Consulting Actuary.

Containing Mean and Terminal Reserves for the
usual forms of policies and by the
following standards:

American Experience, Select and Ultimate $3\frac{1}{2}$ per cent.
American Experience, Select and Ultimate 3 per cent.
American Experience, Modified Preliminary Term $3\frac{1}{2}$ per cent.
American Experience, Modified Preliminary Term 3 per cent.
American Experience, Select and Ultimate 4 per cent.
Actuaries', Modified Preliminary Term 4 per cent.
American Experience, Committee of Fifteen, $3\frac{1}{2}$ per cent.
American Experience, Illinois and Tennessee, $3\frac{1}{2}$ per cent.
American Experience, Michigan, $3\frac{1}{2}$ per cent.
American Experience, Wisconsin, $3\frac{1}{2}$ per cent.
American Experience, New Jersey, $3\frac{1}{2}$ per cent.
H^M, Canadian Life Officers' Association, $3\frac{1}{2}$ per cent.
O^[M], Select and Ultimate, $3\frac{1}{2}$ per cent.

THIS covers all the standards, other than the net level
premiums, in use in this country. Tables showing
the first year margins set free by each method of valu-
ation are given.

Send all orders to the Publishers,

The Chronicle Co., Ltd.

No. 90 William St.

NEW YORK

NOW READY!

Survivorship Annuity Tables

Net Premiums, Mean and Terminal Reserves

**American Experience Table,
LIFE OF NOMINATOR**

**Danish Survivorship Annuitants' Table,
LIFE OF ANNUITANT**

And 3½ Per Cent. Interest

BY
MILES M. DAWSON,
Consulting Actuary

SEND ALL ORDERS TO

The Chronicle Co. (Ltd.)

No. 90 William St.

NEW YORK

The Chronicle.

1866

Published by THE CHRONICLE COMPANY, Ltd., 90 William St., New York City.

1910

VOLUME LXXXVI.

New York, July 21, 1910.

NUMBER 3

Insurance Brokers Asked to Pay \$10,000 for Legal
Service for Legislative Bill.



METROPOLITAN PIER IN FLAMES.

EDITION ALMOST EXHAUSTED

SAVES TIME AND LABOR

Various Derived Tables

AMERICAN EXPERIENCE

3 and 3½%

BY

MILES M. DAWSON

TABLE OF CONTENTS.

Single Premiums, Pure Endowment.
 Accumulations, Pure Endowment.
 Forborne Immediate Annuities.
 Accumulated Temporary Insurances.
 Accumulated Increasing Insurance.
 Single Premiums Endowment Insurance.
 Single Premiums Temporary Insurance.
 Immediate Temporary Annuities.
 Valuation Columns.
SELECT AND ULTIMATE VALUES.
 Single Premiums, Whole Life.
 Life Annuities.
 Terminal Reserves, Life, Limited Payment, Endowment.
 Mean Reserves, Life, Limited Payment, Endowment.
LOGARITHMS, SEVEN PLACES.
 Forborne Immediate Annuities.
 Curtate Summations of D Column.
 Immediate Temporary Annuities.

USES.

Computing Annual Term Insurance Premiums:
 Divide temporary insurance values by immediate temporary annuities.
Computing Annual Endowment Insurance Premiums:
 Divide endowment insurance values by immediate temporary annuities.
Computing Annual Pure Endowment Premiums:
 Divide pure endowment values by immediate temporary annuities or take reciprocals of forborne immediate annuities.
 By these means, the net extra premium for a special guaranty can be quickly and accurately computed.
Computing Annual Semi or Double Endowment Premiums:
 Add temporary insurance and pure endowment values for proper amounts and divide by immediate temporary annuity.
Computing Limited Premiums:
 Divide the proper single premiums by immediate temporary annuity.
Computing Surrender Values:
 Extended Insurance. Find the temporary insurance value next lower than the sum to purchase extension. This gives even number of years. Apply remainder to pay for additional days according to daily differences in the table.
Extended Insurance with Fractional Paid-up Endowment:
 Deduct from purchase money, value of insurance for unexpired term; multiply remainder by accumulation, pure endowment, to get amount of endowment.
Computing Terminal Reserves:
 Unvarying Benefits. Multiply net premiums by forborne immediate annuity and deduct accumulated temporary insurance.
 Return Premium, Full Reserve. Multiply net premium by forborne immediate annuity and deduct accumulated temporary insurance and accumulated increasing insurance, multiplied by gross premiums to be reduced.
 Return Premium, Extra Reserve. Multiply net extra premiums by forborne immediate annuity and deduct accumulated increasing insurance, multiplied by gross premiums to be returned.
Warranted Commissions for New Business.
Surrender Values.
Dividends.
 For these purposes the "select and ultimate" will be most useful.

SEND ALL ORDERS TO

THE CHRONICLE CO. (Ltd.)

90 William Street, New York

The Chronicle

VOLUME LXXXVI

NEW YORK, THURSDAY JULY 21, 1910.

NUMBER 3

MILES M. DAWSON, President.
A. C. Harwick, Vice President.
R. B. Dawson, Treasurer. A. L. Dern, Secretary.
Emil Schwab, Manager New England Department,
00 Devonshire Street, Boston, Mass.
All communications should be addressed to and remittances
should be made to The Chronicle Company, Limited.
Entered at the Post Office, New York, N. Y., as Second Class
Mail Matter.

PUBLISHED EVERY THURSDAY BY
THE CHRONICLE COMPANY, Limited.
No. 90 WILLIAM ST., NEW YORK.
Phone "567 John." Cable Address, "Chronogram," New York
Subscription Price:
Three Dollars a Year. Single Copies, Twenty-five Cents.
Postage Prepaid in the United States and Canada.

Brokers Asked to Pay \$10,000 for Services for Legislative Bill.



IN yesterday's "Journal of Commerce and Commercial Bulletin," the following paragraph appeared: "The insurance brokers of New York are, to the anguish of their pocket nerves, in receipt of a bill for \$10,000, counsel fees for services rendered in connection with the recent assembly bill for regulating the placing of fire insurance in non-admitted concerns abroad."

* * *

In this morning's issue of "The Journal of Commerce" the following appeared:

"At yesterday's meeting of the New York Board of Fire Underwriters a letter was read confirming the information contained in yesterday's issue

of this journal that the insurance brokers had received a bill for \$10,000 for legal services in connection with legislation and the delightful news that the brokers would let the board pay the bill if it wished so to do. The brokers will not charge any commission on the \$10,000. So gratified were the members of the board that they decided to honor it with two cemeteries instead of one, and it was referred to the committees on finance and laws and legislation."

* * *

George Richards, of the law firm of Richards & Heald, appeared at the hearing before Superintendent Hotchkiss in favor of the above bill on behalf of the Board of Brokers. The bill which had been drafted under the

auspices of Superintendent Hotchkiss, was introduced in the Legislature, but later was withdrawn. At the hearing which Mr. Hotchkiss gave, were representatives of fire companies, marine companies, casualty companies, brokers and policyholders. In addition to Mr. Richards's formal plea in behalf of the bill, Seelye Benedict, president of the Board of Brokers, made a speech at length in favor of the bill. The hearing began about 11 o'clock in the morning, and lasted for well nigh twelve hours, with the exception of two recesses, one for luncheon and the other for dinner. At this hearing John O. Heald of the same law firm appeared for the New York Board of Fire Underwriters.

A Western View of Expense.

CHICAGO, July 20.—Various angles of the expense reduction question are now coming to the front rapidly. A number of Chicago commission agents held an informal meeting recently and afterwards gave out their views on the subject. In the first place they doubt the sincerity of the effort to reduce expenses, except as it applies to commissions of agents. Then they hold that the commissions paid by conservative companies are not too high at present, when the expense of running a large city agency and the service required by the companies are taken into consideration. They fur-

ther suggest that there is no occasion for uniformity of commissions as the requirements of companies on their agents vary. Some agents are but little better than brokers, practically passing up to the companies the inspections and the underwriting, while others inspect and select the business and leave the companies but little to do except map and record it. It is held very reasonably that the latter class of agencies is entitled to higher commissions than the former.

The National Association of Local Agents is making it evident that it does not propose to let the compensation of local agents be reduced with-

out protest and some of the managers recognize the justice of a demand that the burden of expense reduction shall not fall solely on the local agents. One prominent manager says that the companies will be obliged to compensate the local agents in some way if they reduce their commissions. He suggests a reduction in the number of agencies as one means to this end.

It is a fact beyond controversy that fire insurance is costing the public considerably more than is necessary. The average underwriting profit is certainly low enough now. If the cost to the public is to be reduced

it must be done by reducing losses or expenses. The reduction in losses is beyond the control of the companies, except that with better agents they might avoid over-insurance more fully and by turning down more doubtful risks might avoid some bad losses. Under present conditions, however, it is useless to hope for much improvement in these directions. The last recourse, then, is in reduction in expenses, and to this subject the present thought is being given. Comparatively few men are making any excessive amount out of fire insurance, but a very large number are getting a little out of it and the public is paying for the excessive competition they create, the vast amount of supervision they require and the duplication of work by many companies.

The manager who suggests compensation to agents for reduced commissions holds that the inspection bureaus ought to do the inspecting for all their members and that the expense of sending numerous special agents to go over every large risk should be eliminated, just as it is in the Western Factory Insurance Association and in the adjustment of losses by the Western Adjustment Company. This doubtless would help some, but it would be a minor saving compared to that which would be effected if the number of agents and so-called agents was reduced a half or two-thirds, the inferior ones being eliminated, and perhaps only half as many field men be required as at present, and the cost of licenses, supplies, maps, exchange and accounting reduced.

But any such change contemplates the retirement from certain fields of a number of companies—presumably the smaller ones, and, of course, these companies will not consent to any such arrangement unless forced to it. Some of the smaller companies are demanding that any arrangement made regarding commissions shall permit them to pay more than the large companies pay, otherwise they will be run out of business. This means that a rate which would be sufficient for the large companies on a low commission basis must be loaded enough to enable them to pay higher commissions. In other words, the public is not to receive the benefit of the ability of the large companies to do business at a low expense ratio, but is to be taxed in order that a number of small companies, which, outside of the cities, are entirely unnecessary as far as the public is concerned, may be kept in the field and enabled to make a profit.

There have been plenty of good examples in the West of small companies which have been able to hold their own, grow larger and pay good dividends in the face of the competition of the largest companies, so long as they staid in or near their home States. It has been generally when they sought to go into a large territory that they have found the greatest difficulties. The attitude of some of the most prominent managers is thoroughly friendly to the small companies so long as they stay at home. They recognize that these companies are able to exercise a most beneficent influence on legislation and that with their local prestige they create a more friendly feeling towards fire insurance on the part of the public. It is when they get away from home and, in an effort to gain foothold, pay excess commissions or cut rates and start outsiders in the business because they are unable to find places in established agencies, that they become trouble makers. There are perhaps forty, perhaps twice that many, companies that would be ranked as small, operating in a number of States, getting only a little business out of each except the home State, competing not only with the big companies but with each other, employing many special agents, buying many maps and otherwise increasing the cost of business over what it would need to be if they devoted the same energy to the cultivation of their home States or to a few States on a more extensive plan.

Any scheme for reduction of expenses which contemplates enough margin in the rates so that small companies can operate far from home on an expensive basis, so that enough field men shall be employed to supervise and collect balances out of an army of sub-agents, side-line agents and other hangers-on, is likely to be a failure, for it will mean a continuance of present conditions.

If the public is to receive the reduction in cost of insurance to which many persons believe it is entitled it means that the pure premium to cover the losses must be loaded enough to pay expenses and a fair profit to companies economically managed, but not enough to give a profit to those companies which cannot compete with others on even terms, or to pay for support and supervision of a horde of unnecessary so-called agents. The barnacles on the business are what are running the expense up. Scarping them off may be a painful operation—to the barnacles—but it will be necessary if expenses are to be reduced,

EMPLOYERS LIABILITY INSURANCE ABROAD.

Miles M. Dawson, president of The Chronicle Company, sails for Europe to-day, accompanied by Mrs. Dawson. He will visit the capitals of the most important European countries, for the purpose of obtaining certain information for the Federal Government, and will attend the International Conference on Social Insurance at The Hague on September 6 to 8, as a delegate of the Government.

The results of the study of European laws relating to employers liability and workmen's compensation and their operation, which Mr. Dawson, in co-operation with Dr. Lee K. Frankel, made while in Europe two years ago, on behalf of the Russell Sage Foundation, is announced for early publication.

For the benefit of readers of THE CHRONICLE, Mr. Dawson has promised, while abroad, to prepare for publication in this journal signed articles, stating in the simplest terms what the laws of these various countries are and somewhat fully how and how successfully the liability of employers is covered by insurance, and explaining the different types of insurance, such as State, State compulsory, State voluntary, mutual compulsory, mutual voluntary, stock company; contributory schemes, such as establishment funds, etc.

This will be the first presentation of this interesting subject to insurance men of the United States. It will consist of signed contributions mailed to THE CHRONICLE, exclusively, from each of the capitals of the most important countries. These every one interested in the problem should give himself the opportunity to read.

Undoubtedly great changes are coming in this country. The United States must discover a system of compensation, fair alike to the victims of the accident and to the man for whom they are working. Present methods here constantly embitter the mutual relation of capital and labor. Too large a proportion of the claims go to the courts. Employers are forced to resist often in cases, which they do not believe unjust. The delay of litigation in many instances has a pitiful effect.

The General Fire Assurance Company of Paris, France, has been admitted to New York State. The company has deposited the \$500,000 required to permit it to do business here.

CONTINENTAL NOT IN EASTERN UNION.

Henry Evans Says Lack of Provision for Contingent Commission Is Sufficient Ground for Refusal to Sign.



HENRY EVANS, president of the Continental Insurance Company, has notified R. M. Bissell and E. H. A. Correa that the Continental and Fidelity-Phoenix do not care to joint the newly-formed successor to the old Eastern Union. Mr. Evans's letter follows:

July 19, 1910.

Messrs. R. M. Bissell and E. H. A. Correa, Committee:

Gentlemen: After carefully considering the question of the advisability of associating ourselves with "The Fire Underwriters Association," we

have come to the conclusion that we do not care to become members of that organization on the basis set forth in the constitution and by-laws which you left with the writer.

The fact that no provision is made for the payment of a contingent or profit-sharing commission would alone prevent us from having membership in this organization: First, because a large percentage of our agents reporting to the New York office are compensated on this plan; and, second, because we believe that such compensation is desirable from the standpoint of the public, the agents and the companies.

The payment of certain commissions in one section of the country,

yielding nearly half of the premium income derived from the United States, and different commissions in another section, both under agreement through associations of companies, cannot in our opinion be justified.

There are numerous minor points connected with the plan as set forth in the constitution and by-laws which have been submitted by you that are not satisfactory to us. Chief among these is the separation feature. But inasmuch as we have decided that the first two points mentioned are sufficient to prevent our joining the association, it will not be necessary for us to go further into detail.

HENRY EVANS,
President.

Dutchess President Indicted.

AN indictment for forgery in the third degree was returned by the Dutchess County Grand Jury at Poughkeepsie last Thursday against President Lewis H. Vail of the Dutchess Fire Insurance Company. Mr. Vail was arraigned in court. Through his attorney, William H. Wood, he pleaded not guilty, with the privilege of withdrawing that plea or entering a demurrer. Mr. Wood intimated that he might move to inspect the minutes of the Grand Jury. Third Deputy Attorney General Geo. A. Fisher of Albany, who conducted that he would oppose any such motion.

Supreme Court Justice Morschauser fixed Mr. Vail's bond in the sum of \$2,000, which was furnished by his brothers, J. Watson Vail and A. H. Vail. Arguments of counsel on the matter of inspecting the Grand Jury minutes and other points affecting the

indictment which may be raised by the defendant's lawyer will be heard on July 25 before Judge Morschauser.

Mr. Fisher told the court that he was not satisfied with the work of the Grand Jury, inasmuch as it had failed to find bills charging grand larceny and perjury against President Vail. He asked the privilege of resubmitting the case if he so desired. The motion was granted.

When the indictment against Mr. Vail was reported to Judge Morschauser the insurance company's president was at home sick in bed. Mr. Fisher was skeptical about the genuineness of his illness, and the court sent Dr. Von Tiling to examine him. The physician did so, and said that Mr. Vail had heart trouble and hardening of the arteries, and could not stand any great strain, as he already showed a heightened temperature.

Judge Morschauser observed that

he did not want to bring a sick man to court, and would wait until the next day. President Vail on his own initiative stopped all delay by coming to the court house, accompanied by Dr. J. M. Poucher and I. Reynolds Adriance, two directors of his insurance company. The directors and stockholders of the Dutchess Fire Insurance Company have indorsed all Mr. Vail's acts, including the alleged mutilation of the records on which the indictment was returned.

Mr. Vail appeared weak and shaken. He said that the members of the Grand Jury appeared to take what Mr. Fisher told them about the law and facts as absolute truth, and the members seemed to feel that to some extent they had to accept Mr. Fisher's construction of the affairs and incidents affecting his administration of the Dutchess Fire Insurance Co.

The charge that President Vail mu-



THE FIDELITY & CASUALTY COMPANY

97 TO 103 CEDAR ST., NEW YORK CITY.

ASSETS - \$9,598,924.02
Cap. & Surplus \$3,564,229.90
LOSSES PAID \$31,636,503.21
to Jan. 1, 1910.

This Company grants Insurances as follows:

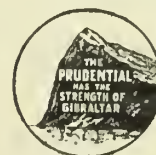
Bonds of Suretyship for Persons in Positions of Trust, Fidelity Bonds, Burglary, Plate Glass, Steam Boiler, Fly Wheel, Employers, Public, Teams, Workmen's Collective, Elevator and General Liability; Personal Accident, Health and Physicians' Liability

OFFICERS:

GEORGE F. SEWARD, President.

Robert J. Hillas, V.-P. & Sec'y. Henry Crossley, Ass't Sec'y.
Frank E. Law, 2d Ass't Sec'y. George W. Allen, 3d Ass't Sec'y.

Build for the Future



Selling Life Insurance will pay you well now and pay you better as time goes on if you are willing to work for success.

Write for agency.

THE PRUDENTIAL
Insurance Company of America.

Incorporated as a Stock Company by the State of New Jersey.

JOHN F. DRYDEN,
President.

Home Office,
NEWARK, N. J.

tilated the minutes of the record book of the Dutchess Fire Insurance Company, was included in the original list of charges preferred by State Superintendent of Insurance Hotchkiss, against President Vail. It was met at the time by a denial by the executive committee, who explained that the resolution, which was to fix the reinsurance on a basis of 25 per cent. between the old and new Dutchess insurance companies, was never passed. They said it had got on the minutes of the new company by mistake, and when the error was discovered it was erased. Subsequently, a low rate of reinsurance was agreed upon.

The directors and stockholders in both companies are substantially the same. The Dutchess Insurance Company was rendered bankrupt by the California earthquake, but its successor, the Dutchess Fire Insurance Company, is considered to be a solvent and growing concern.

METROPOLITAN LINE PIER FIRE THOUGHTS.

On the new Metropolitan Line pier, which was formerly used by the Red Star line, and which burned last Saturday, it is said that a large part of a cotton shipment was consumed. The remainder of the cotton is said to have been put on board the steamboat, James S. Whitney, of the same line, which was beached at Vineyard Haven on the previous night with fire aboard.

The Metropolitan Line pier burned on a Saturday afternoon, and so did the Bremen docks in Hoboken ten years ago. The Metropolitan fire last Saturday, spread much faster than did the Hoboken fire at its beginning, according to newspaper eyewitnesses of both fires. The work of the New York fire department, after the arrival of Chief Croker in rescuing the adjoining pier, once the American Line pier, contrasted strongly with

what the Hoboken fire department had been able to do with their fire-fighting facilities ten years ago; then more than 150 lives were lost, and the property damaged approached \$7,000,000. This time the property damage was well under \$1,000,000, and, so far as known, no lives were lost. The Metropolitan fire started at 12:35 and was declared under control at 1:40 o'clock.

The Hoboken fire occurred on Saturday, June 30, 1900, and most of the many of the fire insurance companies have closed their reports for the six months in the belief that nothing considerable would happen between then and midnight. One London company had annually sent its report for the six months to the home office by a steamer which had sailed that morning.

LIABILITY RATES UP? 5 per Cent. FOR BROKERS.

The committee of liability underwriters, consisting of the Travelers, Ocean, United States Casualty, Employers Liability and Aetna Life, is holding what it expects to be its final meeting in Hartford to-day, and will report next week to the companies in regard to what they believe to be necessary, because of the nearing approach of September 1, when the two Wainwright-Phillips employers liability laws will go into effect in this State.

The committee expects to submit its report to a general meeting of the companies to be held some time next week. In the meantime, some of the companies are cautious about writing any policies covering New York State, where there is any possibility of the work coming within the law for compulsory workmen's compensation for injuries, and are seeing to it that any rates, which New York agents have occasion to quote, shall be subject to change before September 1, and

that all renewals may have a substantial increase in rate.

It has been planned by the companies to limit the commission to brokers at 5 per cent. In this connection it is pointed out that the interest of the brokers will prompt them to accept this 5 per cent. rate of commission, in order to stop a proposed plan on the part of contractors to organize a mutual company.

LIABILITY MEN MAY QUIT LOUISIANA.

The casualty companies in New York are waiting for advices from their agents in Louisiana in regard to conditions created by the new law, requiring companies to make claims within thirty days, and to make monthly settlements on weekly indemnity claims, instead of at the end of the period of disability. In the meantime, at the head offices, they have little to say.

It became known yesterday that the United States Casualty Company and the Preferred Accident Insurance Company, at least, had ceased writing new business in that State. Some general decision on the part of the companies is expected as soon as the Louisiana agents are heard from.

MORE LIQUIDATIONS.

Supreme Court Justice De Angelis of Utica has granted orders upon the application of the State Insurance Department for the liquidation of the Citizens Fire Insurance Association of Utica, and the Empire State Fire Insurance Association, also of Utica, two co-operative concerns operating in Oneida, Madison, Herkimer and nearby counties. An examination of these companies last week showed the liabilities in excess over assets of \$2,401 in the case of the Citizens, and \$684 in that of the Empire. F. G. Dunham, chief of the liquidation bureau of the department, has been put in charge.

INCORPORATED 1833.

British America Assurance Company

HEAD OFFICE, TORONTO, CANADA

UNITED STATES BRANCH.

JANUARY 1, 1910.

Assets	\$1,556,740.94
Liabilities	902,438.61
Surplus	\$ 654,302.33

Hon. GEORGE A. COX, President.
JOHN HOSKIN } Vice-Presidents.
W. R. BROCK }
W. B. MEIKLE, General Mgr.

The Best, Safest, Most Liberal and Most Equitable Forms of Policy Contracts
are issued by the



ROLAND O. LAMB, President. WALTON L. CROCKER, Secretary.

**Issues the Most Perfect Forms of Life, Endowment, Instalment
and Term Policies. Greatest Sellers in the Market.**

LIBERAL CONTRACTS TO THE RIGHT MEN.
ROBERT K. EATON, Supt. of Agencies, Boston.

WILLIAM N. COMPTON, General Agent, Metropolitan District,
St. Paul Building, 220 Broadway, New York.

Western Sayings and Doings.

AT ITS meeting last week the Ohio State Fire Prevention Association adopted resolutions favoring the preparation and publication of plans and specifications for buildings of various classes, to be brought to the attention of architects and building contractors with a view to securing their greater co-operation in the direction of better fire resisting construction. Having declared its views the association referred the question to the executive committee for consideration.

While these Western fire prevention associations labor under many handicaps and discouragements they really are accomplishing much good in reducing the fire waste. The Nebraska association a few days ago inspected Grand Island, taking along a deputy fire commissioner to enforce correction of conditions which were found to need attention. Dirty basements and dangerous electrical wiring were found in many buildings. The city administration showed an admirable willingness to co-operate with the association and the State Fire Commissioner's department in securing better conditions.

* * *

Close observers express the opinion that the stock-selling mania in the West has passed its height and is now on the wane. The slowness with which present promotions are progressing certainly makes it appear that the stock salesmen no longer are able to deliver the goods as in the old days. A number of embryo companies are on the stocks in various parts of the West, with little prospect, in some cases, that they ever will be launched.

The stock-selling game has received some severe setbacks in the past few months, beginning with the advertising

given the Consolidated Casualty. Following that the Wisconsin insurance department gave the Old Line Life of Milwaukee severe criticism for the expense of its promotion. Now the receivership of the Continental Assurance and International Fire of St. Louis has been given much publicity and will be given more before it is closed. The failure of these concerns has caught the country bankers hard and will have its effect in the influence they will exert with local investors.

Meanwhile several of the insurance commissioners have gone as far as the laws will let them in placing obstacles in the way of promoters and when they could do no more in that direction have used publicity.

The power of supervision over promotions recently conferred upon Superintendent Hotchkiss of New York, is being asked for by Superintendent Blake of Missouri and probably will be sought by several other commissioners when the legislatures meet next.

* * *

The Title Guaranty and Surety has appointed Archibald McM. Creed manager of its branch office at Indianapolis, succeeding B. F. Higdon. Mr. Creed for some years has been a resident of South Bend, Ind., where he built up a considerable surety business as general agent of the Illinois Surety, as well as a liability and fire insurance business. He is a lawyer by profession and a young man of energy. A special agent already has been put at work in the State and the sub-agents he will appoint, together with those the company already has and those Mr. Creed will be able to swing to its service, will give it a good plant in the State. The Title is making rapid strides in the

Middle West, where it is operating mostly on the branch office plan.

* * *

A sensation was caused in Illinois last week by the returning of indictments by the Grand Jury at Rock Island against thirteen persons, mostly connected with the Fraternal Tribunes, a fraternal order. Last year the Fraternal Tribunes merged with the American Home Circle. It is alleged that the liabilities of the latter were understated and that the Fraternal Tribunes spent \$100,000 in paying American Home Circle claims. Later the merger was dissolved and many members of the Fraternal Tribunes took insurance in the Northern Life of Illinois. It is claimed that in the merger and dissolution officers of the two fraternal orders and some other insiders "milked" the Fraternal Tribunes dry. The charges against the different indicted persons vary, but several of them are accused of embezzlement, conspiracy to defraud the Fraternal Tribunes, and conspiracy to defraud the general public. Similar charges are made against others, together with stealing the records of the Fraternal Tribunes. Still others, who hold alleged dummy notes against the Fraternal Tribunes, are charged with perjury in their testimony before the Grand Jury. The investigation before the Grand Jury has taken about two months.

* * *

The city council of Chicago had up for consideration last Thursday a revision of the building code prepared by experts who have been at work on it for some time. Friends of the code were glad to have the consideration of it go over to fall to avoid having it torn to pieces by its enemies. The chief opposition to it seems to arise from its providing that the building

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS is unsurpassed for net low cost and care of interests of all members.

**THE PENN MUTUAL
LIFE INSURANCE COMPANY
OF PHILADELPHIA**

On January 1, 1909, rates were reduced and values increased to full 3% reserve.

BONDS OF SURETYSHIP.

The Guarantee Company of North America

HEAD OFFICE, MONTREAL

Edward Rawlings, President.

H. E. Rawlings, Asst. Mgr.

Richard B. Scott, Secretary & Treasurer.

It is the Pioneer Company, was established in 1872, and is conducted under a conservative management of over 55 years experience.

It has recouped to employers over \$2,190,000 for losses sustained by the infidelity of employees and has a surplus of \$1,041,423.23 to credit of shareholders and total resources of \$1,919,892.38 for the security of insured.

Branch Offices:

NEW YORK: 111 Broadway,
D. J. Tompkins, Secretary.
BOSTON: 114 Milk Street,
W. A. Hamilton, Agent and Attorney.
CHICAGO: Room 400, The Temple,
J. R. Pruyn, Resident Sec. and Atty.
PHILADELPHIA: 500 Arcade Bldg.
W. H. Jackson, Res. Secretary.
PITTSBURG: 1120 Farmers Bank Bldg.
E. R. Munro, Resident Secretary.
LOUISVILLE: 316 Columbia Bldg.
P. N. Clarke & Co., Agents.

inspectors shall be technical men. This would deprive certain aldermen of their present privilege of securing inspectors' positions for political friends of theirs who are not qualified for such work. It is claimed also that this provision would bar most of the labor union men from inspectorships.

THE DEATH OF DR. WARD.

At a meeting of the board of directors of the Prudential Insurance Company in Newark on Monday, the following was adopted in regard to Dr. Leslie D. Ward, vice-president of the company, whose death occurred in London on July 13:

The board has learned with profound regret of the death of Dr. Leslie D. Ward, the vice-president of this company, which occurred Wednesday, July 13, 1910.

The many and valued services rendered by Dr. Ward to the company are beyond enumeration, the duration thereof being contemporaneous with its existence.

When a mere schoolboy he had taken arms in his country's defense. Upon his return to civil life, he resumed his interrupted studies and subsequently entered upon the career of a physician, a profession for which he showed marked ability and in which he seemed destined to win a high position. Brought by his profession in daily touch with the problems and perplexities of those who labor, his sympathies in their behalf were most keenly aroused so that he was at once attracted by the suggestion of the formation of a company to give to the laboring classes the benefits of life insurance. With characteristic vigor he lent his aid from the very outset to the promotion of the company's interests, being largely instrumental in securing the financial support essential to its success and adding to this that which was even more essential—personal encouragement and enthusiasm.

When the company was organized Dr. Ward was but thirty years of age and for thirty-five years thereafter to his death he gave to it constant and devoted service. He was elected a member of the first board of directors and also medical director, both of which offices he held for the remain-

der of his life. As the company grew it made increasing demands upon Dr. Ward to which he never failed to respond. Finally abandoning a successful professional career in order that he might devote his whole energies to the promotion of the company's interests, he became vice-president in 1884, discharging the duties of that important office with ever increasing benefit to the company. Never forgetful of the character of the business in which the company was engaged, his earnest thought was always for the protection of those for whom it was created and for the promotion of their welfare. The Prudential was the chief interest in his life and in its development he played a major part. Mastering every detail of the business peculiarly technical, he nevertheless was able to view clearly the broader questions of management and to bring to their solution the conservative consideration of a trained mind. His services were never given grudgingly, but where the company's interests were at stake, with a whole hearted enthusiasm he labored in its behalf. Notwithstanding the increasing burdens which his important position placed upon him, Dr. Ward was approachable at all times by those in the company's employ, and no one held a warmer place in the hearts of the employees, both at the home office and in the field, than did he. His benefactions were many, but with the unostentatiousness which was one of his chief characteristics most of them were unknown except to the recipients. He was ever ready to lend his aid and assistance to any enterprise having for its object the public welfare. His death removes from the service of the company a valued counsellor, an efficient executive and a beloved official.

In recognition of Dr. Ward's services, it is ordered that the foregoing minute be entered in full in the minutes of the board, that a copy properly engrossed be sent to the family of Dr. Ward and also that copies be given to the press.

And it is further ordered, that on the day of Dr. Ward's funeral, Monday, July 25, the home office, with the exception of such departments as are necessarily kept open by reason of legal requirements, shall be closed at 2:30 p. m., and that the field force be requested for two hours on that day, namely, from 3 until 5 p. m., Eastern time, to discontinue the transaction of

all business except such as may be rendered necessary in order to observe legal requirements.

And it is further ordered that the home office buildings of the company be draped in mourning for a period of thirty days.

The honorary pall-bearers, chosen for the funeral of Dr. Ward, are ex-United States Senator John F. Dryden; Uzel H. McCarter, Thomas M. McCarter, William Scherrer, Chancellor Mahlon Pitney, Chief Justice William S. Gummere, George W. Perkins and ex-Governor Franklin Murphy. Directors of the Fidelity Trust Company and the Union National Bank have adopted resolutions of regret in regard to Dr. Ward, who was a director in each institution.

SAIL FOR EUROPE ON COTTON BILL MISSION.

John Gardin, vice-president and head of the foreign exchange department of the National City Bank, and William B. Joyce, president of the National Surety Company, sailed for Europe yesterday on the Lusitania for the purpose of meeting bankers in London and Paris in connection with the plan for surety companies to safeguard cotton bills of lading. Both surety men, bankers, railroad men and cotton merchants are awaiting the result of this trip.

ATLAS LIFE QUILTS.

Steps have been taken to liquidate the Atlas Life Insurance Company of St. Louis, which recently abandoned its plan to become a live concern. The assets consists of certificates of deposit, cash in bank, and notes given for deferred payments on the stock. The first partial disbursement of the assets to the stockholders of \$88 a share was determined upon by the organization committee. The stockholders expect to do better than they would have, had a receiver been appointed by the court to supervise the liquidation.

Hanover Fire
INSURANCE
COMPANY
of New York



Agencies
in all the Principal Places
in the United States.

—THE—
FIDELITY MUTUAL LIFE INSURANCE COMPANY
OF PHILADELPHIA
Has some excellent Agency Positions

FOR INFORMATION APPLY TO

ALEXANDER McKNIGHT, Vice-President
L. G. FOUSE, President.

CHIEF CROKER SAFE, MAYOR GAYNOR SAYS.

As a consequence of the large number of protests from merchants and fire underwriters in letters to Mayor Gaynor he had something to say on Monday in regard to the Washington street fire investigation and Chief Croker's status.

"The investigation into the Washington street fire did not include any question of the removal or attention of Chief Croker," said the mayor. "There is nothing in the talk of removing him. I want the people who are writing to me about the alleged attempt to ask the chief from the department to understand this."

Fire Commissioner Waldo is still holding the reports of the board of inquiry, and at last reports had nothing to say.

HERE AND THERE.

Edward E. Ryan of Boston has been appointed assistant actuary in the State Insurance Department for service in the New York city branch at a salary of \$3,000 a year. Mr. Ryan is at present State actuary of Massachusetts, and as such has charge of the savings bank insurance of that State.

James B. Brown, Jr., has been appointed Colorado general agent of the Detroit Fire and Marine Insurance Company, which recently applied for admission to that State.

The Prussian National Insurance Company is making arrangements to return to the city of San Francisco, from which it has been absent since soon after the earthquake.

The Federal Life Insurance Company of Chicago reports first year premiums collected by the company in cash during the first six months of 1910 to be about 50 per cent. more

than during the corresponding period of 1909; renewal premiums collected during the first six months of 1910 show an increase of about 60 per cent. over the first six months of 1909. Heavy increases are shown in applications received, policies issued and business paid for. President Hamilton congratulates the company upon the fact that some of the company's field force entered the employ of the company in 1900—the year of the company's organization. The Federal's field force is increasing rapidly and the company's prospects are excellent.

Webb & Skinner of Raleigh have been appointed North Carolina State agents of the Empire State Surety Company for fidelity and surety lines.

W. L. Nelson & Co. of Memphis have been appointed general agents of the Concordia Fire Insurance Company, which has just entered Arkansas.

The California State Insurance Department has issued a license to the recently organized Los Angeles Fire Insurance Company, which is capitalized at \$200,000. J. H. Richards of San Francisco has been made general manager of the company.

Arthur F. Saxton, an examiner in the State Insurance Department at Albany, has been promoted to be chief examiner at a salary of \$4,000 a year. He has been in the department twelve years, and is a son of the late Lieutenant Governor Saxton.

I. P. Mantz has been appointed actuary and agency manager of the Oklahoma National Life Insurance Company at Oklahoma City.

Milton S. Koblitz has been appointed superintendent of agencies of the Bankers Life Insurance Company of New York. He took the actuarial

course at the University of Michigan, and, just previous to this appointment, was in the service of the Pacific Mutual Life Insurance Company of California.

JURY CONVICTS PECK.

The Syracuse jury in the case of Williard H. Peck, former secretary of the People's Mutual Life Insurance Association and League, returned a verdict of guilty on a charge of perjury last Saturday. The charge was based upon the secretary's failure in his sworn report to the Insurance Department to include founders' contracts as a liability, while before the examiner in the investigation of the sale of the company to John Tevis he swore that he regarded the contracts as valuable. He received \$31,500 for these contracts.

On June 27 the jury in the first trial of Peck was discharged, being unable to agree. It stood 11 to 1 for conviction.

The court announced that he would continue Peck's bail until July 25, when sentence would be passed. He indicated that he would grant a certificate of reasonable doubt. The attorneys for the convicted man said that would prepare an appeal at once.

A General Agency is open
in the State of

PENNSYLVANIA

For one of the best Old Line
Companies in America



Write "B," care of this paper

Life Ins. Co. of Virginia

Home Office, Richmond, Virginia.

J. G. WALKER, President.
T. W. PEMBERTON, 1st Vice-President.
W. L. T. ROGERSON, 2d Vice-President.
E. D. HARRIS, Secretary.

The OLDEST Southern Life Insurance Company.
The LARGEST and STRONGEST Southern Life Insurance Company.
The PIONEER Southern Industrial Life Insurance Company.

Its policies are clear and definite in their provisions and their values are absolutely guaranteed.

Assets Dec. 31, 1909.....	\$5,372,691.99
Liabilities Dec. 31, 1909.....	4,312,405.32
Insurance In Force Dec. 31, 1909.....	68,337,613.00
Total Payments to Policyholders since Organization	9,820,412.46

Royal Exchange Assurance

OF LONDON.

Incorporated by Royal Charter A.D. 1720.

UNITED STATES OFFICE:

92 William Street New York City

UBERTO C. CROSBY, General Manager.

RICHARD D. HARVEY, Assistant General Manager.

Decides Against Royal Arcanum.

SUPREME COURT JUSTICE WILLIAM J. KELLY of Brooklyn handed down a decision last Friday, in which he held that the Supreme Council of the Royal Arcanum could not raise its assessment rate without permission from the members of the organization.

The case is not as far-reaching as it looks on its face. There have been two similar decisions in this State—Dowdall v. The Capital Mutual Benefit Association of New York, and Wright v. The Knights of the Maccabees of the World. The Capital is the New York concern and the Maccabees involved a citizen of New York. The Royal Arcanum is a Boston concern and has obtained a decision from the highest court of Massachusetts upholding its rights to raise its assessment rates.

What Justice Kelly did was to apply the New York court decision in the Capital and the Maccabees cases to the Royal Arcanum in this State. His decision gives a present member no right of action unless he has paid the increased rates under protest ever since the change was made. It would prevent future increases, however, as members could combine and enjoin such further increases.

The Royal Arcanum case was brought by Samuel Green, of Brooklyn, who is a member of the De Witt Clinton Council R. A., and who at one time held one of the highest positions in the council.

Green, who is about 62 years old and a lawyer, joined the order in 1883, at which time he agreed to pay the regular assessment of the order, namely, \$1.80. In 1898 the number of assessments was changed so as to be one a month, and the rate was raised to \$3.16. The plaintiff agreed to this change. But when the council in 1905 increased the rate to \$6.80, Mr. Green objected, and has been paying under protest ever since. In February, 1910, he sent a check for \$3.16 to pay an assessment then levied, and it was refused. He thereupon began suit in the Supreme Court, Brooklyn, before Justice Kelly for an injunction to restrain the Royal Arcanum organization from suspending him and asking a judgment establishing the \$3.16 rate as the fixed amount to be paid by him. It is said that it was the intention of the council to again increase the amount of the plaintiff's assessment, so that it would be between \$16 and \$17 for each assessment when the plaintiff reached 65 years of age in a year or two.

In deciding in favor of the plaintiff

Justice Kelly declares that the society cannot assume an unlimited reserved power to increase the amount of assessment to an extent which might be prohibitive and could only result in depriving the individual of his membership. The court also finds that any agreement upon the part of a member at the date of his admission to be governed by the law and regulations of the organization then in force is not sufficient to warrant the society in increasing the amount of individual assessment. Justice Kelly holds that clearly no bargain was made or contemplated by the council when Green joined the order whereby the society might increase the premium to any amount.

The court holds that although the Supreme Council of the Royal Arcanum is a Massachusetts corporation, still when it comes into the State of New York, conducting business here under the supervision of the State Insurance Department, contracts made here with residents of this State in councils organized and existing in this State and to be performed here are to be interpreted under the laws of the State of New York.

Judgments, with costs, is awarded to the plaintiff.

The Pacific Coast Fire Insurance Company of Vancouver, B. C., has increased its capital from \$250,000 to \$500,000. The company is now writing surplus risks in the United States, and after the increased capital is paid

in proposes to enter for a direct business under the management of the Peoples National Fire of Philadelphia.

Willard L. Chambers has been appointed assistant secretary of the United States branch of the Sun Insurance Office of London.

The Connecticut Mutual

That means the best life insurance to have and the best to sell. If you can sell life insurance, you can sell more of it for the CONNECTICUT MUTUAL.

Men of Character and Ability are invited to apply.

Conn. Mutual Life Ins. Co.,
Hartford, Conn.

Please mention this paper.

COMMERCIAL - UNION

ASSURANCE CO.,
(LIMITED)

OF LONDON.

OFFICE;

Cor. Pine & William Sts.
NEW YORK.

HOME ENDORSEMENT

GAVE

CONFIDENCE ABROAD

New Insurance Applied for upon which Premiums have been Paid
in cash during the first Six Months of 1910 is in Excess of New Insurance Paid for in cash during the Entire Twelve Months of 1909.

THE ABOVE IS THE RECORD OF THE

PITTSBURGH LIFE AND TRUST CO.

W. C. BALDWIN, President.

The First Company Licensed in the State of New York after
the Enactment of the Armstrong Laws

A FEW GENERAL AGENCY DISTRICTS OPEN

British Insurance Institute.

IN view of the increasing interest in this country in the formation of insurance institutes, THE CHRONICLE believes that the proceedings of the fourteenth annual conference of the Insurance Institute of Great Britain and Ireland, at Royal Hotel, College Green, Bristol, England, on June 10, will make an appeal to those interested in the promotion of similar institutes here.

The following account is taken from the "Insurance Guardian" of London:

The president, S. Stanley Brown, general manager of the Employers' Liability Assurance Corporation, was in the chair, and about one hundred delegates from all over the country were present.

The following resolution was passed:

"That this conference of the Insurance Institute of Great Britain and Ireland records its deep regret at the death on December 14 last of Thomas A. Bentley, and its appreciation of the many years invaluable work he has given to the Institute of Manchester and the Insurance Institute of Great Britain and Ireland, which has been of the utmost value on their councils, and which has left amongst his brethren a feeling of warm and lasting regard, and that a record of this be entered on the minutes of the conference, and be conveyed to relatives of deceased."

The report of the council detailed the steps taken with a view to obtaining the grant of a Royal Charter for the institute. In regard to the annual examinations, held simultaneously in 31 different centers, the entries had far exceeded those of any previous year. The number of candidates was 904, as compared with 699 in 1909; the number who actually sat was 804, and the total papers returned numbered 2,856. The ordinary examinations are now open to clerks in every insurance office without distinction. With a wider field and the increasing popularity of the accident branch there is every reason to believe that the number of candidates next year will show an even greater increase.

While the accounts of the past year are satisfactory, showing an increase both of revenue and balance, it is evident that the ever-growing scope of the institute will require additional funds for its efficient administration. The Insurance Clerks' Orphanage, so closely associated with the institute, continues to prosper. The eighth annual report shows that the funds now amount to £16,947, an increase of £1,793, and 40 children are now supported and educated at a cost of £913. Twelve entertainments and special collections were given in aid of the funds of the orphanage, and two insurance companies were added to the list of contributors during the year.

The president's address was as follows: "As we have now paid our mark of respect to a departed friend, and have accepted the report and accounts for the past year, it falls to the lot of your president to amplify and reinforce the report as it has been submitted. I notice that information is not given on the two following points, which I now supply. The number of local institutes is 18. The number of members of the institute is as nearly as possible 4,000.

"I notice that there is no mention made

in the report of the Assurance Companies Act, 1909. I regret the omission, because I think that act is a matter which might very well have been considered during the past year by the representatives of the institute, and I take some blame to myself in this, because I think the omission is due to my own neglect. In noticing this act I do not propose to go through it clause by clause, because that no doubt has been done by yourselves, and certainly has been done, and well done, by some of the insurance papers. I rather want to invite your attention to some broad considerations in connection with this act.

"The inception of the act was not due to any movement on the part of the companies, either tariff or non-tariff. It was not due to any recorded complaints as to the methods of the companies. It was not due to any meeting hostile to the action of the companies, and we are therefore driven to the supposition, which I believe to be the fact, that the inception of the act was due to the Board of Trade, who desired to apply legislation similar in principle to that contained in the Life Assurance Companies Acts of 1870 on onwards, and in the Employers' Liability Insurance Companies Act, 1907, to all assurance companies. The result of the proposition of the Board of Trade was to bring them into conflict with the great institution of Lloyd's, and with the Associated Fire and Accident Offices. The contending interests and

HARTFORD LIFE

INSURANCE COMPANY,
OF CONN.

1909 Policies are Participating, or Non-participating, with Lower Rates and Values based on FULL RESERVE.

For Right Contracts,
Address, Second Vice-President,
Home Office, HARTFORD, CONN.

SAFETY FUND INSURANCE

NIAGARA

Fire Insurance Company

—OF—

NEW YORK

OFFICE:

46 CEDAR STREET, CITY.

THE HOME LIFE INSURANCE COMPANY OF AMERICA

Incorporated 1899.



General Agents and District Managers who can produce ordinary business can secure "Ground Floor" contracts with Guaranteed Renewals and an assignment of territory limited only by capacity to produce agency organization and business. Send for Sample Policy. It is one you can sell. New business, \$1,500,000. January 1-June 30, 1910.

Address:

G. M. NETTLESHIP, General Manager,
416-18-20 Walnut Street, : : : : : PHILADELPHIA, PA.



Insurance Brokers

Place Your SURETY and CASUALTY business in the "EMPIRE."

CAPITAL, - - - - - \$500,000

Business Producers not now under contract wanted for open Territory.

Address Agency Department,
THE EMPIRE STATE SURETY CO.,
84 William Street, New York

their effect are well set out by a writer in the 'Times' of October 1, 1909, as follows:

"It is common knowledge that the note as originally drafted contained no exceptions, and that the exceptions were inserted under a threat of organized opposition to the bill from the great fire companies which also transact accident and employers' liability business, and from the companies which transact those classes of business alone. The Board of Trade made the concession rather than lose the bill, especially as it gave them an opportunity, of which they took advantage, to buy off the opposition of the great fire companies to their proposals in regard to the regulations of Lloyds. In return, Lloyds Underwriters agreed not to make difficulty for the fire companies, or to oppose the bill generally."

"Now, the act gives effect to the results of this controversy, and the results of the conflict are that the fire and accident associations have been successful in their contention that they should not be compelled to separate their United Kingdom business from their foreign business, nor to state separately what are their funds and deposits abroad as distinguished from their United Kingdom business. The institution of Lloyds has secured exemption from the act for their fire and accident business on the easy terms set out in the eighth schedule to it. The Board of Trade has failed of its object in making these concessions, and in so far and for the time being has submitted to a diminution of the safeguards they were desirous of securing for the United Kingdom policyholders."

"I think, gentlemen, we may rest assured that the Board of Trade will seek to amend their present legislation by extending it to secure these safeguards which they have now failed to get. One of their first objects will be to secure full protection in respect of re-assurances given off to companies that do not carry on their business within the United Kingdom. Another amendment they will probably look for will be to insist upon marking off certain funds as security for the United Kingdom policyholders, and so destroy to that extent the use of the free fund offered by the unfettered accumulations in this country. When the future consideration of these amendments comes about I believe that this institute should be interested in that consideration and should be consulted in the arrangement for the proposed new legislation. In the meantime I offer these suggestions as to the Assurance Companies Act with a fairly certain conviction that in the future, after a short or long distance of time, the matter will be brought to you for consideration."

The Proposed Charter.

Another matter in the report which I desire to amplify for your information is that part which is connected with the petition for a charter. In doing this I call attention to the fact that my appointment as your president was due to the desire that an accident man should be interested in this way in the business of the institute, and when I accepted the honor of becoming your president I was very conscious that, not being familiar with the fire business—which is the predominant interest in the institute—I could not offer you any useful suggestions in connection with the details of the transaction of that business. I, therefore, looked around for some method by which

I could make my year of office of advantage, and I learned from the statements of your past presidents—and particularly from the admirable forecast of our future delivered by Mr. Ostler when he was in this position of president—that there was a very earnest desire that a charter of incorporation might be granted to this Institute. At the same time, I became conscious that there were difficulties with two or three of the local institutes, and there were also difficulties as to companies not included in the associations. It was very clear that, without getting round these difficulties, it was of little use to present a petition with any hope of success. There followed then many meetings with local institutes and other representatives, and these went on with varying success, but without resolving the difficulties. With the approval of the executive of the council, a meeting was called at York in order, if possible, to resolve these difficulties, and was held in that city on March 4, 1910. There the principles were laid down upon which I and the executive were authorized to proceed, and to assure you that these principles have been followed out I venture to read to you the following resolution of the York meeting:

"Resolved unanimously that in applying rule 8 (a) it shall be understood as an interpretation thereof that each local institute shall retain their liberty to elect as members persons connected with the insurance business, whose election, in their opinion, would conduce to the interests of the Insurance Institute of Great Britain and Ireland in the locality."

"With this I ask you to compare paragraph 12 of the petition, which read as follows:

"12.—Each local institute has had and retains the power to elect as members persons connected with the insurance business, whose election, in their opinion, would conduce in its own locality to insurance interests as now represented by

The

Columbian National Life INSURANCE COMPANY OF BOSTON, MASS.

LIFE, ACCIDENT AND HEALTH
INSURANCE.

The Only Massachusetts
Non-Participating Company

The New Columbian Policies are
Unexcelled in Clearness and Liberality.

Good Contracts and Territory for
Good Producers.

ARTHUR E. CHILDS, President.

LEADING FIRE COMPANY
OF THE WORLD



OLDEST
IN
AMERICA

STRONGEST
IN THE
WORLD

THE MUTUAL LIFE Insurance Company of New York

Mutual Life Agents Make Most Money
Because Mutual Life Policies Sell Most Freely

For terms to producing agents, address

GEORGE T. DEXTER

2nd Vice-President

34 Nassau Street

New York, N. Y.

'The Institute.' All the members of the local insurance institutes which contribute on a specified basis to the funds of 'The Institute,' thereby become members of 'The Institute.'

"The resolution of York and paragraph 12 of the petition reaffirm what I may call the 'primal charter' of this institute, which is that the first election of members rests with the local institute, as it has always done, and, as I think, it always will. I then ask you to go on to the consideration of York resolutions Nos. 6 and 7, which were carried by a large majority at that meeting:

"No. 6.—Resolved that, subject to terms to be approved by the council of the institute, every admitted member of the Insurance Institute of Great Britain and Ireland may be examined, subject to the limitation in No. 8, and, if he pass, may receive a certificate.

"No. 7.—Resolved that on terms to be approved by the Council of the Institute every clerk in the employ of an insurance company, whether or not a member of a local institute, may be admitted to be examined and certified.

"With these I desire to compare paragraph 15 of the petition, which reads as follows:

"In addition, your petitioners have so improved and extended the system of examination and certificate as to make it co-extensive with the whole number of persons employed by the assurance companies. This is a most important addition to the usefulness of 'The Institute,' since by reason of youth, want of means, distance and general local conditions, a very large number of officials and clerks (presumably about 20,000), forming a considerable majority of the whole number engaged, are prevented from taking advantage of the membership of the local institutes. To every one of these is now offered the opportunity to be examined and secure a certificate.

"You will see that these are identical in object and effect, and they are both concerned in extending to every clerk of every insurance company the benefit offered by this institute of examination and certificate. Up to this point we have now got over our difficulties. Another one remained, as to what is called 'tariff business,' and the executive and myself having come to a conclusion of that matter, submitted the following resolution, which was carried mem. con. at York, and is No. 8 in the minutes. That resolution runs as follows:

"Resolved mem. con. that, whereas certain offices have collated information for their own private use and benefit, the subjects contained in such private information will not be included in the general subjects of examination, but may be proposed as the subjects of a separate examination to which only persons in the employment of the offices contributing to such private information will be admitted on terms to be approved by the council of the institute.'

"Now, gentlemen, this is a special resolution affecting the fire offices only. When we come to the consideration of the same idea in the petition, which is found in paragraph 13, we lay down the same proposition as the basis for your charter, but in general language, so that it may include the fire offices committee or the Accident Offices Association or any recognized association of offices which shall satisfy the requirements of the by-laws in respect of capital and premium. That clause runs as follows:

"Your petitioners are prepared to con-

duct separate examinations in, and give special or distinctive certificates for, certain subjects to be excluded from the general examinations above mentioned. Such subjects are connected with insurance, and are usually known as 'Knowledge of Tariffs.' They deal with private matter and records collated by insurance companies at their own expense and for their own use and benefit. Only the officials and clerks employed by the assurance companies contributing to the collation of such matter and records will be admitted to such examinations or be qualified to receive such certificates.

"This examination shows that we have followed absolutely the principles laid down in the York resolutions.

"Well, we are sometimes asked, 'What is the justification for a charter?'—and the short answer is 'the importance of insurance business'; and that you may use this answer with confidence I submit to you the following reflections. I submit that assurance is of importance actually for the following reasons, which are incorporated in the petition:

"1. There are at present incorporated under the laws of the United Kingdom at least 470 insurance companies. These companies transact their business not only at their registered offices, but also as branch offices established in the United Kingdom, in the colonies, and in foreign countries. It is computed that in the United Kingdom, in the colonies, and in foreign countries there are 1,900 registered and branch offices so established, and that the number of persons employed in registered and branch offices is 25,000 or thereabouts.

"2. The capital of the 470 companies is set out in the following statement: Total authorized capital exceeds 123,000,000 sterling. Total subscribed capital exceeds 94,000,000 sterling. Total paid-up capital exceeds 20,000,000 sterling.

"3. It is impossible to set out full particulars of the business of all the companies, many of the smaller being very limited by locality, range and objects, but an examination of the more important companies furnishes the following financial results:—of 230 companies so examined—The aggregate total income exceeds 82,000,000 sterling. The aggregate total reserves exceed 400,000,000 sterling.

"But insurance is not only of actual importance, but of importance in relation to other undertakings. I cannot compare it with the cotton, iron or steel industries, nor with banking enterprise, but we are able to compare in a sense with the shipping industry of this country, because we can use the estimate of the late Sir

WESTERN ASSURANCE Co.

HEAD OFFICE,
TORONTO, - - CANADA.

Incorporated 1851.

Hon. GEORGE A. COX.....President
W. R. BROCK and JOHN
HOSKIN, K. C. LL. D., Vice-Presidents
W. B. MEIKLE.....General Manager

United States Statement, Jan. 1, 1910.

Assets\$2,377,303.37
Surplus in United States..... 839,263.07

T H E

PROVIDENT

LIFE AND TRUST COMPANY
OF PHILADELPHIA

Insurance in Force, \$214,509,255.00
(Paid for Basis)

Assets \$70,514,350.45
(Market Value, Dec. 31, 1909)

Contingency Reserve . \$9,207,276.38
(Inclusive of Capital Stock, \$1,000,000.)

The Provident has been particularly distinguished for the development of a highly trained force of agents. The systematic instruction which its agents receive has resulted in their being recognized as representatives of exceptional knowledge of the business and of marked efficiency.

"WILL SIGN YOUR BOND"

The Bankers Surety Co.

of Cleveland, Ohio,

"EXECUTES SURETY BONDS OF EVERY DESCRIPTION"

DOLAN, EIBLER & McGINTY,

General Eastern Agents,

56 Maiden Lane, - - - - New York City

Phone 1281—2 John

Robert Giffen to the effect that the purchasing power of the shipping industry was about £100,000,000 per annum. Now that, gentlemen, I take to be about the amount of the premium income of all the insurance companies per annum. There is another great industry of the country with which we compare very favorably. The income of the railways is about 120,000,000 a year, so that we stand in the proportion of five-sixths of the income of that great industry. Another comparison is that against our £100,000,000 the amount expended on the services, including the army, navy and civil services, is about £90,000,000.

"Now these, gentlemen, are reasons which amply establish the actual and relative importance of insurance, and justify our going on with the petition for the charter, and I have now to report to you that the petition was lodged during the last month, and that it has been accepted for consideration by the privy council. In consequence of that incident there has appeared in the 'Gazette' a notice calling upon any person having an objection to lodge such objection on or before July 1, 1910. Since the petition has been lodged a difficulty has sprung up to the effect that there might be opposition to the petition on the part of non-tariff offices, but in a conference with their representatives I was able to assert the principle of absolute equality adopted in the petition, and I quickly found that these companies did not want to wreck the petition, but were anxious only to see that they were secured in equal rights, and, therefore, they agreed upon advancing their right to consideration of what they demanded, and this can be fully and properly considered when the time comes for the construction of the by-laws.

"Now, gentlemen, after the lapse of time intimated by the notice in the 'Gazette,' the petition, if then approved, will have to lie before the two Houses of Parliament for a further period of thirty days, so that one cannot reasonably suppose that the charter can be granted before the end of this session. When it is granted there will follow the discussion of the by-laws, which you will accept in substitution for those under which you are now carrying on your business; but, until you have discussed these new by-laws and adopted them, you will be carrying on under the existing rules. Full notice will be given to you of the suggested by-laws, and you will have the

fullest opportunity of discussing them before they come into effect.

"Well now, gentlemen, I have supplied you with information upon the points raised in your annual report and also in respect to a matter which cannot fail to have an interest for you, and this brings me to the conclusion of one of my last duties as your president for the year. I cannot part from you without saying that since you did me the honor of electing me last year my acquaintance and friendship with you has grown, my intimacy with the members of the council has improved, and throughout the whole year I have had assistance and consideration, and a full and courteous reception wherever I have gone amongst you representing the institute, and your reception of me to-day adds to the great pleasure with which I have served you during the past year. It was a great honor to me to be elected, and it has been a happiness to serve, and I am sure in the years of my life that have still to come I can look forward to none more happy and pleasant in my business, nor more hooned in my connection with you, than the year we are now closing."

F. W. P. Rutter, general manager of the London and Lancashire Fire Insurance Company, was elected president for the ensuing year, and James Ostler, Manchester secretary of the Northern Assurance Company, hon. treasurer in the place of the late T. A. Bentley.

Grahame H. Wills, the popular president of the Insurance Institute of Bristol, entertained the delegates and friends to luncheon, after which the delegates were photographed.

The reports submitted included one on the results of the examinations held in April last, and from this it appeared that the following candidates (in addition to those mentioned in the previous reports) have now passed in all the subjects comprised in

Fire Branch.

Parts I, II and III—Armstrong, Robert F., Royal Exchange, Birmingham; Buttery, Harry R., Commercial Union, London; Stewart, W. M. H., Commercial Union, Belfast; Tyson, Stanley, Liverpool and London and Globe, Newcastle.

Parts I and II—Bingham, Christopher S., Ecclesiastical, London; Blackham, G. W., Yorkshire, Dublin; Bonner, Thomas, London and Lancashire, Newcastle; Brown, John A., North British and Mercantile, Newcastle; Carr, Frederick J., Phoenix, Newcastle; Casson, Alan J., London Assurance, Leeds; Clarke, Harry, General Accident, Perth; Dixon, Cecil, Liverpool and London and Globe, Leeds; Forsyth, Alexander R., Northern, Edinburgh; Gofton, John P., Royal, Newcastle; Heron, Albert J., Commercial Union, Newcastle; Hitch, Edward G., State, Liverpool; Leaver, John H., Liverpool and London and Globe, Liverpool; McNiven, Jr., Walter R., Liverpool and London and Globe, Edinburgh; Miller, Thomas J. G. A., Royal, Dundee; O'Neill, Harold E., Northern, Liverpool; Porteous, William, Northern, Edinburgh; Robinson, Reginald V., Alliance, Birmingham; Simpson, Alexander M., State, Dundee; Smith, Alfred, Commercial Union, Newcastle; Tebbs, William, County, Leeds; Tregaskis, Geo., Sun, Nottingham; Woodcock, Perry D., Norwich Union, Norwich.

Part I—Asbury, John E., London and Lancashire, Liverpool; Brien, Alfred C., State, Liverpool; Bain, Alexander, North British and Mercantile, Glasgow; Bird, Wilfrid J., North British and Mercantile,

Glasgow; Burwell, Arthur R., Scottish Union and National, Leeds; Carmichael, E. H., London and Lancashire, Liverpool; Chelioti, Eustace C., State, Liverpool; Cory, Ernest B., Atlas, London; Cooke, Lewis, Royal, Bristol; Cox, Ernest R., Ocean, Hull; Coutts, George K., Century, Edinburgh; Davies, Edward W., Law Fire, London; Furniss, Ralph J., London and Lancashire, Liverpool; Gardner, Robert O., Royal, Newcastle; Gillespie, Geoffrey B., North British and Mercantile, Glasgow; Heather, William L., British Equitable, London; Kinnes, George W., Royal, Dundee; Laird, Alexander, Northern, Aberdeen; Lillie, David S. A., West of Scotland, Glasgow; McClelland, Alfred, Liverpool and London and Globe, Liverpool; Mathieson, Alfred, Commercial Union, Aberdeen; Matthews, Joseph H., Alliance, London; May, Gordon C., North British and Mercantile, Belfast; Murray, John R. M., North British and Mercantile, Glasgow; Percival, Norman B., State, Liverpool; Pettman, William C., Liverpool and London and Globe, London; Prentice,

The Preferred
of New York

SUPERIOR POLICIES

KIMBALL C. ATWOOD, President
290-292 Broadway, New York.

FEDERAL LIFE INSURANCE COMPANY CHICAGO

ISAAC MILLER HAMILTON, : : President

Admitted assets.....\$2,447,499.17
Capital stock..... 177,300.00
Surplus apportioned and
unapportioned 77,510.61

Excess security to policy
holders 254,810.61
1909 insurance in force in-
creased over.....\$6,300,000.00
Surplus increased over.... 100,000.00

HIGH-GRADE MANAGERS AND
AGENTS WANTED.
ATTRACTIVE POLICIES.
DESIRABLE CONTRACTS.
WILL ENTER NEW TERRITORY.

Address,

CHARLES M. TURNER,
General Manager,
Marquette Building, CHICAGO, ILL.

OUR

Course of Insurance Education.

Department for Furnishing
Prospects.

New "Model Policy"

Will Plough the Field and Assure
the Harvest for Good Agents.

Phoenix Mutual Life
INSURANCE COMPANY,

Hartford, Conn.

Write Home Office.

James, West of Scotland, Glasgow; Pride, Robert, Royal, Dundee; Potter, Chester A., Atlas, Newcastle; Turner, Clifford, County, Leeds; Vasey, Roland, Westminster, Manchester; Watson, John C. P., Century, Edinburgh; Williams, Clifford E., State, Liverpool; Winstanley, Walter, Royal, Liverpool; Whyte, William S., Scottish Union and National, Dundee.

Accident Branch.

Parts I, II and III—Goldsmith, Harold A., Ocean, London; Jones, Thomas L., Liverpool and London and Globe, Liverpool; Price, Walter A., Commercial Union, Birmingham; Rowntree, Herbert, Alliance, Sheffield; Scott, George E., Ocean, Newcastle; Shanks, Robert J., British Crown, Glasgow; Surmun, Henry, Law Accident, Liverpool.

Parts I and II—Cory, Bernard C., Royal, Manchester; Geddes, Robert, Alliance, Edinburgh; Keeley, Charles W., Commercial Union, Dublin; MacGregor, Llewellyn, General Accident, Glasgow; Maitland, Andrew, General Accident, Carlisle.

Part I—Aird, John, Fine Art and General, London; Barr, Colin, Northern, London; Bell, John, Norwich Union, Newcastle; Carpenter, Gilbert, Car and General, London; Caudle, Cedric, Liverpool Victoria, London; Cooper, Richard G., Alliance, Dublin; Cox, Ernest R., Ocean, Hull; Coysh, Edwin, Commercial Union, Newcastle; Dangerfield, Deatry W., Fine Art and General, London; Farrer, Charles E., Liverpool and London and Globe, Manchester; Last, Cecil, Employers Mutual of Scotland, London; Lewis, Hugh B., Royal, Liverpool; Lindsay, John, British Crown, Manchester; Lock, James Palmer, National General, London; Matson, Burton George, Scottish Union and National, London; Meynell, Robert H. D., Scottish Union and National, London; Parkhouse, Horace, Commercial Union, Exeter; Pattison, Geo. A. J., Royal Exchange, Dublin; Quin, Harold E., Alliance, Newcastle; Ratcliffe, William, Royal, Liverpool; Thomson, Jr., James B., Liverpool and London and Globe, Liverpool; Williamson, Thomas C., Royal, Glasgow.

Life Branch.

Parts I and II—Morris, Edward O., Royal, Liverpool; Crawford, John, Scottish Union and National, Glasgow; Kingwell, Lewis S., Commercial Union, Exeter; Holmes, Henry, Scottish Widows, Dublin.

Part I—Atfield, Herbert S., Royal, London; Baxter, Edwin R., Prudential, Dundee; Furniss, William A., Scottish Life, Newcastle; Hopper, Frederick J., Liverpool Victoria, London; Lose, Leonard C., Sun, Plymouth; Shaw, Cecil E., Prudential, Wakefield; Struthers, Alexander K., Scottish Temperance, Aberdeen.

THE TEXAS TANGLE.

A good summary of the Texas tangle is given by "The Insurance Vindicator" of New Orleans, in its issue of July 5, as follows:

The old story about leading the horse to water but not being able to make him drink is exemplified in the insurance situation in Texas at the present time. As a result of complaints of rates which caused such a row in the Lone Star State a few weeks ago, the State Fire Rating Board made sweeping reductions of 25 to 30 per cent. and the companies were given to July 5 and then the time

was extended to July 11 to file amendments to their basis schedules. Most of the companies have filed their schedules in accordance with orders, but have instructed their agents to cease writing business on risks affected by the lower rates claiming that they would be doing business at a loss.

Without giving the new law a chance Governor Campbell yielded to protests and called an extra session of the Legislature to abolish it. This session will be held July 19, therefore the companies evidently prefer to await the result of its deliberations before deciding upon their future course. In the meantime many merchants are without proper protection, the few companies that are writing business at the reduced rates not having the facilities to furnish the lines of insurance required. It will be some time before any new law or amendments can be effective, hence a great deal of concern is being felt by business men who must have insurance. The letter of the prominent Dallas agency of Trezevant & Cochran gives the attitude of the companies on the situation that has developed. It is one thing for men of limited experience in the insurance business to make sweeping reductions in rates but it is quite another to force men of technical knowledge and experience to invest their money unprofitably.

The latest development is the determination to fight the law in the courts.

Austin, Texas, July 20.—Governor Campbell recommended to the legislature, which met yesterday, in special session that a law be enacted prohibiting from doing business in Texas any fire insurance company of another State which withdraws or threatens to withdraw from Texas because of legislation of which it does not approve.

He also recommended the repeal of the existing fire insurance rating board law and the passage of a measure rigidly regulating fire insurance companies doing business in Texas. He specially urges that combination and discrimination on the part of the companies be prohibited.

LIFE POLICY TO APPLY TO INABILITY TO PAY.

A policy, the character of which should demand some attention in the United States, is being assured by the life office of the Phoenix Assurance Company of London, in which the cessation of the payment of premiums, during incapacity caused by accident or sickness, is the distinguishing mark. Business or professional men, entirely dependent upon the income derived by daily employment, are obviously in need, if anything prevents them from keeping a policy in force. Of course, there are surrender values, and loans on policies may be negotiated, but the

plan of the Phoenix is a safeguard against the contingency which may arise with anyone who lives always with a narrow margin between income and expenditure.

SPECIAL OPPORTUNITIES offered now in Southern States to Representatives of

CITIZENS NATIONAL LIFE INSURANCE CO.

W. H. GREGORY,
President.

201st YEAR.

SUN Insurance Office OF LONDON.

FOUNDED 1710.

UNITED STATES BRANCH:

54 PINE STREET, NEW YORK.

WESTERN DEPARTMENT:

171 LA SALLE ST., CHICAGO.

PACIFIC DEPARTMENT:

Sansome & Sacramento Sts.,
SAN FRANCISCO, CAL.

AGENTS WANTED AT UNREPRESENTED POINTS

New England Mutual Life

Insurance Company

BOSTON, : : : MASS.

Chartered 1835

Assets, January 1, 1910. \$51,316,543.00
Liabilities 47,050,672.15

Surplus \$4,265,870.85

Sixty-six years of honorable dealing with its policyholders has placed the **NEW ENGLAND MUTUAL LIFE INSURANCE COMPANY** in the front rank of Life Insurance Companies of the Country.

ALFRED D. FOSTER, President.
D. F. APPEL, Vice-President.
J. A. BARBEY, Secretary.
WM. F. DAVIS, Assistant Sec'y.
J. G. WILDMAN, Assist. Sec'y.

EDWARD W. ALLEN, Manager,
220 Broadway, New York.
LATHROPE E. BALDWIN, Manager,
141 Broadway, New York.
CHARLES H. STRAUSS, Gen. Ag't.
200 Fifth Ave., New York.

In New England.

THE Massachusetts Insurance Department has just completed an examination of the United States branch of the Employers Liability, as of September 30, 1909, and, as was to be expected, finds everything substantially O. K. The closing words of the report are:

"As may be seen from the foregoing financial exhibit, the affairs of the corporation are in a very flourishing condition, and the record of its management is reflected in its progress during the ten years ending December 31, 1908, within which time the United States branch has remitted to the home office \$1,122,956.49 net, while the surplus to policyholders during the same period has increased from \$333,959.50 to \$1,949,338.63. The premium income increased from \$1,404,719.73 in 1899 to \$3,678,037.98 in 1908."

And it may be added that for 1909 the United States branch reports surplus to policyholders, \$1,911,981.99, premium income, \$4,133,933.81.

A Lightning Fire and Its Lesson.

The June bulletin of the Boston Manufacturers' Mutual Fire Insurance Company tells of a fire in the Shove cotton mill plant at Fall River, Mass., caused by lightning which struck the north end of No. 2 mill, starting the fire, from which the following is extracted to one bay. Thirteen sprinklers opened, and the fire and water damage ensuing to machinery and stock were estimated at from \$8,000 to \$10,000. The electrical inspector of the insurance company made a report of this fire, from which the following is extracted:

"The trouble within the mill appears to be due entirely to the bound earth charge on the electric wiring caused by the lightning. * * * * The trouble did not take place on circuits supplied with current by the public service company. All the trouble was on the mill circuit.

"The watch-clock wires extending between Nos. 1 and 2 mills entered two channel wood molding immediately upon entrance to the No. 2 mill and extended in this molding to the ceiling. At that point twin conductor wires were soldered to the single wires and passed to watchman's boxes in single channel molding. The static appears to have caused considerable difference of potential between the two watch-clock wires, which caused a breakdown of the insulation of the twin conductors. A spark where the breakdown occurred evidently was the

cause of the fire at the north end of the mill.

"The lesson from the fire is that telephone protectors should be provided at each end of the watch-clock wires extending between buildings. The wires are exposed for a considerable distance and are liable to be affected by lightning. It is very probable that if these protectors had been provided on the watch-clock wires sufficient difference of potential to cause the breakdown of the insulation of the conductors would not have occurred.

"The fire also shows that any mill having electric wiring not encased in grounded iron conduit, even although none of the wiring extends outside the buildings, is liable to experience trouble due to bound earth charges during lightning storms. There have been other instances of similar trouble occurring, but they are few in number. One or more lightning arresters connected to the wiring within a mill would undoubtedly afford some protection, but the presence of these arresters may give trouble themselves due to breakdown of the spark gap during normal conditions of operation. Owing to the fact that the number of cases where induced charges due to lightning have caused trouble are relatively infrequent, it is not thought necessary, at the present time at least, that lightning arresters should be installed on wiring which is entirely within buildings.

"The following recommendations are submitted:

"Approved telephone protectors should be installed at each end of the watch-clock wires extending between mills Nos. 1 and 2 at the points where they enter the buildings, and the public service company should be requested to install lightning arresters on the lines entering the buildings of the assured. The protector on the watch-clock wires should be grounded to the sprinkler piping, while the lightning arresters on the outside lightning wires should be grounded to underground water pipes if practicable."

New England Brevities.

The commission appointed by Governor Draper of Massachusetts to report to the next legislature a plan for compensating workmen injured in the course of their employment, was formally organized last Thursday. James A. Lowell is chairman of the commission and Amos T. Saunders is secretary. Both men have held positions of political trust and have studied law.

NOTEWORTHY ADVANCE.

The BERKSHIRE LIFE Insurance Company,

OF PITTSFIELD, MASSACHUSETTS,
takes an advanced step in the interest of the policyholder by the adoption of the following liberal features in its new policy contract:

- Low premium rates.
- Large surrender values.
- Dividends at the end of each policy year.
- Thirty-one days of grace in payment of all premiums after the first year.
- Paid-up insurance or cash surrender value or extended insurance after two years' premiums have been paid.
- Loans for the full cash surrender value.
- Policy payable in one sum or in instalments for terms of years.
- Policy has no restrictions upon residence or travel and is incontestable after the first policy year, except for non-payment of premiums.
- Right of the insured to change the beneficiary.
- Liberal re-instatement privileges.
- Every effort has been made to make this new policy the very perfection in a life insurance contract.

For further information apply to
JOHN H. ROBINSON, General Agent
FRANK ALLEN, Associate General Agent
For New York and New Jersey,
Postal Building,
253 Broadway, - - - NEW YORK.

FOUNDED 1792

118th ANNUAL STATEMENT INSURANCE COMPANY OF NORTH AMERICA. OF PHILADELPHIA, PA.

ASSETS.

	January 1, 1910.
Real Estate	\$ 364,410.00
First Mortgages on Real Estate	273,803.48
Philadelphia, New York, Boston and other City and State Loans	1,134,390.00
Pennsylvania, Philadelphia and Erie, Lehigh Valley and other Companies' Bonds and Stocks	8,909,150.32
Cash in Bank and Bankers' hands	1,134,635.88
Notes Receivable and Unsettled Marine Premiums....	347,440.69
Net Cash Fire Premiums in course of Transmission....	1,069,510.62
Accrued Interest, and all other property	52,160.57

Total Assets

LIABILITIES.

Capital Stock	\$ 3,000,000.00
Reserve for Re-Insurance ..	6,813,862.47
Reserve for Losses	877,250.00
All other Liabilities	104,982.45
Surplus over all Liabilities..	2,589,406.64

\$13,385,501.56

Surplus to Policyholders....	\$5,589,406.64
Increase in Reinsurance Reserve	349,934.71
Increase in Net Surplus....	838,500.98
Increase in Assets.....	1,371,438.93

Eugene L. Ellison.....President
Benjamin Rush.....Vice-President
T. Howard Wright.....Secretary
Henry W. Farnum.....Assistant Secretary
John O. Platt.....Assistant Secretary
Agencies in all Prominent Cities & Towns.

Carroll W. Doten, professor of economics at the Massachusetts Institute of Technology, was appointed chief investigator for the commission.

At the annual outing of the Rhode Island Association of Local Fire Insurance Agents, held at the Pomham Club last Thursday, Joseph G. Henshaw was elected president for the ensuing year, James Gallivan first vice-president, G. T. Gamwell secretary and treasurer, and G. L. Gross chairman of the executive committee.

The Massachusetts Fire and Marine has appointed Ross E. Wickham of Newark as its State agent for New Jersey, and at Brooklyn, N. Y., it has appointed Alfred J. Hodson as its agent.

Horace S. Howe, for several years general agent of the United States Casualty, has purchased the local fire insurance agency of Edwin A. Treat.

The Supreme Court of Connecticut has handed down a decision affirming the finding of the lower court which awarded the Buffalo Forge Company \$29,449.49 in its suit against the Mutual Security Company. The last-named issued a policy to the forge company guaranteeing it against loss by strikes, and the award of the lower court was for a loss sustained during a strike which started a day after the policy was issued.

Companies intending to write health and accident insurance in Massachusetts under chapter 493 of the acts of 1910, have been informed by the insurance commissioner that they

must file copies of their intended policy forms in his office not later than October 1.

Fred Merchant, charged with having set fire to a three-story wooden tenement house in Auburn street, Chelsea, on May 25, was arraigned in the Chelsea court last Monday. After pleading not guilty to the charge of arson, he was held in \$10,000 bail for a further hearing. The house where the fire originated was protected by insurance, and the title thereof stands in the name of the sister of the defendant.

William P. White, mayor of Lawrence, Mass., was sentenced to a term of three years in jail and payment of a fine of \$1,000 for conspiring to bribe certain members of the board of aldermen of 1909 to act favorably in the matter of the removal from office of James A. Hamilton, chief of the fire department. Hamilton, who still holds the office, is under indictment for alleged bribery in securing confirmation of his appointment. It is expected that he will be placed on trial in September.

Among those who took part in the golf tournament at Bretton Woods, N. H., last week, were Darwin A. Kingsley, president of the New York Life, and Secretary Crocker of the John Hancock. While Mr. Kingsley was making "drives" for holes, the agents of the New York Life were engaged in making a special drive for July business, in recognition of their president's successful effort to broaden the law limiting the amount of new business.

D. H. ROSE A VICE-PRESIDENT.

At a meeting of the board of directors Douglas H. Rose, actuary of the Maryland Life Insurance Company of Baltimore, was elected vice-president. Mr. Rose will continue his duties as actuary.

INSURANCE BUSINESS

ATTRACTS PROMOTERS.

Some large totals as to the number of companies and proposed capital and surplus of new promotions in the insurance world, has been collated by the "Journal of Commerce and Commercial Bulletin." Of course, in the least, there are companies organized in the interests of professional promoters, working after large commissions for selling stock, but many of them are venturers of a conservative solid sort. The word magnitude of the volume shows what a solid basis of appeal to prospective stockholders the professional promoter has been able to find in the experience of the insurance business—fire, life and miscellaneous—as conducted in the United States. A table of the aggregate showing, since the first of the year, was given by the "Journal of Commerce" as follows:

Fire—No. of companies, 77; proposed capital, \$44,903,000; proposed surplus, \$30,355,000.

Life—No. of companies, 68; proposed capital, \$29,149,000; proposed surplus, \$6,756,000.

Miscellaneous—No. of companies, 84; proposed capital, \$52,740,000; proposed surplus, \$45,730,000.

Total No. of companies, 229; proposed capital, \$126,792,000; proposed surplus, \$82,841,000.

THE

American Credit-Indemnity Co.

OF NEW YORK.

CREDIT INSURANCE ONLY.

Insures Wholesalers and Manufacturers against Excessive Annual Loss through the Insolvency of their Customers.
We can always use a few high-grade solicitors.

ST. LOUIS, MO. NEW YORK, N. Y.

Offices in All Principal Cities.

A. B. TREAT, General Agent,
302 Broadway, : : : : : New York.

THE COMPANY WITH THE PYRAMID

NEW HAMPSHIRE

FIRE INSURANCE CO.

MANCHESTER, N. H.

TOTAL LIABILITIES \$2,585,953.23
POLICY-HOLDERS SURPLUS \$2,610,064.23

Bardoe's Column.

PRESIDENT AMONSON of the Peoples National Fire, who is now in the West, is looking into the Pacific Coast situation with the intention of reorganizing his arrangements there so as to comply with the rule against dual general agencies.

Fred S. James & Co. will have the management of the North German of Hamburg for the United States. The company retired from this country several years ago, but will enter the field again.

Superintendent Hotchkiss has admitted the Michigan Millers Mutual Insurance Company of Lansing, Mich., to do business in New York State.

At a meeting of the Suburban Fire Insurance Exchange on Tuesday, a motion was made to refer to the executive committee the question of whether or not to abolish the brokerage department including rules regulating brokers and the certified list of brokers. It was overwhelmingly voted down.

The annual baseball game between teams representing the Boston and New York fire departments was played last Saturday afternoon at Bronx Oval, and as usual the New York fire laddies won by a score of 6 to 5.

Four thousand persons were on hand to see the game, and the Boston notables who witnessed the game were Francis M. Carroll, acting fire commissioner, Medical Examiner Sprague, Chief Veterinarian Kehoe and Water Commissioner Daly of Brookline, Mass. The big fellows of the New York department showed up in great numbers. Commissioner Waldo stayed

away to keep an eye on the "Big Chief," who was busy protecting the Old American Line pier, while the Old Red Star Line pier was burning. Captain Truesdale of the Boston team stepped to the plate at 3:30 o'clock to start the ball rolling, but Spillane, who tosses them over for the New York laddies, kept him guessing and he tried so hard that he fanned. The next batter also struck out and the third was thrown out at first.

Despite the pitching of Spillane, who struck out twelve men during the game, Boston succeeded in breaking the ice in the next inning and scored a run. They followed up this advantage in the fourth by adding two more, and Captain Potter, manager for the New Yorkers, paced up and down past the scorer's bench with a most woe-begone face. In New York's half of the fourth, however, Finn, the Boston twirler, became unsteady and gave two bases on balls, which, with three hits and an error, netted the home nine four runs. Another was added in the fifth and the score remained 5 to 3 in New York's favor until the eighth, when Boston garnared one. In the ninth the Hub men made another and the score was tied. Power's hit in the last half of the ninth, following an error and a single by Fitzpatrick, brought in the winning run. The score by innings follows:

New York.....0 0 0 4 1 0 0 0 1—6
Boston0 1 0 2 0 0 0 1 1—5

Batteries—New York, Spillane and Wollfie; Boston, Finn and Dunn.

After the game the New York players gave a dinner for their rivals at the West End Cafe, in West One Hundred and Twenty-fifth street. Acting Commissioner Carroll, of Boston, and Deputies O'Keeffe and Johnson of New York were the principal speakers.

INSURANCE STOCK QUOTATIONS.

	Capital	Approx. Annual Div.	When Payable	Bid Price P.C.	Asked Price P.C.
City of New York.....	\$500,000	10	Q	...	205
Commonwealth.....	500,000	10	J&J	326	...
Continental.....	2,000,000	70	"	925	950
Empire City.....	200,000	8	"	125	...
Fidelity-Phenix.....	2,500,040	V	V	275	280
German-Alliance.....	400,000	15	J&J	275	300
German American.....	1,500,000	30	"	560	570
Germania (\$50).....	1,000,000	15	"	285	295
Glens Falls (\$10).....	200,000	30	"	1,525	...
Globe and Rutgers.....	400,000	40	Q	470	...
Hanover (\$50).....	1,000,000	10	J&J	190	205
Home.....	3,000,000	30	"	680	695
Nassau (\$50).....	200,000	10	"	165	175
Niagara (\$50).....	1,000,000	20	"	300	305
North River (\$25).....	350,000	10	A&O	155	165
Pacific (\$25).....	200,000	6	J&J	135	145
Peter Cooper (\$20).....	150,000	6	"	90	105
Stuyvesant.....	400,000	10	"	155	160
United States (\$25).....	250,000	V	V	60	70
Westchester (\$10).....	400,000	35	F&A	455	...
Williamsburg City (\$50).....	250,000	20	J&J	380	400

V—No information.
Q—Quarterly.

1860 50th YEAR 1910

HOME LIFE

Insurance Company of New York.

GEORGE E. IDE, President.

Assets	\$23,626,018.63
Liabilities	21,858,691.52
(Including Deferred Dividend Fund)	
Dividend Endowment Fund	
(Deferred Dividends)	2,119,044.00
Net Surplus	1,767,327.00
Insurance in Force.....	92,532,583.00

The record for 1909 shows the following GAINS:

Insurance in Force	\$4,164,239.00
Assets	1,917,117.00
Deferred Dividend Reserve.....	148,581.00
Contingency Reserve (Surplus)	655,149.17

"The Leading Fire Insurance Company of America."



WM. B. CLARK, President.
W. H. KING, Vice-President.
HENRY E. REES, Secretary.
Assistant Secretaries,
A. N. WILLIAMS, E. S. ALLEN,
E. J. SLOAN, GUY E. BEARDSLEY.

IT PAYS THE AGENT

To represent the best company. There are many excellent standard life insurance companies. Which is the best? In stability, progressiveness, liberal contracts to agents and low cost to policy-holders no company surpasses

The Union Central Life Insurance Co. of Cincinnati.

Assets, \$74,523,966.28
Liabilities, \$72,324,302.92

Good openings are occurring from time to time. Address

JESSE R. CLARK, President.
ALLAN WATERS, Sup't of Agents.

RECTOR 2817 ESTABLISHED 1864

E. S. BAILEY

DEALER IN

INSURANCE STOCKS

A SPECIALTY

66 Broadway NEW YORK

Does This Catch Your Eye?

It will catch the eye of the
man you want to meet

WRITE US TO-DAY FOR RATES.



THE CHRONICLE CO., Ltd.,
90 Williams Street, New York.

OUR BOND—YOUR SECURITY.

T. J. FALVEY, President. JOHN T. BURNETT, Sec'y & Treasurer.



Massachusetts Bonding and Insurance Co.

Organized under
the Laws of the
Commonwealth of
Massachusetts.

Home Office, 77-81 State Street, Boston.

Capital\$500,000.00
Surplus\$250,000.00

SURETY BONDS and BURGLARY and
THEFT INSURANCE.

Germania Fire

INSURANCE CO.,

NEW YORK.

ORGANIZED 1859.

Cash Capital.....\$1,000,000.00
Assets\$6,562,329.14
Net Surplus.....\$2,008,419.02
Surplus for Policyholders,\$3,008,419.02

HEAD OFFICE:

Cor. William and Cedar Streets.

THE BANKERS LIFE ASSOCIATION

DES MOINES, IOWA.

ERNEST E. CLARK, President.

Exceptional Record Dur-
ing twenty-nine years for

LOW RATE OF MORTALITY
ECONOMY OF MANAGEMENT
PROMPT PAYMENT OF CLAIMS
SECURITY OF ITS FUNDS

and satisfactory results
for its policyholders.

A GREAT SIX MONTHS

We closed the first half of 1910 with a rousing increase
in new business over our record for the first half of highly
prosperous 1909.

In policies and dividends we have what the public wants.
In literature and canvassing aids we have what the agent
wants. And back of all is a reputation gained from 59
years of activity as a Massachusetts Company.

If you are a genuine producer, a *delivering* producer, and
wish to join our forces, address

GEORGE D. LANG,

Superintendent of Agencies

Massachusetts Mutual Life Insurance Company,
Springfield, Mass.

Incorporated 1851

CLAIMS PAID OVER \$11,300,000.	CASH CAPITAL \$500,000.00.	RESERVE—SURPLUS—POLICY HOLDERS OVER \$3,200,000
-----------------------------------	-------------------------------	--

All forms of Accident, Sickness, Industrial
and
Liability Insurance

THE STANDARD

Accident Insurance Co.

Detroit, OF Michigan.

Lem W. Bowen, Pres. E. A. Leonard Sec

Metropolitan Department,

C. A. TIMEWELL, Manager,

92 William St.,

New York City

NOW READY!

Survivorship Annuity Tables

Net Premiums, Mean and Terminal Reserves

**American Experience Table,
LIFE OF NOMINATOR**

**Danish Survivorship Annuitants' Table,
LIFE OF ANNUITANT**

And 3½ Per Cent. Interest

BY
MILES M. DAWSON,
Consulting Actuary

SEND ALL ORDERS TO

The Chronicle Co. (Ltd.)

No 90 William St.

NEW YORK

The Chronicle

1866

Published by THE CHRONICLE COMPANY, Ltd., 90 William St., New York City.

1910

VOLUME LXXXVI.

New York, July 28, 1910.

NUMBER 4



M. LINN BRUCE

EDITION ALMOST EXHAUSTED

SAVES TIME AND LABOR

Various Derived Tables

AMERICAN EXPERIENCE

3 and 3½%

BY

MILES M. DAWSON

TABLE OF CONTENTS.

Single Premiums, Pure Endowment.
 Accumulations, Pure Endowment.
 Forborne Immediate Annuities.
 Accumulated Temporary Insurances.
 Accumulated Increasing Insurance.
 Single Premiums Endowment Insurance.
 Single Premiums Temporary Insurance.
 Immediate Temporary Annuities.
 Valuation Columns.
SELECT AND ULTIMATE VALUES.
 Single Premiums, Whole Life.
 Life Annuities.
 Terminal Reserves, Life, Limited Payment, Endowment.
 Mean Reserves, Life, Limited Payment, Endowment.
LOGARITHMS, SEVEN PLACES.
 Forborne Immediate Annuities.
 Curtate Summations of D Column.
 Immediate Temporary Annuities.

USES.

Computing Annual Term Insurance Premiums:
 Divide temporary insurance values by immediate temporary annuities.
 Computing Annual Endowment Insurance Premiums:
 Divide endowment insurance values by immediate temporary annuities.
 Computing Annual Pure Endowment Premiums:
 Divide pure endowment values by immediate temporary annuities or take reciprocals of forborne immediate annuities.
 By these means, the net extra premium for a special guaranty can be quickly and accurately computed.
 Computing Annual Semi or Double Endowment Premiums:
 Add temporary insurance and pure endowment values for proper amounts and divide by immediate temporary annuity.
 Computing Limited Premiums:
 Divide the proper single premiums by immediate temporary annuity.
 Computing Surrender Values:
 Extended Insurance. Find the temporary insurance value next lower than the sum to purchase extension. This gives even number of years. Apply remainder to pay for additional days according to daily differences in the table.
 Extended Insurance with Fractional Paid-up Endowment:
 Deduct from purchase money, value of insurance for unexpired term; multiply remainder by accumulation, pure endowment, to get amount of endowment.
 Computing Terminal Reserves:
 Unvarying Benefits. Multiply net premiums by forborne immediate annuity and deduct accumulated temporary insurance.
 Return Premium, Full Reserve. Multiply net premium by forborne immediate annuity and deduct accumulated temporary insurance and accumulated increasing insurance, multiplied by gross premiums to be reduced.
 Return Premium, Extra Reserve. Multiply net extra premiums by forborne immediate annuity and deduct accumulated increasing insurance, multiplied by gross premiums to be returned.
 Warranted Commissions for New Business.
 Surrender Values.
 Dividends.
 For these purposes the "select and ultimate" will be most useful.

SEND ALL ORDERS TO

THE CHRONICLE CO. (Ltd.)

90 William Street, New York

The Chronicle

VOLUME LXXXVI

NEW YORK, THURSDAY JULY 28, 1910.

NUMBER 4

MILES M. DAWSON, President.
A. C. Harwick, Vice President.
R. B. Dawson, Treasurer. A. L. Dern, Secretary.
Emil Schwab, Manager New England Department,
200 Devonshire Street, Boston, Mass.

All communications should be addressed to and remittances should be made to The Chronicle Company, Limited.
Entered at the Post Office, New York, N. Y., as Second Class Mail Matter.

PUBLISHED EVERY THURSDAY BY
THE CHRONICLE COMPANY, Limited.
No. 90 WILLIAM ST., NEW YORK.
Phone "567 John." Cable Address, "Chronogram," New York.

Subscription Price:
Three Dollars a Year. Single Copies, Twenty-five Cents.
Postage Prepaid in the United States and Canada.

MAY DOUBLE LIABILITY RATES.

Forty Underwriters Still in Session Because of Conditions Created by the New Laws in This State.



ABOUT forty liability underwriters met yesterday in the offices of the United States Casualty Company to act finally on policy forms, premium rates and commissions, with respect to the Wainwright-Phillips employers' liability laws.

The committee of five attorneys appointed at last month's meeting, "to consider the new compulsory compensation law and make a report to the companies, expressing their opinion: First, as to the constitutionality of the law; second, as to its scope with reference to the various classes or kinds of work," reported in part as follows:

"We have serious doubts as to the constitutionality of the 'act to amend the labor law in relation to workmen's compensation in certain dangerous employments,' but are of the opinion that the companies in the transaction of liability insurance in the State of New York should assume that this act will be sustained by the courts, and act accordingly."

The meeting of the liability insurance companies was called to order at 10 o'clock in the morning, with C. H. Franklin, United States manager and attorney of the Frankfort Marine, Accident and Plate Glass Insurance Company in the chair, and A. Duncan Reid, executive superintendent of the Ocean Accident and Guarantee Corporation, acting as secretary. The meeting lasted until late last night and adjourned to meet again at the same place at 10 o'clock this morning.

It was evident that the underwriters

avored the plan that the brokerage commission for "compulsory" and "permissive" insurance should be limited to 5 per cent., and that the commission on general liability insurance should not, after September 1, go beyond 15 per cent.

Premium rates were under discussion when the meeting adjourned last night, and there can be no doubt, from the reports of the committee, which has been in almost continuous session for several weeks, that the premium rates for liability insurance must be increased and, perhaps, even doubled.

Aetna Life Statement.

J. Scofield Rowe, secretary of the Aetna Life, recently sent the following statement to agents and brokers:

"There were two laws passed at the last session of the New York Legislature that are not only of vital importance to all employers of labor, but also to all companies and agents or brokers writing liability insurance. We desire first to direct your attention to the employers' liability and optional compensation law, chapter 352, entitled 'An Act to Amend the Labor Law in Relation to Employers' Liability.'

"The first three sections of this law, viz. 200, 201 and 202, as amended, have materially extended the former common law and statutory liability of the employer for injuries to employees, and we call particular attention to section 202 which, you will observe, has shifted the burden of proof as respects contributory negligence from the employee to the employer. It is generally conceded by those who have given this new liability law careful study,

that its effect will be to increase the cost of employers' liability insurance on all lines of business in New York State from 75 to 100 per cent.

The optional compensation feature of this law is covered in sections 205 and 212 inclusive and simply provides that any employer and employee may enter into a contract whereby the employee waives his statutory or common law rights in case of accidental injury, and in lieu of which the employee agrees to pay certain stipulated amounts, in accordance with the schedule of compensation provided in section 207 of the law, to said employee if injured in the regular course of his employment.

"In our opinion this optional compensation plan will not appeal to very many employers of labor, for the reason that its operation is surrounded by too many legal requirements, and the schedule of compensation which the employer must grant in consideration of the employee giving up his common law and statutory rights is so liberal as to make the cost of insurance thereunder appear excessive as compared with the cost of insurance for a straight liability policy. There will of course be some employers who will give the plan consideration. However, we believe that after they have compared the cost and observed the fact that a separate contract must be made with each employee, acknowledged by a notary public, and a copy filed with the county clerk, very few indeed will undertake to incur the expense and trouble of giving the plan a trial.

"We now desire to call your par-

icular attention to chapter 674 entitled, 'An Act to Amend the Labor Law in Relation to Workmen's Compensation in Certain Dangerous Employments.' We believe this is the first compulsory compensation law of any character to be passed in the United States, and while it is somewhat limited in its scope the principle involved is one of vital importance to the business interests of the State of New York and in fact of the entire country. It was the apparent purpose of the lawmakers in framing this law to avoid as far as possible imposing any special tax upon the manufacturing industries in the State whose business is affected to a greater or less extent by competition from similar industries in other States.

"The law has accordingly been designed to apply only to 'certain dangerous employments' in connection with building and construction operations and the conduct of public service corporations. There are some who believe that this law will be declared unconstitutional on the ground of its being class legislation, and while there may be some cause for apprehension on this point much will depend upon the interpretation of the law by the courts as to whether same is upheld. You will observe that the schedule of so-called dangerous employments, section 215, is very indefinite and leaves much to be conjectured as respects many employments that may be indirectly involved although not specifically mentioned.

"In view of the fact that this law creates a new liability for compensation for all injuries sustained in certain employments, regardless of the question of negligence, and preserves at the same time all liability for damages under existing laws, it will be observed that a very clear distinction is made as between the compensation which the employe may claim under this act and the damages which he may claim under existing common

law or liability statutes. It is therefore obvious that existing liability policies do not cover the compensation provided under this law, and in order to avoid any misunderstanding on the subject between the company and its policyholders we shall within the next few days mail direct to all employers' liability and contingent policyholders for whom we are covering risks in the State of New York a formal notice to this effect as per copy enclosed herewith.

"The new liability of employers as created by this compulsory compensation law will for the present be covered only by endorsement attached to the regular liability policies and for which a suitable additional premium will be charged. Rates for this additional compensation coverage, however, will not be ready until after August 1.

"We expect within the course of a few days to mail you a list of the policyholders which you have with this company to whom the notice referred to has been sent, and in the meantime we suggest that you make a very careful study of these new laws, particularly chapter 674 providing for compulsory compensation in 'certain dangerous employments,' so that you may be able to negotiate promptly with your policyholders for such addition protection as they may require."

What Weed & Kennedy Say.

The attitude of brokers is shown by the following letter, sent out within the week by Weed & Kennedy:

"Two laws relative to employers' liability to their employes, passed at the latest session of the New York Legislature, are novel in this country, and, indeed, revolutionary. Several conferences of liability underwriters, sometimes together with as many as ten lawyers, specialists in such practice, have been held, but the situation created by these new acts is so entirely strange and menacing that the companies are not yet able to announce what course they will feel compelled to adopt toward employers in need of policies of indemnity for injuries to their employes.

"One thing is indubitable—the charge for this sort of insurance in 'dangerous occupations' must be very greatly increased; and, that the number of occupations that are declared by the new law to be 'dangerous' is greatly multiplied. For example, 'construction, operation, alteration or repair, of wires, cables, switchboards, or apparatus charged with electric currents' are pronounced 'dangerous occupations.' This makes the repair of your front door bell or the operation

of your telephone a 'dangerous occupation.'

"There are many other things that will need discussion, which, however, it is not yet time to call your attention to, as the new act does not take effect until the first of September and the conferences being held by the managers of companies and their legal counsel may clarify the situation. The moment those conferences have resulted in declarations by the companies you shall be informed.

"Perhaps we should add that at present no company will quote rates for insurance of compensation to employes for damage incurred in the employments declared to be dangerous under the new law."

THAT LEGAL FEE.

In the "Journal of Commerce and Commercial Bulletin" on Monday the following appeared:

"The New York Board of Fire Underwriters Committees on Finance and Laws and Legislation promptly decided to have nothing to do with the bill for \$10,000 for legal services rendered the insurance brokers of New York. The reply of the committee is of a nature to indicate that the opportunity to pay the bill was unappreciated. It is intimated that the bill has been reduced to \$7,500."

The National Surety Company opened its new "brokers' branch," at 71 William street, yesterday. The branch will be in charge of Joseph C. Cockey, as manager, and John B. Murphy as resident vice-president.

Unit Steel Cabinets

FOR 5"x3" CARDS
At \$2.25 PER UNIT.

The Units can
be built up
into rigid cabinets of any
size or shape.



Buy filing space as you need it—no more, no less.

Apply to your dealer or address
THE UNIT STEEL CABINET CO.,
332 Broadway, New York.
Telephone 3212 Worth.

1860 50th YEAR 1910

HOME LIFE

Insurance Company of New York.

GEORGE E. IDE, President.

Assets	\$23,626,018.63
Liabilities	21,858,691.52
(Including Deferred Dividend Fund)	
Dividend Endowment Fund	2,119,044.00
(Deferred Dividends)	1,767,327.00
Net Surplus	92,532,583.00
Insurance in Force	

The record for 1909 shows the following GAINS:

Insurance in Force	\$4,164,239.00
Assets	1,917,117.00
Deferred Dividend Reserve	148,581.00
Contingency Reserve (Surplus)	655,149.17

EMPLOYERS' LIABILITY HERE AND ABROAD.

Written for THE CHRONICLE.

By P. TECUMSEH SHERMAN.

Former Commissioner of Labor of New York State.



HERE being a great deal of misunderstanding of the European system of employers liability (a first step towards the adoption of which has been made by recent legislation in New York—Laws 1910, Ch. 674), I have tried, in the following lines, to make a condensed comparison between the principle upon which that system is based and the corresponding principle or principles of the American law.

Injuries to employes in industry are due principally to the following causes: (1) Negligence or fault of employer. (2) Negligence or fault of employe injured. (3) Negligence or fault of a fellow servant. (4) "Trade risks." According to the common law (which, with many minor modifications by statute, prevails generally throughout the United States) an injured employe is entitled to relief from his employer only for injuries due to the first of these four causes,—i. e., the fault of the employer—in which case (subject to certain conditions) he is entitled to full money damages sufficient to repay him his financial losses and to solace him for his sufferings. For injuries from accidents due to the three other causes injured employes are entitled to no relief from their employers.

This latter rule is just so far as it applies to accidents due to the fault of the injured employes themselves; but as to accidents due to the fault of fellow servants or to trade risks it is unbearably hard; for accidents due to these latter causes constitute the bulk of accidents in our modern organized hazardous industries.

A well known Austrian experience

table attributes 70 per cent. of accidents in factories to trade risks alone. The German figures are classified according to "preventability," but, when analyzed, indicate only a slightly lower proportion of injuries to be due to trade risks. We have no adequate statistics in America, but my studies as Commissioner of Labor of this State, based upon information and advice received from the factory inspectors, lead me to about the same conclusion as to our factory accidents. Railroad experience shows a high proportion of injuries in transportation to be due to faults of fellow servants.

The general conclusion, therefore, is that the large majority of injuries are due to trade risks and to faults of fellow servants, and to no moral fault of the employers or of the employes injured. Adding the proportion due to faults of employers (which is difficult to estimate), the proportion due to no moral fault of the employes injured becomes overwhelming—it is variously guessed at between 70 per cent. and 87 per cent. A rough estimate also indicates that over 90 per cent. of the victims of serious accidents in industry are grown men; and presumably a large proportion of them are heads of families. Only a small proportion of them are insured and only an insignificant proportion are adequately insured; and in fact very few are able to insure themselves.

Taking any reasonable estimate of the numbers killed and disabled in our hazardous industries and the smallest calculation of the proportion of accidents due to causes other than the faults of the employers, the number

of persons who would be annually reduced to destitution by accidents in our industries, if the theory of our law were really carried out in its administration, will appear enormous. But the theory of our law is not carried out in practice. We, therefore, find distinct theoretical and practical objections to it, the more vital of which are as follows:

1. The exemption of the employer from all liability to an injured employe where the accident is due to the fault of a fellow servant, is an exception to the general law of agency. If my servant negligently injures a stranger I am liable; but if he so injures a fellow servant I am not. Why the distinction? The legal profession is divided upon the soundness of this distinction. The objection to making the employer liable under our law of negligence in such cases, is, that he would be made liable for a wrong where he has been guilty of no wrong. The European laws avoid this difficulty by making the employer liable, not for full damages as if for a wrong, but for a moderate and limited amount as an insurer.

2. Our law imputes to the employe the assumption of the ordinary risks of the employment, and thereby frees the employer from all liability for accidents due to trade risks. This rule is based upon the theory that the workman is free to accept or reject a specific employment and that if he chooses to accept employment in a dangerous occupation he should logically be deemed to have freely assumed its risks. This theory is true in individual cases; but when applied to the working people in the mass it hides a great economic fallacy. The

INCORPORATED 1833.

British America
Assurance Company
HEAD OFFICE, TORONTO, CANADA

UNITED STATES BRANCH.

JANUARY 1, 1910.

Assets	\$1,556,740.94
Liabilities	902,438.61
Surplus	\$ 654,302.33

Hon. GEORGE A. COX, President.
JOHN HOSKIN } Vice-Presidents.
W. R. BROCK }
W. B. MEIKLE, General Mgr.

THE HOME LIFE INSURANCE COMPANY OF AMERICA

Incorporated 1899.



General Agents and District Managers who can produce ordinary business can secure "Ground Floor" contracts with **Guaranteed Renewals** and an assignment of territory limited only by capacity to produce agency organization and business. Send for Sample Policy. **It is one you can sell.** New business, \$1,500,000. -January 1-June 30, 1910.

Address:

G. M. NETTLESHIP, General Manager,
416-18-20 Walnut Street, : : : : : PHILADELPHIA, PA.

millions of working people in our dangerous industries are not economically free to leave their hazardous employments in a body and to seek non-hazardous employments. They must continue at their work or starve. Therefore this so-called free assumption is really an arbitrary imposition by law of the principal physical risks of industry upon one class only—and that class is the class least able and, in fact, absolutely unable to bear them. The old theory that wages in dangerous occupations are higher on account of and in proportion to the increased risk by absolutely contradicted by facts.

3. The great practical objections to our law is that it is not and cannot be administered according to its theory; because every case requires the determination of the question of negligence; and what constitutes negligence is undefined and undefinable and is a subject of radically differing opinions between judges, juries and experts. Every case, therefore, is subject not only to the uncertainties, difficulties and delays common to ordinary litigation of questions of fact but also to a mere gambling chance of what particular opinion of negligence will finally be applied in determining the result.

My own investigations, based upon a rather small number of specific cases, leads to the conclusion that the chances of the injured workman's recovering legal damages by action at law depend little upon, and are in no degree proportionate, to the theoretical merits of his case.

This conclusion is well summarized in the recent report of the New York Commission to Investigate Employ-

ers Liability, as follows: "The present system in New York rests on a basis that is economically unwise and unfair, and in operation it is wasteful, uncertain and productive of antagonism between workmen and employers."

The European laws avoid the defects of our laws by basing the liability upon an entirely different legal principle, called "compensation." The employer is made liable to his workmen for all injuries received in the course of the employment (with some varying exceptions, generally where the workman has been guilty of serious and wilful misconduct). This liability is not dependent upon the employer's being at fault in any way and is not, like our liability for negligence, for full and unlimited damages, but is approximately that of an insurer against all the risks of the business to a limited and moderate amount, calculate generally to cover about half of the probable financial loss to the victim or his dependents caused by those risks. The economic principle underlying this liability is that industries should pay for lives and limbs destroyed just as they pay for coal consumed and machinery worn out; and therefore that the financial losses from injuries should be divided between those who profit from the industries—i. e., between employers and employes—to effect which the employers should pay their share of the losses to the injured workmen. The European laws differ widely in their application, methods and details. Some apply only to comparatively hazardous and organized industries; while others extend to nearly all employments. Some make the employer

simply liable for compensation; while others require that he insure the payment of the compensation. Some leave the employer liable for full damages in those cases where he is truly at fault; while others eliminate the question of negligence or fault almost altogether. In some countries the compensation laws are correlated with sickness and old age pension laws (to pay for which the workmen and the State contribute) while in other countries they are entirely independent. But whatever the incidents, the principle of liability upon which the European compensation or compulsory insurance laws are based is everywhere the same and is in substance as above stated. And it seems to be the unanimous opinion of these who have studied this subject broadly, having regard to the causes of accidents, the operation of law and the welfare of society, that the compensation principle is right in theory and beneficial in practice.

THOSE COTTON BILLS.

New York bankers on Tuesday adopted a plan in regard to safeguarding cotton bills which they will submit to foreign financiers at once. It is hoped that the details will be worked out in time for a committee to sail with them on Saturday's steamer.

After conferences held between railroad men and bankers at White Sulphur Springs, W. Va., the railroads agreed to certify the agents' signature, thus guarding against forgeries. The means of guaranteeing the shipment of the cotton still remains open, but it is expected that upon the return of John Gardin of the National City Bank, and W. B. Joyce of the Na-

Hold On!

tions, theories and philosophies, etc., etc., that are changing the course of human life? Are we not now living in an age of stirring events—in peace, dissension, war, in exploration, discovery, invention; in thought, theory, practise—things that the minds of future generations will read of with eager intensity? Where do you stand? What do you know of this world you inhabit, of those who inhabit it with you, and of the rapid march of its daily history? Reading world-history in the making, with its many unexpected twists and turns, is as stirring as the greatest novel, and yet positively nothing is more refreshing and valuable to the intellect.

Why Not Read Something of Value as Well of Interest?

The Literary Digest is more *vitaly interesting* to the average, thoughtful, busy man than the ordinary magazine, because it is with *things worth while* that The Literary Digest is constantly dealing. Each week it acquaints you with the news of the important movements of the world, gleaned from all publications, all arts, all brains, all industries, all sciences. The editors of The Literary Digest are provided with the best periodicals of the world, and each week they cull for you the best news and thought that these important publications contain. In brief, clear, entertaining form, The Literary Digest affords you each week precise ideas regarding every topic of current interest. Both sides of every question are carefully shown—absolutely without any partizan coloring—this is the editorial policy of The Literary Digest. You cannot afford to be without this valuable weekly.

SUBSCRIPTION PRICE: \$3 per year. Per Copy, 10 Cents, at all Newsstands.

44-60 E. 23d St., NEW YORK, N. Y.

Are you aware that The Literary Digest is about the most interesting periodical in the world to-day? It is *positively always interesting*! What is more intensely interesting and important than the stories of the many crises that have threatened the destinies of nations; or of the many discoveries and inven-

tions, theories and philosophies, etc., etc., that are changing the course of human life? Are we not now living in an age of stirring events—in peace, dissension, war, in exploration, discovery, invention; in thought, theory, practise—things that the minds of future generations will read of with eager intensity? Where do you stand? What do you know of this world you inhabit, of those who inhabit it with you, and of the rapid march of its daily history? Reading world-history in the making, with its many unexpected twists and turns, is as stirring as the greatest novel, and yet positively nothing is more refreshing and valuable to the intellect.

tional Surety Company from Europe, arrangements will be perfected to the satisfaction of the foreign bankers through a system of guarantees by surety companies. The foreign bankers in their demand that the American banking institutions guarantee the bills are acting in ignorance of the fact that the National banking act does not permit banks organized under it to guarantee bills of lading.

The reason why there is so much anxiety in the financial district over this matter of guaranteeing cotton bills is the dread of the possibility of shifting the financing of the cotton crop entirely to the banking resources of the country. Such a shift would add something like \$400,000,000 to the already heavy burden of the crop movement.

London, July 27.—The "Statist" suggests that a solution of the difficulty may be found in the willingness of the insurance companies, with an aggregate capital of \$13,000,000, to insure the genuineness of cotton bills of lading. American banks could insist upon such certificates being obtained by every seller of cotton and delivered to them, in which case they would not have only a bill of exchange and a bill of lading, but an insurance certificate likewise, which would adequately guarantee them, so that they could without risk give a full guarantee of European banks.

BRUCE AND MERRITT

TALK WITH HUGHES.

August 2 is the date on which the Merritt Investigation Committee will meet next. On last Monday evening former Justice M. Linn Bruce, counsel for the committee, and Assemblyman Merritt had a talk with Governor Hughes at the Hotel Astor.

In regard to this conference, Judge Bruce said he had been more than pleased to find that his views and those of Assemblyman Merritt were

in accord with those of the Governor.

"We did not map out any definite program of procedure. There are so many branches of this investigation that it is hard to say where we shall begin. We expect to make our report on June 15 next, and it will take all that time to complete the work."

The Judge also said that the committee would act upon matters suggested by the Allds-Conger inquiry, and the matters developed by Superintendent Hotchkiss in his investigation.

"But," he added, "we will take up any filed charges of graft at any time. They will not wait, but will be proceeded with immediately upon being received."

THE SOULKISS PROBLEM OF NICK BAREBONES.

Let ten Barebones alumni together with their lone star endman, Nicholas Barebones, be placed in the form of a parallelogram, and let Commissioner Soulkiss plus Miss Arabella Snowball Jackson constitute one diagonal and Elisha plus Swiftly the other diagonal of the parallelogram.

In addition to this, let the above named diagonals intersect each other at mahogany.

We are to prove that Commissioner Soulkiss is equal to Miss Arabella Snowball Jackson and also that Elisha is equal to Swiftly.

* * *

Now the diagonals of the parallelogram divide the whole figure into two large triangles and two small triangles. Let us consider only the two large triangles. For the sake of convenience name the upper triangle Darktown and the other triangle William Pine.

Now in the triangles Darktown and William Pine one row of Barebones alumni is equal to the other row of Barebones alumni, being the opposite sides of a parallelogram. Also the

above mentioned rows of Barebones alumni are parallel, for they are the opposite sides of a parallelogram. Furthermore these two rows of braces are cut by secants disfigured with \$10,000 items known as double entendres. Therefore, all the angles formed by the parallel lines and the secants are equal, for when two parallel straight lines are cut by a third straight line, the alternate interior angles are equal. Therefore, triangle Darktown is equal to triangle William Pine, for two triangles are equal in all respects, when they have a side and the two adjacent angles of one equal respectively to a side and the two adjacent angles of the other.

* * *

Then triangle Darktown is equal to triangle William Pine by proof. Therefore, Commissioner Soulkiss is equal to Miss Arabella Snowball Jackson and Elisha is equal to Swiftly, being mahogany sides of equal triangles.

Which was to be proved.

COMBUSTION CHEMISTRY.

"Chemistry of Combustion and Electricity" is the title of the latest volume issued by the Rough Notes Company of Indianapolis. It consists of two parts. First are given seven lectures on the "Chemistry Combustion," which were delivered before the fire insurance club of Chicago by O. C. Rochlitz, professor of chemistry in the Armour Institute. These lectures deal with fundamental definitions and laws, the atomic theory, chemical symbols, atomic waste, acids, bases and salts, the ionic theory and spontaneous combustion. The second part of the volume comprises six lectures on the subject of electricity, which were delivered before the same club by R. E. Blanchard, electrical inspector of the Chicago Board of Underwriters. They deal with the definition of electricity, the electrical inspector, outside and inside wiring, and potential systems.

Build for the Future



Selling Life Insurance will pay you well now and pay you better as time goes on. If you are willing to work for success.

Write for agency.

THE PRUDENTIAL
Insurance Company of America.

Incorporated as a Stock Company by the State of New Jersey.

JOHN F. DRYDEN,
President.

Home Office,
NEWARK, N. J.



Insurance Brokers

Place Your **SURETY** and **CASUALTY** business in the "EMPIRE."

CAPITAL, - - - - - \$500,000

Business Producers not now under contract wanted for open Territory.

Address Agency Department,
THE EMPIRE STATE SURETY CO.,
84 William Street, New York

Over \$2,000,000 to People's Mutual Certificate Holders.

JUSTICE ANDREWS, sitting at a special term of the Supreme Court in Syracuse, has approved the report of William H. Hotchkiss, Superintendent of Insurance, and has directed the payment of a first dividend of 60 per cent. to the certificate holders of the People's Mutual Life Insurance Association and League. This dividend will be paid by Insurance Department checks mailed to members at their home addresses. The issue of dividend checks will begin on August 1, and it is estimated that the work of making the payments to the 38,333 members will take about two months.

The Peoples Mutual is the fraternal insurance society which came into public notice in December, 1909, as a result of an attempt on the part of its board of directors to transfer the control of the society and of its \$3,000,000 of assets for a consideration of about \$150,000. At that time possession of the society was taken by Superintendent Hotchkiss under an order of the Supreme Court. The same court directed the liquidation of the corporation on March 3, 1910, and the officers appealed from this order. All appeals were withdrawn on April 11, 1910, under a settlement which involved the return to Superintendent Hotchkiss of the sum of \$150,000 which had been withdrawn from the society and deposited in a Canadian bank.

This is the first liquidation of a large insurance company under the new law requiring departmental administration instead of receiverships through court proceedings. A first dividend of 60 per cent. has been declared in less than four months, about \$2,000,000 of securities of various

kinds turned into cash, \$300,000 of matured obligations paid, and at a total expense of less than \$13,000, or about six-tenths of 1 per cent. of the amount now to be distributed. This expense includes \$4,664.71 for clerk hire, \$3,336.40 for postage, \$1,391.27 for printing and \$792 for rent. It has not been necessary to employ counsel, and the \$150,000 was recovered without litigation.

The report of Superintendent Hotchkiss shows that about two-thirds of the assets of the association have been converted into money and that \$2,174,441.92 is now available for the payment of the first dividend to members. The assets of the corporation including \$254,882.17 of disability loans paid to members, amount to \$3,229,614.43. Total of payments by present members to the association by way of monthly dues is \$3,413,833. It is thus evident that the assets of the association could not pay 100 per cent. to the members if the securities owned should bring the cost price. Owing to the fact that \$250,000 of corporate bonds still remaining unsold are in default for non-payment of interest, and others are not readily marketable, a considerable loss will undoubtedly be sustained in their sale. The total dividend which members are likely to receive will probably be something under 90 per cent.

Syracuse, July 27.—Willard H. Peck, secretary of the People's Mutual Life Insurance Association and League, convicted of perjury, was sentenced by Justice P. C. J. De Angelis on Monday to serve not less than two nor more than five years in Auburn State prison. The justice granted a certificate of reasonable

doubt after appeal was made by Peck's attorney and bail of \$7,500 was provided.

STANDARD CASUALTY

POLICY FORM.

At the twenty-fourth convention of the Detroit Conference, Louis H. Fibel, president of the conference and president of the Great Eastern Casualty Company, had this to say yesterday in regard to the policy form used by the companies:

The contract recommended in New York in March, 1907, is still practically the standard policy of nearly all our largest and strongest companies.

In some few instances, I note with sincere regret a disposition to make slight changes. In themselves they are insignificant, but the spirit is most deplorable. A single loosened thread in a great garment is in itself of little moment; but in the stress of wear and tear that one thread forms the rift in which the talons of the disruption find a lodgment and the end is wreck. Under our policy which I am proud to have fathered and fostered we have done well; business has multiplied, clients have been satisfied and we have made a fair underwriting profit. The margin now is none too great for security. Expenses are necessarily increasing with the trend of the times. Epidemics will come, as they have come; the first quarter of this year with its trying weather brought us an unusual loss ratio. Panics and business depressions will recur, bringing in their train shrinkage in premiums, inevitable increase in expense ratio and an equally certain expansion in the moral hazard element of our claims. We should aim to strengthen our treasures and establish them on a basis to weather any possible contingencies and you surely must realize the folly of rushing to enlarge the scope of our liability because you are enjoying a present prosperity.

COMMERCIAL - UNION

ASSURANCE CO.,

(LIMITED)

OF LONDON.

OFFICE;

Cor. Pine & William Sts.

NEW YORK.

A GREAT SIX MONTHS

We closed the first half of 1910 with a rousing increase in new business over our record for the first half of highly prosperous 1909.

In policies and dividends we have what the public wants. In literature and canvassing aids we have what the agent wants. And back of all is a reputation gained from 59 years of activity as a Massachusetts Company.

If you are a genuine producer, a *delivering* producer, and wish to join our forces, address

GEORGE D. LANG,

Superintendent of Agencies

Massachusetts Mutual Life Insurance Company,
Springfield, Mass.

Incorporated 1851

In New England.

THE New England Insurance Exchange held its July meeting last Saturday and adopted a new standard form for farm property, recommended by the executive committee. A proviso declares that with the use of this form farm property may be written for three years at two and one-half annual rates, without it only one year policies may be written on belongings buccolic.

The mechanic's permit rule was amended as follows: First, by inserting after the words "Summer Hotels" in the first line of the second paragraph, the words, "and risks rated by the factory improvement committee." Second, by inserting after the fourth paragraph the following: "Mechanic's permits for risks rated by the factory improvement committee may only be granted when special permission for such permit is promulgated with the rate." Third, by the adoption of a special form mechanic's permit for use on risks rated by the factory improvement committee.

The gasoline engine rules were amended so as to allow permit to be granted free of charge for gasoline engines located at least twenty-five (25) feet from insured property, without using the standard form of permit.

Announcement was made of the death of George E. Brewer, an honorary member of the exchange, which occurred June 13 at Albuquerque, N. M. Mr. Brewer became an active member of the exchange in 1885. He was then a special agent of the Sun Fire Office, with headquarters at Springfield, Mass.; was also for a time a partner in the Woonsocket (R. I.) agency of the late Col. Amos Sherman, for many years the Sun's leading field man in New England. Messrs. Hatch, Barton and Downey

were delegated to prepare a tribute to the memory of Mr. Brewer.

Boston's Building Record for 1909.

The report of Building Commissioner Everett of Boston for the year 1909, recently issued, states that during that twelvemonth all previous records of the city were eclipsed. The construction for the year includes 390 brick dwellings, costing \$7,285,000, and 1,154 wooden buildings, costing about \$6,148,000. Besides this repairs costing about \$3,000,000, were made on old structures. The overwhelming majority of wooden buildings may perhaps furnish an indication to the public at large why fire losses are frequent and insurance rates are high. Considering the frequency with which Boston building laws have been overhauled and apparently made more exacting in their requirements, the foregoing showing does not give evidence of general effectiveness in increasing the proportion of fire-resisting structures.

A Telling Allegory.

"Whittlings" for August, the ever-instructive and interesting publication of the New Hampshire Fire, is at hand. A striking design on the front page shows the Genius of Fire Insurance attempting to drive her chariot into the gate of Utopia of low rates brought about by strictly enforcing the building laws and a low loss ratio. A mule, laden with bills contained in a basket of graft, and bearing a banner inscribed "Low rates by legislative command," is trying to drag the chariot over a precipice. "That the gateway to lower rates of fire insurance lies through a reduction of the national fire waste rather than by way of drastic legislation pertaining to the conduct of the fire underwriting business, is something to which

A first class life underwriter with a successful field record, and an untarnished reputation can secure good open territory by addressing

SECURITY MUTUAL LIFE INSURANCE COMPANY

Binghamton, N. Y.

Germania Fire

INSURANCE CO.,

NEW YORK.

ORGANIZED 1869.

Cash Capital.....\$1,000,000.00
Assets\$6,562,329.14
Net Surplus.....\$2,008,419.02
Surplus for Policyholders,\$3,008,419.02

HEAD OFFICE:

Cor. William and Cedar Streets.

SPECIAL OPPORTUNITIES offered now in Southern States to Representatives of

CITIZENS NATIONAL LIFE INSURANCE CO.

W. H. GREGORY,
President.

IT PAYS THE AGENT

To represent the best company. There are many excellent standard life insurance companies. Which is the best? In stability, progressiveness, liberal contracts to agents and low cost to policy-holders no company surpasses

The Union Central Life Insurance Co. of Cincinnati.

Assets, \$74,523,966.28
Liabilities, \$72,324,302.92

Good openings are occurring from time to time. Address

JESSE R. CLARK, President.
ALLAN WATERS, Sup't of Agents.

"WILL SIGN YOUR BOND"

The Bankers Surety Co.

of Cleveland, Ohio,

"EXECUTES SURETY BONDS OF EVERY DESCRIPTION"

DOLAN, EIBLER & MCGINTY,

General Eastern Agents,

56 Maiden Lane, - - - - - New York City

'Phone 1281—2 John

the public must be educated," is the pertinent comment on this design.

How Life Insurance Grows.

From Agency Bulletin No. 2 of the New England Mutual Life, the following illuminating showing is extracted: "In 1888 the relative saving of the great American public was \$2 in savings banks and \$1 in life insurance, the respective amounts in 1888 in each institution being as follows: Savings banks deposits, \$1,384,196,550; life insurance assets, mostly legal reserves (the savings bank fund of life insurance), \$668,196,883. The past twenty years have witnessed a marvelous growth in both these methods of saving, but life insurance has far outstripped the savings bank in its relative growth. This is well illustrated by the figures for the five years ending with 1908. During this quinquennial life insurance funds increased \$1,115,072,897, or 49.23 per cent.; savings bank funds increased \$725,349,100, or only 24.71 per cent. The people are now placing in life insurance reserves nearly \$2 to each \$1 in savings bank deposits."

New England Brevities.

Fred Merchant, mentioned in last week's issue as having been arrested on the charge of setting a fire in Chelsea, Mass., last May, was discharged in the Chelsea court. Judge Cutler, in ordering the discharge, stated that the Government had failed to show that Merchant had any connection with the fire, and that the defendant had proved a perfect alibi at the time.

F. M. Johnson, who has cared for the agency department of the Field and Cowles office in Boston, has been appointed a special agent for New England of the Royal, dating from next Monday. This appointment, as well as another in prospect, follows naturally upon recent changes in the

Field and Cowles office that have been noted in these columns.

A gentleman holding a responsible position in one of the leading New England life insurance companies said to the writer the other day: "I have a complaint to make about your paper." "And what may that be?" "You have so much valuable matter and food for thought in each issue, that I have difficulty in finding time to assimilate and digest it all." We gladly acknowledge the soft impeachment, and shall continue to endeavor to deserve it.

At a meeting of the policyholders of the Massachusetts Fire and Marine last Thursday eighteen new directors were added to the board, among them such prominent names as Edward Lanning, secretary of the Continental; Roland O. Lamb, president of the John Hancock Mutual Life, and Walter B. Henderson of John C. Paige & Co.

James Grover, for some years past identified with the New England field work of the Delaware Insurance Company, will early in August connect himself with the New York Underwriters in a similar capacity.

Relative to the recent, almost simultaneous announcement, that the Connecticut Fire had notified its Texas agent not to accept any more business under present conditions in that State, and that the Equitable Fire and Marine had been licensed to do business in the Lone Star region, a Boston fire underwriter made this terse comment: "Number One, experience had; Number Two, experience to get!"

Edward B. Ranshousen of Springfield has succeeded his father as general agent of the State Mutual of Worcester for Western Massachu-

setts. R. L. Sturdevant next week becomes general agent of the company for Connecticut territory radiating from New Haven.

Recent appointments by the Standard Fire of Hartford: R. W. Hosmer & Co., Chicago; Lewis Hartz, Cleveland; Walter C. Leach, Minneapolis; John Watson, St. Paul.

RAWN INSURANCE CLAIMS.

Chicago dispatches state that the accident insurance companies in which the late Ira G. Rawn, president of the Monon Railroad, carried policies, have completed an investigation into the cause of his death. It was announced by J. F. Damman, who will handle all the cases, that none of the companies would compromise the claims with the heirs.

"Either the full face of the policies will be paid or not a dollar," he said. The total amount of the accident insurance in the capital is \$131,500, including accumulations. The annual premiums paid by the late railroad president aggregated \$5,750, making him, it is said, the heaviest carrier of accident insurance in Chicago.

The Ladies of the Maccabees of the World is pushing a new "combined plan" proposition, by which the insured may obtain any combination of whole life, term, and disability protection. It has a reserve of \$4,339,000. In pursuance of its policy of education, the Ladies of the Maccabees of the World has held this year a series of schools for its field workers—one at the headquarters in Port Huron, Mich., one in Chicago, one in Denver, one in Salt Lake City, and several at different points on the Pacific Coast.

J. P. Steffner, formerly on the staff of THE CHRONICLE, has abandoned insurance journalism and purposes to re-enter the surety business.

"The Leading Fire Insurance Company of America."



WM. B. CLARK, President.
W. H. KING, Vice-President.
HENRY E. REES, Secretary.

Assistant Secretaries,

A. N. WILLIAMS, E. S. ALLEN,
E. J. SLOAN, GUY E. BEARDSLEY.

CHICAGO'S GREATEST COMPANY

ILLINOIS LIFE INSURANCE CO.

OLDEST IN CHICAGO **CHICAGO** LARGEST IN ILLINOIS
JAMES W. STEVENS, PRESIDENT

We Guarantee where others Promise

The year 1909 was the most successful in this company's already splendid record of successful years.

INSURANCE IN FORCE
FIFTY MILLION DOLLARS

Funeral of Dr. Leslie D. Ward.

THE funeral of Dr. Leslie D. Ward, vice-president of the Prudential Insurance Company, who died in London on July 13, was held in the South Park Presbyterian Church at Newark on Monday of this week.

The bronze casket, covered with a mantle of orchids, stood before the pulpit which was piled high with Easter lilies and magnificent floral tributes. In the body of the church were seated bankers, financiers and insurance chiefs of country-wide renown, ranks of veteran soldiers and hundreds of men and women who had come to pay the tribute of their affection and regret in the loss of the Prudential's vice-president.

After the organist played Chopin's funeral march the Rev. Dr. J. N. Blanchard, rector of the Episcopal Church at Madison, N. J., where Dr. Ward had a summer home, made a prayer, and the Masonic Temple Quartet of New York sang the hymn "Crossing the Bar." The Rev. Dr. Blanchard read from the Scriptures and the Rev. Dr. Lyman Whitney Allen, pastor of South Park Church, followed with a prayer.

Next in the services was the singing of the hymn "Come Unto Me When Shadows Darkly Gather," by the Masonic Temple Quartet, followed by prayer by the Rev. Dr. Blanchard, and the Rev. Dr. Allen gave the benediction. The services closed by the quartet singing the hymn, "Sleep Thy Last Sleep."

Besides the pews on either side of the main aisle of the church for Leslie P. Ward, the widow of Herbert Ward and her daughter, the three brothers of Dr. Ward and their families, other relatives and old friends, pews were occupied by delegations from the Thirty-seventh New Jersey Volunteer Veteran Association, of which Dr.

Ward was president, and Lincoln Post No. 1, Grand Army of the Republic, of which he was an old member.

The honorary pallbearers were seated in pews on the south side of the main aisle across from the members of the family and other mourners. Back of the honorary bearers were officers and directors of the Prudential Company, the Union National Bank, of which Dr. Ward was vice-president; the Fidelity Trust Company, the Public Service Corporation, former members of the Essex County Court House Commission, members of the Newark Board of Trade, representatives of the New York Equitable, Metropolitan and Mutual insurance companies, the Alliance Francaise, the Pompton River Club, the Essex Club, the Essex County Country Club, the Morristown Golf Club and other associations.

The honorary pall-bearers were John F. Dryden, Uzal H. McCarter, William Scheerer, Mahlon Pitney, Thomas N. McCarter, William S. Gummere, Franklin Murphy, George W. Perkins, J. Broadhead Woolsey and Oscar Willigerod.

Among those in the church, besides the officers and directors of the corporations, banks and associations and clubs named above, were United States Senator John Kean, Peter Egenolf and John W. Whelan, of Elizabeth; Vice-President Haley Fisk, of the Metropolitan Life Insurance Company, New York; Dr. John P. Munn, president of the United States Life Insurance Company, New York; Frederick Frelinghuysen, president of the Mutual Benefit Life Insurance Company, Newark; John B. Lunger, vice-president of the Travelers Insurance Company, of Hartford; former Judge George R. Gray, John F. Shanley, former United States Senator James Smith, Jr., Con-

The Columbian National Life INSURANCE COMPANY OF BOSTON, MASS.

LIFE, ACCIDENT AND HEALTH INSURANCE.

The Only Massachusetts
Non-Participating Company

The New Columbian Policies are
Unexcelled in Clearness and Liberality.

Good Contracts and Territory for
Good Producers.

ARTHUR E. CHILDS, President.

WESTERN ASSURANCE Co.

HEAD OFFICE,
TORONTO, - - CANADA.

Incorporated 1851.

Hon. GEORGE A. COX.....President
W. R. BROCK and JOHN
HOSKIN, K. C. LL. D., Vice-Presidents
W. B. MEIKLE.....General Manager

United States Statement, Jan. 1, 1910.
Assets\$2,377,303.37
Surplus in United States..... 839,268.07

Life Ins. Co. of Virginia Home Office, Richmond, Virginia.

J. G. WALKER, President.
T. W. PEMBERTON, 1st Vice-President.
W. L. T. ROGERSON, 2d Vice-President.
E. D. HARRIS, Secretary.

The OLDEST Southern Life Insurance
Company.
The LARGEST and STRONGEST South-
ern Life Insurance Company.
The PIONEER Southern Industrial Life
Insurance Company.
Its policies are clear and definite in
their provisions and their values are ab-
solutely guaranteed.

Assets Dec. 31, 1909..... \$5,372,691.99
Liabilities Dec. 31, 1909..... 4,312,405.32
Insurance in Force Dec. 31,
1909 68,337,613.00
Total Payments to Policy-
holders since Organization 9,820,412.40

The Connecticut Mutual

That means the best life insurance to have and the best to sell. If you can sell life insurance, you can sell more of it for the CONNECTICUT MUTUAL.

Men of Character and Ability are invited to apply.

Conn. Mutual Life Ins. Co.,
Hartford, Conn.

Please mention this paper.

THE FRANKFORT MARINE, ACCIDENT AND PLATE GLASS INSURANCE CO. OF FRANKFORT-ON-THE-MAIN - - - GERMANY ESTABLISHED 1865.

United States Department, - - 100 William Street, New York, N. Y.

TRUSTEES:
RICHARD DELAFIELD, Pres. of National Park Bank
ERNST THALMANN, of Ladenburg, Thalmann & Co.
STUYVESANT FISH, 52 Wall Street, New York City.
C. H. FRANKLIN, U. S. Mgr. and Attorney JNO. M. SMITH, Sec. U. S. Branch

INSURANCES TRANSACTED
LIABILITY—
Employers, General, Vessel Owners,
Public, Landlords, Contingent,
Teams, Elevator, Druggists & Physicians. Burglary
Workmen's Collective
Individual Accident & Health
Industrial Accident & Health

AGENTS WANTED FOR UNOCCUPIED TERRITORY

gressman R. Wayne Parker, Richard V. Lindabury, E. C. Hay, James P. Dusenberry, David E. Benedict, Fire Commissioner T. Edward Burke, General Peter F. Wanser, of Jersey City; P. Stanford Ross, William H. F. Fiedler, John N. Miller, Daniel Halsey, Alfred N. Dalrymple, Tax Commissioner Carroll and scores of women active in churches.

Others were Frederick W. Egner, Chauncey G. Parker, Peter B. Widener, Jr., and William Clarke, of Philadelphia; Wallace M. Scudder, Harvey Fiske, former Attorney General Robert H. McCarter, members of the medical department of the Prudential, of which Dr. Ward was the chief, John C. Eisele, Abraham Rothschild, N. King, Oliver W. Jackson, Frederick Murphy, Jr., George W. Reme, William B. Kinney and Francis Mackin.

The interment was in Mt. Pleasant Cemetery. The services were brief. Dr. Allen made a short prayer and Dr. Blanchard read the commitment service of the Episcopal church.

The executive committee of the Association of Life Insurance Presidents adopted the following memorial to Dr. Ward:

The Association of Life Insurance Presidents learns with deep sorrow of the death of Dr. Leslie D. Ward,

which occurred at London, England, on the 13th instant.

By his death this association has lost an active member and a faithful supporter of its work; the Prudential Insurance Company of America has lost an efficient officer whose efforts contributed much to its upbuilding; the business of life insurance generally has lost a distinguished leader and the State of New Jersey one of its foremost citizens.

The many organizations with which Dr. Ward was connected have lost much by his death, but his friends and associates have lost more. He was ever tolerant of the opinion of others, patient with their mistakes and shortcomings, modest in the expression of his own views and wishes, genial and pleasant under trying circumstances; in short, he was a gentleman in the truest sense of the word.

He was a man whose ability helped to make his country more famous than it would have been had he never lived and whose character helped to make his fellowmen happier than if they had never known him.

In common with his many other friends we sincerely mourn his loss, realizing that he occupied a place in our affections that cannot be filled by anyone else.

OBITUARY.

Col. C. G. Yates.

Colonel C. G. Yates, secretary of the People's National Fire Insurance Company of Philadelphia, died last Saturday morning as a consequence of an apoplectic stroke two days before. He had been connected with the Peoples National since last October, having resigned the vice-presidency of the Washington Fire Insurance Company of Seattle in order to join the Peoples National. Before he went with the Washington Fire he had been associated with Voss, Conrad & Co., of San Francisco.

Thomas E. Drake.

Thomas Edminston Drake, superintendent of insurance for the District of Columbia, died last Saturday night at the Providence Hospital in Washington, as a result of a nervous breakdown due to overwork. Mr. Drake was a native of Waldo, Ohio, where he was born in 1852. He was educated in the schools of that town and in the University of Ohio at Columbus. At the age of 19 he became State agent of Ohio for one of the largest old time life companies in the West. He was an author of several works on life, fire and accident insurance, and legislature. When the law creating the insurance department for the District went into effect at the beginning of 1902, Mr. Drake was appointed superintendent of insurance. All his proposed legislation was en-

acted into laws. For several years he was president of the National Association of Insurance Commissioners.

George T. Wilson, second vice-president of the Equitable Life Assurance Society, representing the Pilgrims of the United States, was received on Monday at Buckingham Palace, in London, where he presented to Queen Mother Alexandra an album containing an engrossed address of condolence on the death of King Edward.

201st YEAR.

SUN Insurance Office OF LONDON.

FOUNDED 1710.

UNITED STATES BRANCH:

54 PINE STREET, NEW YORK.

WESTERN DEPARTMENT:

171 LA SALLE ST., CHICAGO.

PACIFIC DEPARTMENT:

Sansone & Sacramento Sts.,
SAN FRANCISCO, CAL.

AGENTS WANTED
AT UNREPRESENTED POINTS

FEDERAL LIFE INSURANCE COMPANY CHICAGO

ISAAC MILLER HAMILTON, ; ; President

Admitted assets.....	\$2,447,499.17
Capital stock.....	177,300.00
Surplus apportioned and unapportioned	77,510.61
Excess security to policy holders	254,810.61
1909 insurance in force increased over.....	\$6,300,000.00
Surplus increased over....	100,000.00

HIGH-GRADE MANAGERS AND
AGENTS WANTED.

ATTRACTIVE POLICIES.

DESIRABLE CONTRACTS.

WILL ENTER NEW TERRITORY.

Address,

CHARLES M. TURNER,
General Manager,
Marquette Building, CHICAGO, ILL.

The Preferred
ACCIDENT INSURANCE COMPANY
of New York

SUPERIOR POLICIES

KIMBALL O. ATWOOD, President
290-292 Broadway, New York.

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS is unsurpassed for net low cost and care of interests of all members.

THE PENN MUTUAL LIFE INSURANCE COMPANY OF PHILADELPHIA

On January 1, 1909, rates were reduced and values increased to full 3% reserve.

Accident Insurance in Denmark.

WALLACE C. BOND, United States Consul General at Copenhagen, advises the State Department at Washington that compulsory insurance by Danish employers against accident or loss of life of workmen in certain employments is provided for by law, which he reviews.

The law requiring insurance of workmen has, since its passage, January 7, 1898, been in continuous operation, apparently to the mutual satisfaction of both employer and employee. Although the law does not deny the employer the right of taking the risk of the insurance himself, that is, virtually constituting himself an insurance company, as a general rule Danish employers prefer to insure their workmen in an insurance company licensed by the State to assume such risks.

In different classes of employment the premium varies considerably. For most employments, however, the premiums range between 12 and 30 crowns (\$3.22 and \$8.04) per workman per annum. In some cases it is as low as four to five crowns (\$1.07 to \$1.34), while in hazardous work it is as high as 60 to 80 crowns (\$16.08 to \$21.44).

While it would appear that the compulsory insurance of workmen constitutes a direct tax on the manufacturer, experience here shows that the consumer practically pays the insurance premium, it being included by the employer in estimating the cost of production. The advantages of the Danish law are:

(1) Absolute protection of the workingman; (2) avoidance of all litigation connected with injuries received from accidents; (3) the knowledge on the part of the employer that so long as the insurance is paid he need fear no losses from damage suits, etc.; (4) if a workingman is injured, those depending on him are protected from such want or privation as might be caused by the cessation of his wages. The settlements are made promptly and the sufferer and his dependents are caused as little inconvenience as possible.

Employments and Beneficiaries.

The law covers a great variety of employments, such as work in factories where machinery is used, shops where explosives are made or used, stone quarries, most building works, shipbuilding, railway, bridge and canal construction, erection and repairs of telegraph, telephone and electric wires and lightning rods, railway, street railway and omnibus service, etc. It also includes in its application

not only private firms employing workmen in the lines it specifies, but also State and city corporations acting as such employers.

The insurance, according to this law, applies to every person who, for wages or on contract, is employed in Denmark continually or temporarily in the technical-mechanical part of the business, or who has been engaged by the employer for a certain sum to supervise or manage this part of the business, if the compensation does not exceed 2,400 crowns (\$643) yearly.

If a workman engaged in any of the employments covered by the law suffers an accident which has temporarily or continually decreased his working capacity, he is insured against the sustained loss of his working capacity. If the accident causes death, and the workman leaves a widow, she is entitled to the insurance, if the marriage took place before the accident and they had not ceased to live together.

If the workman does not leave a widow who is entitled to the insurance, his children are entitled to it, if he was liable for their support or did support them at the time the accident took place. If the workman leaves neither wife nor children, it will be decided by a council whether the insurance shall be due to others who at the time of the accident were supported by the workman. The same rules apply to female employees who

leave children or others supported by them.

Survivors who at the time of the accident did not live in Denmark have not the right to claim compensation.

Conditions Involved.

In case of any accident the person in question is entitled to the following compensation:

(1) If the accident involves temporary incapacity to work, the eventual consequence of which can not yet be decided, the injured workman, from the end of the thirteenth week after the accident and until the treatment of his injury has been finished, or until his incapacity to work is declared to be of a permanent nature, or until

**LEADING FIRE COMPANY
OF THE WORLD**



**OLDEST
IN
AMERICA**

**STRONGEST
IN THE
WORLD**

THE MUTUAL LIFE Insurance Company of New York

**Mutual Life Agents Make Most Money
Because Mutual Life Policies Sell Most Freely**

For terms to producing agents, address

GEORGE T. DEXTER

2nd Vice-President

34 Nassau Street

New York, N. Y.

death, is entitled to a daily payment. This daily payment, if complete incapacity to work exists and as long as it continues, shall amount to three-fifths of the daily wages of the person injured, not, however, more than 2 crowns (\$0.536) and not less than 1 crown (\$0.268) a day.

If only a decrease of the working capacity is present from the beginning, or later, the payment shall only be a part of the daily payment which the person in question would have received or has received in case of complete incapacity to work. This part of the payment shall be proportionate to the decrease of the working capacity of the injured.

(2) If the consequence of the accident is inability to work, which is declared to be of permanent character (invalidity), the person injured is entitled to a sum of money, the amount of which shall be decided according to his or her annual wages. If the incapacity to work is absolute, the sum shall be equal to six times the yearly wages, not less, however, than 1,800 crowns (\$482.40) or more than 4,800 crowns (\$1,286.40). If the working capacity has only been decreased, the sum shall be proportionate to the importance of the decrease of the working capacity. Furthermore, the person injured shall be entitled to a daily payment for 13 weeks according to the rules.

(3) If death is the consequence of the accident, the survivors of the deceased are entitled to 50 crowns (\$13.40) for burial expenses, and a sum of money according to the following rules: If the deceased leaves a widow or any other single person who is entitled to the insurance, the amount due shall be four times the annual wages of the deceased; however, not less than 1,200 crowns (\$321.60) nor more than 3,200 crowns (\$857.60). If the deceased leaves more than one who is entitled to the insurance, the council decides how the amount shall be divided among these.

Agreements between the employees and the employers to the effect that the provisions of this law shall not apply, or to the effect that the employees shall pay an insurance premium according to this law or a part of same, have no validity whatever.

In order to provide for the employers a safe way of transferring to an insurance company the risk in connection with the insurance of their workmen, the minister of the interior is

authorized to recognize, on application, associations of employers, under reciprocal responsibility, or companies with limited liabilities, as insurance companies.

Special Council on Claims.

For the settlement of all questions arising under this law a council has been established, consisting of a chairman appointed by the king; two members likewise appointed by the king, of which one shall be a doctor; two employers appointed by the minister of the interior, and two workmen of those trades included in this law.

The council decides as soon as possible after notice of any case—

(1) Whether the case reported involves any claim under the accident insurance law.

(2) Whether such facts are present as will determine the nature of the compensation.

(3) The size of the compensation which is due to the survivors.

Right of Appeal.

The decisions of the council as to the questions under (1) may be appealed to the minister of the interior, while those under (2) and (3) cannot be appealed.

Amounts decreed by the council are to be paid to that body within 14 days and are at once paid to the person in question. In some instances the council may decide that an annuity be bought for the money, in which case the annuity is paid direct to the annuitant. Daily payments and burial expenses are always paid direct to the beneficiary.

According to the last annual report of the council, made to the minister of the interior and published, the number of cases of accident reported and dealt with by the council in 1908 amounted to 2,893, of which 425 were not considered, as they were found not to involve any claim according to the law; in 1,365 of them the person in question fully regained his working capacity; and 58 cases resulted in

death. In 17 of the latter the deceased did not leave any person who was found entitled to the insurance, and the funeral expenses only were paid. In the remaining 41 cases beneficiaries were found and 130,400 crowns (\$34,947) were paid in addition to the funeral expenses.

Frederic S. Withington, actuary of the Western States Life Insurance Company of San Francisco, announces that the company has received its license to do business in the State of California, and will begin to issue policies very shortly. He says that they are now in receipt of numerous applications. At the foot of the letterheads of the new company appears the legend, "Keep your money in the West."

Fester, Douglas & Folsom will represent the Nordische Insurance Company of Moscow, which is about to enter Connecticut.

"THE COMPANY WITH THE PYRAMID"

40 CONSECUTIVE YEARS OF PYRAMIDAL PROGRESS

ASSETS	SURPLUS
1,835,961.20	400,661.84
1,659,157.79	360,108.69
1,508,016.66	323,479.01
1,369,988.30	284,744.03
1,259,101.00	264,331.79
1,191,063.33	237,759.15
1,101,451.03	219,883.34
1,014,579.95	214,060.00
945,147.93	206,162.65
915,122.37	204,407.96
885,197.93	206,162.65
855,334.20	171,249.68
818,192.98	183,108.52
789,122.00	172,222.00
759,122.00	160,141.87
729,122.00	148,061.00
699,122.00	136,080.13
669,122.00	124,099.26
639,122.00	112,118.39
609,122.00	100,137.52
579,122.00	88,156.65
549,122.00	76,175.78
519,122.00	64,194.91
489,122.00	52,214.04
459,122.00	40,233.17
429,122.00	28,252.30
399,122.00	16,271.43
369,122.00	4,290.56
339,122.00	
309,122.00	
279,122.00	
249,122.00	
219,122.00	
189,122.00	
159,122.00	
129,122.00	
99,122.00	
69,122.00	
39,122.00	
9,122.00	

NEW HAMPSHIRE FIRE INSURANCE CO.

2,937,319.76	840,940.17
3,163,660.05	946,783.34

3,779,569.67	1,154,610.10
3,671,445.70	78
3,563,321.73	19
3,455,197.76	19
3,347,073.79	19
3,238,949.82	19
3,130,825.85	19
3,022,701.88	19
2,914,577.91	19
2,806,453.94	19
2,698,329.97	19
2,590,205.00	19
2,482,081.03	19
2,373,957.06	19
2,265,833.09	19
2,157,709.12	19
2,049,585.15	19
1,941,461.18	19
1,833,337.21	19
1,725,213.24	19
1,617,089.27	19
1,508,965.30	19
1,400,841.33	19
1,292,717.36	19
1,184,593.39	19
1,076,469.42	19
968,345.45	19
860,221.48	19
752,097.51	19
643,973.54	19
535,849.57	19
427,725.60	19
319,601.63	19
211,477.66	19
103,353.69	19
5,196,017.46	1,510,064.23

TOTAL LIABILITIES \$2,585,953.23
POLICY-HOLDERS' SURPLUS \$2,610,064.23

The Employers' Liability

Assurance Corporation, Ltd.

LIABILITY, STEAM BOILER,
ACCIDENT, HEALTH, FIDELITY
and BURGLARY INSURANCE.

UNITED STATES BRANCH.

SAMUEL APPLETON, United States
Manager,

Employers' Liability Building,
33 BROAD STREET, BOSTON, MASS.

EDMUND DWIGHT,

Resident Manager for New York State,
56 MAIDEN LANE, NEW YORK.

AGENTS WANTED.

Most agents take a vacation during a part of the Summer months. The agents of the Philadelphia Life, having the advantage of a direct contract with the Company, can generally be placed in territory where they may enjoy a vacation and at the same time have the advantage of writing business and making money.

Write Perry to-day for contract.

BUSINESS AND POLITICS.

At the thirty-fourth annual meeting of the Agents Association of the Northwestern Mutual Life Insurance Company at Milwaukee, which was attended by nearly three hundred agents from all parts of the country, President George C. Markham analyzed business conditions. He thought much of the feeling of uncertainty was due to unwise legislative activity. He said in part:

"When we realize that in this country as soon as the legislatures and Congress meet there is a feeling of depression and disquiet that pervades almost the entire business of the country, that is only lifted when the several legislatures and Congress adjourn, we cannot escape the conclusion that the business interests of the country would be in much better condition if our legislatures and Congress did not meet so often. And we cannot help but feel that this state of affairs is all wrong. In fact, there ought to be a feeling quite the contrary when our lawmakers assemble than one of distrust and anxiety.

"A certain class of our lawmakers who are essentially politicians, and have political ambitions, and there are very many of them, seem to be of the opinion that any legislation, no matter of what import, that they can urge against corporations, if such legislation will tend to advance their political interests, is legitimate and justifiable. These same men, largely for the same reason, are also anxious to levy taxes to a very burdensome amount upon all sorts of corporations, both private and public. In fact, it seems to me at times that our lawmakers have gone almost insane upon the subject of the imposition of taxes. * * *

"Nevertheless, I believe that this quite general disturbance to the business interests of our country is but temporary. The patriotism and great good sense of the American people residing within the borders of these United States, will in time right these transient wrongs, and the great industrial enterprises now only partially developed, will continue to grow and expand in all directions and capital and labor will be brought closer together and the obligations of each to the other will in time be brought into consistent, harmonious relations, and then, indeed, this country of ours will stand forth not only in name, but in reality as the foremost nation of the earth.

"I cannot refrain from expressing some regret that the loans upon our policies are increasing very rapidly and I further regret that the tendency

seems to be to borrow more freely upon our policies than ever before, and in connection with our loans on policies, I am creditably informed that a very considerable portion of the money borrowed by quite a large number of our policyholders, is used for the purpose of speculating in stocks and bonds. I think it would be for the best interests of the policyholders, the agents, and all concerned, to discourage as far as possible the free borrowing of money upon policies, and to advise and encourage those who have borrowed, to lift the indebtedness from their policies as soon as they possibly can. The disappointment to dependant beneficiaries will be very great in very many cases when it is known to them, after the bread-winner has gone, that the greater portion of the value of the insurance has already been exhausted."

New England Mutual Life

Insurance Company

BOSTON, : : : : MASS.**Chartered 1835**

Assets, January 1, 1910..\$51,316,543.00
Liabilities 47,050,672.15

Surplus \$4,265,870.85

Sixty-six years of honorable dealing with its policyholders has placed the **NEW ENGLAND MUTUAL LIFE INSURANCE COMPANY** in the front rank of Life Insurance Companies of the Country.

ALFRED D. FOSTER, President.
D. F. APPEL, Vice-President.
J. A. BARBEY, Secretary.
WM. F. DAVIS, Assistant Sec'y.
J. G. WILDMAN, Asst. Sec'y.

EDWARD W. ALLEN, Manager.
220 Broadway, New York.
LATHROP E. BALDWIN, Manager.
141 Broadway, New York.
CHARLES H. STRAUSS, Gen. Ag't.
200 Fifth Ave., New York.

BONDS OF SURETYSHIP.

The Guarantee Company of North America

HEAD OFFICE, MONTREAL

Edward Rawlings, President.

H. E. Rawlings, Asst. Mgr.

Richard B. Scott, Secretary & Treasurer.

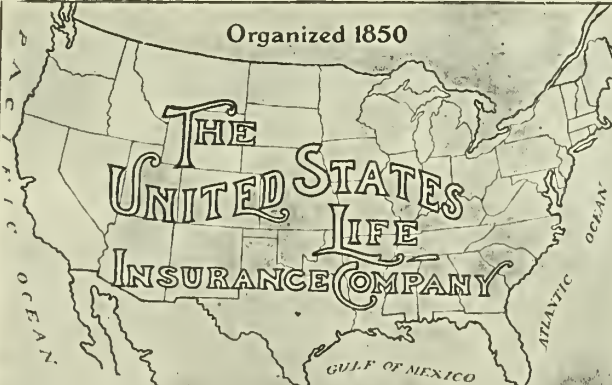
It is the Pioneer Company, was established in 1872, and is conducted under a conservative management of over 55 years experience.

It has recouped to employers over \$2,190,000 for losses sustained by the infidelity of employees and has a surplus of \$1,041,423.23 to credit of shareholders and total resources of \$1,919,892.38 for the security of insured.

Branch Offices:

NEW YORK: 111 Broadway,
D. J. Tompkins, Secretary.
BOSTON: 114 Milk Street,
W. A. Hamilton, Agent and Attorney.
CHICAGO: Room 400, The Temple,
J. R. Pruyn, Resident Sec. and Atty.
PHILADELPHIA: 500 Arcade Bldg.,
W. H. Jackson, Res. Secretary.
PITTSBURG: 1120 Farmers Bank Bldg.,
E. R. Munro, Resident Secretary.
LOUISVILLE: 316 Columbia Bldg.,
P. N. Clarke & Co., Agents.

Organized 1850



THE UNITED STATES LIFE INSURANCE COMPANY

ISSUES GUARANTEED CONTRACTS

JOHN P. MUNN, M.D.
(PRESIDENT)
FINANCE COMMITTEE
CLARENCE H. KELSEY
Pres. Title Guarantees and Trust Co.
WILLIAM H. PORTER
Pres. Chem. Nat. Bank
EDWARD TOWNSEND
Pres. Importers & Traders Nat. Bank

Good men, whether experienced in life insurance or not, may make direct contracts with this company, for a limited territory if desired, and secure for themselves, in addition to first year's commission, a renewal interest insuring an income for the future. Address the Company at its Home Office, No. 277 Broadway, N. Y.

ILLINOIS FRATERNAL INDICTMENT LIST.

The men, against whom the Rock Island Grand Jury found indictments in connection with the merger of the American Home Circle and the Fraternal Tribunes were as follows:

Dr. A. L. Craig, Chicago, former supreme physician Fraternal Tribunes.

C. F. Hatfield, Chicago, insurance agent, said to have been employed by American Home Circle to open negotiations with Fraternal Tribunes.

Max J. Frankel, Chicago, alleged holder of dummy note against American Home Circle.

H. A. Weld, Rock Island, former supreme attorney Fraternal Tribunes.

Robert Rexdale, Rock Island, former supreme secretary Fraternal Tribunes.

Thomas W. Wilson, Springfield, former president American Home Circle, now head of Royal Benefit Society, Washington, D. C.

Michael B. Garber, Springfield, former secretary American Home Circle, now secretary Royal Benefit Society, Washington, D. C.

C. H. Walters, Springfield, former medical examiner American Home Circle.

George W. Kenney, Springfield, former attorney for American Home Circle.

S. S. McIlvaine, Auburn, former treasurer American Home Circle.

Miss Margaret McIlvaine, Auburn, alleged holder of dummy note against American Home Circle.

Otho L. Caldwell, Auburn, alleged

holder of dummy note against American Home Circle.

K. M. Whitham, Aledo, former supreme tribune, Fraternal Tribunes.

Craig, Hatfield, Whitham, Weld and Rexdale are charged with embezzlement, conspiracy to defraud the Fraternal Tribunes and conspiracy to defraud the general public, making three indictments against each. Wilson, Garber, Walters and Kenney were indicted on similar charges, as well as on the charge of having stolen the records of the Fraternal Tribunes, value at \$10,000. Frankel, Miss McIlvaine and Caldwell are accused of perjury in connection with testimony given before the Grand Jury concerning the notes they had received from the American Home Circle through Wilson and Garber.

HERE AND THERE

Frederic H. Calkins has been elected a director of the Fidelity Mutual Life Insurance Company of Philadelphia. He has been with the company nine years as superintendent of claims and since 1903 as associate counsel. As director he succeeds the late A. P. Flint.

George B. Lyons, formerly with the Equitable Life Assurance Society of New York, has been appointed by President Hamilton as a special representative of the home office of the Federal Life Insurance Company with the title of inspector.

George Gilmour, who has been selected by the Employers Liability Commission of the State of New York as consulting engineer and special investigator sailed last Saturday on the Anchor liner Columbia to inquire into methods of prevention of industrial accidents in Great Britain, France, Belgium, the Netherlands, Switzerland, Germany and Sweden. His investigations will lead him to the big factories, the ship building yards, the textile factories in France, the Krupp works at Essen, Germany, and the various railroad systems. As American member of the Association for Industrial Insurance and Betterment Mr. Gilmour will attend the meeting of the general committees at The Hague September 5, 6 and 7, and will represent the American Museum of Safety at Berlin in October. The tour of investigation will take four months.

The New York Plate Glass Insurance Company has reinsured, as of August 1, the entire plate glass business of the Empire State Surety Company, which will discontinue writing that line.

FOUNDED 1792

118th ANNUAL STATEMENT

INSURANCE COMPANY OF NORTH AMERICA. OF PHILADELPHIA, PA.

ASSETS.

	January 1, 1910.
Real Estate	\$ 384,410.00
First Mortgages on Real Estate	373,803.43
Philadelphia, New York, Boston and other City and State Loans	1,134,390.00
Pennsylvania, Philadelphia and Erie, Lehigh Valley and other Companies' Bonds and Stocks	8,909,150.32
Cash in Bank and Bankers' hands	1,134,635.88
Notes Receivable and Unsettled Marine Premiums....	347,440.69
Net Cash Fire Premiums in course of Transmission....	1,069,510.62
Accrued Interest, and all other property	52,160.57

Total Assets

LIABILITIES.

Capital Stock	\$ 3,000,000.00
Reserve for Re-Insurance ..	6,813,862.47
Reserve for Losses	877,250.00
All other Liabilities	104,982.45
Surplus over all Liabilities..	2,589,406.64

\$13,385,501.56

Surplus to Policyholders....	\$5,589,406.64
Increase in Reinsurance Reserve	349,934.71
Increase in Net Surplus.....	838,500.92
Increase in Assets.....	1,371,438.93

Eugene L. Ellison.....	President
Benjamin Rush.....	Vice-President
T. Howard Wright.....	Secretary
Henry W. Farnum.....	Assistant Secretary
John O. Platt	Assistant Secretary

Agencies in all Prominent Cities & Towns.

T H E PROVIDENT LIFE AND TRUST COMPANY OF PHILADELPHIA

Insurance in Force, \$214,509,255.00
(Paid for Basis)

Assets \$70,514,350.45
(Market Value, Dec. 31, 1909)

Contingency Reserve . \$9,207,276.38
(Inclusive of Capital Stock, \$1,000,000.)

The Provident has been particularly distinguished for the development of a highly trained force of agents. The systematic instruction which its agents receive has resulted in their being recognized as representatives of exceptional knowledge of the business and of marked efficiency.

NATIONAL LIFE Insurance Company, MONTPELIER, VERMONT.

Established in 1850.
Operating in 37 States.

JOSEPH A. DE BOER, President.

FRED A. HOWLAND, Vice-President
JAMES B. ESTEE, 2nd Vice-President
OSMAN D. CLARK, Secretary
H. M. CUTLER, Treasurer
A. B. BISBEE, Medical Director
C. E. MOULTON, Actuary

This Company held January 1, 1910,
and gained during the past decade:

ASSETS . . .	\$47,490,998.98
GAIN, 167 PER CENT.	
LIABILITIES . .	\$41,661,130.12
GAIN, 162 PER CENT.	
SURPLUS . . .	\$5,829,868.86
GAIN, 211 PER CENT.	
INSURANCE .	\$161,423,115.00
GAIN, 79 PER CENT.	

**Absolute Security and
Economy of
Management**

In the Western Field.

CHICAGO, July 27.—George H. Holt of Chicago sent a letter last week to the Chicago fire insurance managers, whose protest recently caused the Association of Commerce to disown Mr. Holt's expression of views before the Illinois Fire Insurance Commission, in which Mr. Holt proposes to the managers that a hearing be held before the executive committee of the Association of Commerce on the points on which he and the managers have taken such opposite views.

Mr. Holt is very foxy. In his letter he appears to take it for granted that the managers will be glad of an opportunity to rout him if they can. The managers will pay no attention to his suggestion. They know well enough that Mr. Holt would have his brief in shape to appeal to the newspapers as sensational, just as he did when he appeared before the Illinois Fire Insurance Commission. The hottest things he would say would be played up under scare heads, while the answer of the managers, even though it answered him fully on every point, would probably get but little publicity. By entering into any argument with Mr. Holt the managers would simply give him another opportunity to appear in the role of a friend of the public, a David smiting the insurance Goliath in the interests of the down-trodden people. Such a hearing would also give considerable free advertising

to the Policyholders Union, of which Mr. Holt is president.

By refusing to argue the case the managers give Mr. Holt an opportunity to say, "You dassent," but as there is nothing very sensational in such a statement he is not likely to get much publicity for it.

* * *

A few weeks ago the Illinois Inspection Bureau extended the use of the coinsurance clause to a number of additional classes of risks, with reductions in rate for its use. By this time the agents in the State have come to a full appreciation of what the change means and some of them are expressing themselves forcibly. Because the new rule works a reduction some of the agents are pleased with it, but there are others who regard the action as unnecessary and ill advised. They figure that there was no occasion for the change and that it will unsettle things and make the agents much work in meeting the charges of assured that the companies have been holding them up in the past because the rule was not adopted before.

* * *

This week the meeting of Western managers and executive officers of fire insurance companies was held in Chicago to consider the reduction of expenses in large cities. As the time for the meeting drew nearer the be-

lief grew that nothing would come of it. Reports from day to day from New York caused those who hoped for the accomplishment of something in the East to lose faith in the ability of the Eastern executives and managers to meet the situation there satisfactorily. It has been thought by some of the Western men from the start that nothing could be done in the West unless the East acted first or the two sections took action simultaneously.

During the period previous to the meeting tremendous pressure was brought to bear by some of the large agencies in Chicago, as well as smaller ones. In addition, mutterings were heard from the other "excepted" cities, although their agents did not take the question up aggressively, as it was understood a try-out would be made on Chicago before other points were taken up. Very few, if any of the local men in Chicago, aside from the salaried managers of local offices, want any change made. When the volume of business done by Chicago agencies is considered, in connection with the fact that volume is very hard to get this year, it can readily be seen that managers and officers would feel the pressure severely.

* * *

Just at the present time no new companies are joining the Western Insurance Bureau. It is known that several are giving the question of

The Northwestern Mutual Life Insurance Co. of Milwaukee

GEO. C. MARKHAM, President
A. S. HATHAWAY, Secretary



New Business Paid-For

1905	.	.	.	.	.	\$ 90,334,038
1906	.	.	.	.	.	93,563,452
1907	.	.	.	.	.	102,233,634
1908	.	.	.	.	.	109,685,428
1909	.	.	.	.	.	113,716,188

Each year larger than any in the previous history of the Company:

Commenced Business 1858

INSURANCE MEN will note the significant increase in The Northwestern's new business during the past five years.

IMPORTANT FACTS relating to this business are shown by the following percentages:

	Expenses	Mortality	Interest
1905	12.15	67	4.73
1906	11.76	59	4.72
1907	11.81	58	4.76
1908	10.76	59	4.84
1909	10.63	54	4.85

It is capable of easy demonstration that The Northwestern is the best Company to insure in.

See The Northwestern's new (1910) policy contract with its Dividend Options, Paid-up and Endowment Options, Options of Settlement and the Premium Loan Features.

Issues Partnership and Corporation Insurance.
For further information or an Agency, address

H. F. NORRIS,
Superintendent of Agencies.

joining careful consideration, and it is expected that when the summer season has passed there will be several accessions to the membership. Some of the companies which would be very acceptable as members are waiting for things to shape up a little more. The president of one prominent non-affiliated made this assertion a few days ago. He intends to join the bureau, but there are others he also wants to see join which have not done so yet and he desires to see what they will do before committing himself. Officers of the bureau state that the question of separation never has been considered by the organization. There may be members who are in favor of such a program at some future time, but the bureau itself has taken no position on the question.

* * *

Companies are losing some money by forest fires in the West again this year. Meagre reports of the wiping out of the lumber town of Heinemann, Wis., last week showed that several companies had losses there of \$15,000 or \$20,000. In some parts of the West the season has been very dry, and bad forest fires have been reported from a number of points in the past few days.

Under such conditions some of the stock companies can get consolation for the loss of much of their Wisconsin lumber business to the mutuals and syndicates. They cannot congratulate themselves over the rates they got on what they did write, however, for the lumber rates are reported badly demoralized.

* * *

Preparations for the Northwest meeting in Chicago in October have been going steadily forward for some time. While President Deatrick has not given out the names of speakers yet, it is understood that he has secured acceptances from some very high class talent, and that the pro-

gram will be a diversified and profitable one. This is the year for a manager to be elected president, but so far there has been little, if any, talk as to candidates for the honor.

The Blue Goose, whose annual meeting and "doings" are held in connection with the Northwest meeting promises to have a big time. The Illinois pond already has commenced arrangements for a banquet complimentary to the grand officers. There is promise of degree and installation work far surpassing anything in the past. It is probable that the ritual of the order will be revised at the coming meeting the present ritual being much the same as the one originally improvised for an evening's sport at Green Lake.

* * *

Chicago plate glass managers and general agents last week held another "talkfest." They are going through somewhat the same process in getting together as the burglary insurance men did last year. Nearly everybody wants to retain all the advantages he now has and get as many more as he can. The older companies with strong connections in the fire offices naturally want to retain their sub-agents and favor higher commissions for fire agents than for brokers. Some of the younger companies which have no good sub-agency connections, would be well pleased to have the sub-agency system done away with or limited closely and would prefer to pay everybody the same commission, thus getting the brokers into the way of placing their business directly instead of through the fire offices to which they are attached. There are a few old agencies which have a fine business which are not very enthusiastic about having a compact at all. There are other companies with a large cut rate business on their books which would like to tie their competitors up while they endeavor to raise their rates.

HARTFORD LIFE

INSURANCE COMPANY, OF CONN.

1909 Policies are Participating, or Non-participating, with Lower Rates and Values based on FULL RESERVE.

For Right Contracts,
Address, Second Vice-President,
Home Office, HARTFORD, CONN.

THE Philadelphia Casualty Co.

WALTER LE MAR TALBOT, Pres't.

Our New Accident Policy Is Perfection.

It's the Policy Your Client Wants.
It's the Policy That's Easy to Sell.

Personal Accident, Health, Liability
Automobile, Plate Glass and
Credit Insurance.

Agency Correspondence Solicited.

MEN OF ENERGY ARE OFFERED WORK OF MOMENT

In desirable localities representing a sixty-year old institution, with modern, liberal, law-conforming policies, and helpful Home office co-operation. Much good territory available. Many opportunities for advantageous positions. Inquire NOW.

UNION MUTUAL LIFE INSURANCE COMPANY PORTLAND, MAINE

FRED E. RICHARDS, President.

Address either: **ALBERT E. AWDE,**
Supt., 396 Congress St.,
Portland, Maine.
THORNTON CHASE,
Supt., 405 Exch. Bldg.,
Los Angeles, Cal.

INSURANCE STOCK QUOTATIONS.

	Capital	Approx. Annual Div.	When Payable	Bid Price P.C.	Asked Price P.C.
City of New York.....	\$500,000	10			205
Commonwealth.....	500,000	10	J&J	326	350
Continental.....	2,000,000	40	"	925	950
Empire City.....	200,000	8	"	125	150
Fidelity-Phenix.....	2,500,040	V	V	275	280
German-Alliance.....	400,000	15	J&J	275	300
German American.....	1,500,000	30	"	560	570
Germania (\$50).....	1,000,000	18	"	285	295
Glens Falls (\$10).....	200,000	30	"	1,525	1,550
Globe and Rutgers.....	400,000	40	Q	470	500
Hanover (\$50).....	1,000,000	10	J&J	190	205
Home.....	3,000,000	30	"	680	695
Nassau (\$50).....	200,000	10	"	165	175
Niagara (\$50).....	1,000,000	20	"	300	305
North River (\$25).....	350,000	10	A&O	155	165
Pacific (\$25).....	200,000	6	J&J	135	145
Peter Cooper (\$20).....	150,000	6	"	90	105
Stuyvesant.....	400,000	10	"	155	160
United States (\$25).....	250,000	V	V	60	70
Westchester (\$10).....	400,000	35	F&A	455	460
Williamsburg City (\$50).....	250,000	20	J&J	380	400
V—No information, Q—Quarterly.					

RECTOR 2817

ESTABLISHED 1864

E. S. BAILEY

DEALER IN

INSURANCE STOCKS

A SPECIALTY

66 Broadway NEW YORK

NOW READY!

Survivorship Annuity Tables

Net Premiums, Mean and Terminal Reserves

**American Experience Table,
LIFE OF NOMINATOR**

**Danish Survivorship Annuitants' Table,
LIFE OF ANNUITANT**

And 3½ Per Cent. Interest

BY
MILES M. DAWSON,
Consulting Actuary

SEND ALL ORDERS TO

The Chronicle Co. (Ltd.)

No 90 William St.

NEW YORK

LIVERPOOL & LONDON & GLOBE

NEW YORK OFFICE, 45 WILLIAM STREET.

H. W. EATON, *Manager*
G. W. HOYT, *Deputy Manager*.
B. KREMER, JR., and T. A. WEED, *Agency Supts*

NEW ENGLAND STATES, NEW YORK, NEW JERSEY,
PENNSYLVANIA, MARYLAND, DELAWARE.
DISTRICT OF COLUMBIA, VIRGINIA.
WEST VIRGINIA, NORTH CAROLINA.
SOUTH CAROLINA. OHIO.
INDIANA, KENTUCKY,
TENNESSEE.

NEW ORLEANS OFFICE, COR. CARONDELET & COMMON STS.

CLARENCE F. LOW, *Manager*
J. G. PEPPER, *Asst. Mgr.*
THOS. H. ANDERSON, *Deputy Asst. Mgr.*

LOUISIANA,
MISSISSIPPI,
ALABAMA,
OKLAHOMA,
FLORIDA,
ARIZONA,
IDAHO.

SAN FRANCISCO OFFICE, 444 CALIFORNIA ST.

CHARLES D. HAVEN, *Manager*.
C. MASON KINNE, *Asst. Manager*.
JOHN W. GUNN, *Deputy Asst. Mgr*

CALIFORNIA, NEVADA,
ALASKA,
OREGON,
WASHINGTON,
ARIZONA,
IDAHO.

ILLINOIS,
MICHIGAN, IOWA.
WISCONSIN, MINNESOTA,
MISSOURI, KANSAS, NEBRASKA,
COLORADO, N. DAKOTA, S. DAKOTA.
MONTANA. UTAH. WYOMING.
NEW MEXICO.

CHICAGO OFFICE, 205 LA SALLE STREET.

W. S. WARREN, *Manager*.
GEO. H. MOORE, *Assistant Manager*.
HUGH R. LOUDON, *Deputy Asst. Mgr.*

INSURANCE COMPANY

ESTABLISHED 1836. ENTERED U. S. 1848.

The statement of the condition of the United States Branch on the 1st day of January, 1910, in accordance with the Laws of the State of New York, is as follows:

ASSETS	\$13,885,802.88
LIABILITIES	8,766,622.58
SURPLUS	\$5,119,180.30

As an illustration of the Company's practice in maintaining its assets in the United States in years of excessive loss, the following figures may interest policyholders:

Year.	Assets at January 1.	Income.	Expenditure.	Excess of Expenditure.
1871	\$3,054,361	\$3,163,901	\$5,122,653	\$1,958,752
1872	3,640,450	3,733,101	4,484,999	751,898
1873	4,165,290			

Thus showing excess of expenditure in the two years of..... \$2,710,650
And increase of assets in the same time of..... 1,110,929

Progress of the United States Branch: Net Fire Premiums: 1848, \$4,519; 1858, \$471,998; 1868, \$1,739,620; 1878, \$2,422,126; 1888, \$3,928,010; 1898, \$4,979,422; 1908, \$7,427,617.63.

LOSSES.—The amount paid in the satisfaction of fire losses in the United States to the beginning of the present year was over \$119,461,623.72. This large sum, in conjunction with the growth of the Company's business, convinces the confidence of the public and the faithfulness with which the Company's losses are adjusted and settled.

The Chronicle

1866

Published by THE CHRONICLE COMPANY, Ltd., 90 William St., New York City.

1910

VOLUME LXXXVI.

New York, August 4, 1910.

NUMBER 5

EMPLOYERS LIABILITY INSURANCE ABROAD.

By MILES M. DAWSON.

A series of articles from Foreign Countries will be contributed to THE CHRONICLE during the following weeks by Mr. Dawson, who is in Europe on a Government mission.



NEW AUTOMOBILE FIRE PATROL

COMPARATIVE RESERVE TABLES

BY

MILES M. DAWSON

Consulting Actuary.

Containing Mean and Terminal Reserves for the
usual forms of policies and by the
following standards:

American Experience, Select and Ultimate $3\frac{1}{2}$ per cent.
American Experience, Select and Ultimate 3 per cent.
American Experience, Modified Preliminary Term $3\frac{1}{2}$ per cent.
American Experience, Modified Preliminary Term 3 per cent.
American Experience, Select and Ultimate 4 per cent.
Actuaries', Modified Preliminary Term 4 per cent.
American Experience, Committee of Fifteen, $3\frac{1}{2}$ per cent.
American Experience, Illinois and Tennessee, $3\frac{1}{2}$ per cent.
American Experience, Michigan, $3\frac{1}{2}$ per cent.
American Experience, Wisconsin, $3\frac{1}{2}$ per cent.
American Experience, New Jersey, $3\frac{1}{2}$ per cent.
H^M, Canadian Life Officers' Association, $3\frac{1}{2}$ per cent.
O^[M], Select and Ultimate, $3\frac{1}{2}$ per cent.

THIS covers all the standards, other than the net level
premiums, in use in this country. Tables showing
the first year margins set free by each method of valu-
ation are given.

Send all orders to the Publishers,

The Chronicle Co., Ltd.

No. 90 William St.

NEW YORK

The Chronicle

VOLUME LXXXVI

NEW YORK, THURSDAY AUGUST 4, 1910.

NUMBER 5

PUBLISHED EVERY THURSDAY BY
THE CHRONICLE COMPANY, Limited.
No. 90 WILLIAM ST., NEW YORK.
Phone "567 John." Cable Address, "Chronogram," New York.

Subscription Price:
Three Dollars a Year. Single Copies, Twenty-five Cents.
Postage Prepaid in the United States and Canada.

MILES M. DAWSON, President.
R. B. Dawson, Treas. A. C. Hardwick, V.-P. A. L. Dern, Sec'y.
Emil Schwab, Manager New England Department,
200 Devonshire Street, Boston, Mass.

All communications should be addressed to and remittances
should be made to The Chronicle Company, Limited.
Entered at the Post Office, New York, N. Y., as Second Class
Mail Matter.

Liability Underwriters Go Slow.

AFTER a session of two days last week, the liability underwriters found it necessary to get additional statistics in Hartford, and a sub-committee, consisting of the Travelers Insurance Company and the Aetna Life Insurance Company, was appointed to meet in Hartford to-day and prepare data showing what effect the revised employers' liability laws would have on teams risks lo-

cated in this State. This sub-committee will immediately report to the various companies doing business in this State.

Underwriters are of the opinion that within ten days they will have before them all the necessary data and deductions of the general committee which will permit them to formulate proper rates for carrying the increased liability imposed by the new laws passed

by the last legislature of this State, imposing additional burdens on employers of labor for damages arising from accidents happening to employees, and also for the protection which employers will need after September 1, in consequence of the law adopted by the same legislature imposing com-

(Continued on Page 8.)

NEW YORK LEGISLATIVE COMMITTEE PUTS OFF ITS PUBLIC HEARINGS UNTIL AUGUST 30.

It Also Decides that Charges Against Candidates for Nomination or Election for
Elective State Offices Must be Filed Before September First.



ALFRÉD HURRELL, counsel of the State Insurance Department, was selected as assistant counsel of the committee of investigation appointed by the Legislature in its last session to inquire into alleged corrupt practices in that body and such charges of similar character as may be filed with the committee. The appointment of Mr. Hurrell was made at an executive meeting of the committee at the Murray Hill Hotel on Tuesday afternoon.

The committee also put off its first public hearing for the taking of evidence at City Hall until August 30. As long as the committee has practically thrown into September and October its active public work, it will have to be doubly careful that it is not made the subservient source of partisan campaign literature. There is no question that the public generally

would regard with far less prejudice testimony taken in August or November than in September and October. The committee, doubtless, has good reasons for undertaking this handicap. After the adjournment of the committee the following statement was issued to the public:

"The committee invites the co-operation of all citizens in assisting in the progress of its work, and to that end will welcome any charges relative to corrupt practices of public officials and information concerning any abuses which may be known to exist in industrial life insurance and fire, casualty, marine and other forms of insurance than ordinary life. All persons desiring to lodge charges, complaints and information as to corrupt practices or the other matters referred to may do so with the counsel to the committee, the Hon. M. Linn Bruce, 55 Liberty street, New

York, or with the chairman of the committee, the Hon. E. A. Merritt, Jr., at the Murray Hill Hotel, New York, or at Potsdam, St. Lawrence county, N. Y. Any member of the committee will also receive and report any matter filed with him.

"Attention is called to the fact that the only limitation to the filing of charges is that a charge of official misconduct against a candidate for nomination or election to an elective State office must be received before September 1, 1910. This does not, however, limit the committee in any way from proceeding to the fullest extent in the investigation of any such charges after that date; and charges against persons other than candidates for elective offices will be received at any time during the existence of the committee."

With the public hearings beginning on August 30 and with the demand

of the committee that charges of official misconduct against a candidate for nomination or election to an elective State office must be received before September 1, if they are to be inquired into, the committee might find itself so restricted as not to be able to investigate any public officials of consequence and power at a time when it might affect the political fortunes of such officials.

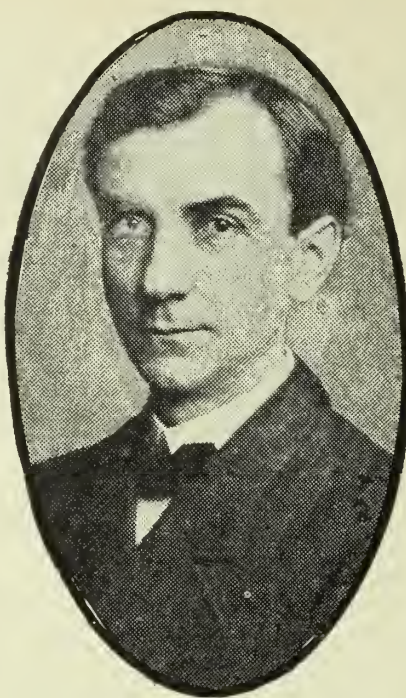
The committee was in session for nearly three hours on Tuesday, and in the lobby of the hotel were a large number of politicians who seemed anxious to learn its plans. Most of them were local men. Now that the date of the first public meeting of the committee has been decided upon, Mr. Bruce will begin to subpoena witnesses. One of the first will be James W. Cunningham, of the former brokerage firm of Ellingwood & Cunningham. In the fire insurance investigation last spring an effort was made to get at the books of this firm, but they had been removed to New Jersey. Mr. Cunningham met the committee at the hotel and said he would produce the books when they were asked for.

A clerk from the office of the Title Guarantee and Trust Company appeared on Tuesday with a large bundle containing books and documentary evidence which he brought in response to a subpoena duces tecum issued by the committee.

Mr. Bruce said the books contained stock lists of the New York Electric Vehicle and Transportation Company and the New York Transportation Company. The latter was a holding concern for the Fifth avenue stage line properties. In the Allds investigation it was shown that the firm of Ellingwood & Cunningham had sold large blocks of stocks for a number of legislators in April, 1900, on a rising market, when a bill was pending before the Legislature giving an omnibus franchise to the stage company, calculated to boost the value of its stock immensely. The bill was passed by the Assembly in the days when the Speaker was S. Fred Nixon.

The committee hopes to obtain the services as its actuary of Professor Albert W. Whitney, who for the past eleven years has occupied the chair of mathematics in the University of California.

Professor Whitney is a graduate of Beloit College of the class of 1891 and has made a practical study of the business of insurance. He is considered one of the country's experts on fire insurance, particularly as regards the theories which underlie scientific rating. Immediately after the San



ALFRED HURRELL.

Francisco earthquake he was selected by the San Francisco Chamber of Commerce to investigate and report on the loss settlements made by fire insurance companies.

L. H. Conant, of the firm of L. H. Conant & Co., certified public accountants, of 30 Broad street, will act as accountant for the committee. Joseph J. Early, a Brooklyn newspaper man, has been made assistant secretary.

Mr. Hurrell, the assistant to M. Linn Bruce, has received a six months' leave of absence from Superintendent Hotchkiss, in order that he may serve the committee. He is a member of the law firm of Horton & Hurrell, of Buffalo, and is one of the faculty of the law department of the University of Buffalo. He has been an Assistant District Attorney of Erie. He will have entire charge of that part of the investigation relating to the insurance companies.

Chairman Merritt announced yesterday that Isidor J. Kresel had been retained as an assistant counsel to M. Linn Bruce by the committee. Mr. Kresel, who is associated with former District Attorney Jerome in the practice of law, was for eight years an assistant district attorney under Mr. Jerome.

It is said that the committee will meet again in two weeks for a further executive session, preparatory to the work of the public hearings.

The "Evening Post" View.

The "Evening Post" of this city usually has its own point of view. Editorially it said yesterday:

"One point seems to be settled by

the Legislative Investigating Committee. Its proceedings are not to be allowed to affect the course of the fall campaign one way or the other. Public hearings will not begin until August 30, and after September 1 no charges will be received against any man who is a candidate for re-election this year. This will not, of course, prevent disclosures that may result incidentally from the inquiries of the committee. Yet any criticism that the committee was being used for partisan purposes will be obviated. Although it gets under way slowly, it begins well. Its selection as assistant counsel of Alfred Hurrell, of the State Department of Insurance, who was the right-hand man of Mr. Hotchkiss in his recent fire insurance inquiry, will be welcomed as indicating an intention to go to the root of the insurance evils. Similarly will be received the appointment as actuary of Prof. Albert W. Whitney, of the University of California, a high authority on insurance. Whatever may or may not be discovered in the way of legislative or official corruption we may hope for a thoroughgoing reform in our fire insurance laws."

RAWN INSURANCE CLAIM.

The Coroner's jury in the case of Ira Griffith Rawn, president of the Monon Railway, found the following verdict:

"We, the jurors, sworn on oath to inquire into the death of Ira Griffith Rawn at his home at Winnetka, on July 20, find that he came to his death at 1.20 o'clock on the morning of July 20 from shock and hemorrhage caused by a bullet from his own revolver, fired by his own hand, but whether this was accidental or with suicidal intent this jury is unable to determine, except that the location of the wound and the type of revolver render the accident theory less probable."

The verdict was a compromise. Two of the six jurors held out for a long time for a verdict of suicide, and two of the others held strictly to the accident theory.

The extent of the interest of the casualty companies is indicated by the following schedule of policies:

Continental Casualty, \$5,000; February 17, 1907.

General Accident, \$5,000; March 16, 1909.

General Accident, \$5,000; April 21, 1906.

Travelers, \$10,000; September 28, 1908.

Maryland Casualty, \$10,000; April 1, 1910.

Casualty Company of America, \$25,-

000; May 22, 1909.

Maryland Casualty Company, \$10,000; May 22, 1909.

Employers Liability, \$10,000; May 2, 1909.

London Guarantee, \$5,000; May 22, 1909.

London Guarantee, \$5,000; December 3, 1909.

London Guarantee, \$5,000; February 21, 1909.

Pacific Mutual, \$10,000; February 6, 1910.

Standard Accident, \$5,000; December 2, 1909.

The face value of these policies totals \$110,000, but with accumulations the value amounts to \$135,000. A

policy for \$100,000 in the Fidelity and Casualty Company is said to have lapsed last year.

The first reports of the death of Mr. Rawn were that he had been killed by a burglar. The police, in a search on this theory, arrested a negro, who succeeded later in establishing an alibi.

New York's Conflagration Hazard.

ALLAN ROBINSON, president of the Allied Real Estate Interests, expressed, in an interview in "Municipal Facts," fear that New York City was in danger of a \$250,000,000 conflagration. In this interview he declared that such a fire would probably cause the ruin of all but a few of the fire insurance companies doing business in New York, and would bring a world-wide panic. Mr. Robinson asserted that the insurance men were in constant dread of a blaze of this size, and he further expressed the belief that a conflagration was "not such a remote possibility as some may have believed."

Elijah R. Kennedy, of Weed & Kennedy, takes exception to this view

of New York City and its possibilities in regard to fire.

"I don't see," said he, "how any rational being can contemplate the probability of such a conflagration here. New York City is better protected from fire to-day than any other city in the country or the business section of London or the old section of Paris. The fact that many business men have to seek insurance from outside companies merely means that there is a limit to the risks on merchandise which New York companies and those regularly authorized to do business here are willing to assume. It is not an indication of great fear, but of vast commerce.

"You know that in certain parts of the city there are blocks and blocks

where merchandise of great value is as congested as the population of the East Side tenements. The authorized companies are willing to risk only a certain amount on a given premises. So the merchant has to resort to foreign companies to make up the amount of insurance he needs. These outside companies are for the most part just as strong and reliable as the others.

"It is not true, either, that most of the insurance companies of New York would be forced to the wall by a \$250,000,000 blaze. They would have to sell their assets, to be sure, but just as in all the great fires so far the stockholders would put in more money, and most of the companies would go on as before."

Companies and Agents.

THERE is really little reason why such a thing as irony does not find room in a column of insurance publication on the subject upon which advertising underwriters differ strongly, except that usually such a phenomenon is often conspicuous by its absence. Caustic comment likewise is ordinarily reserved for the subjects upon which companies, agents, and brokers are in agreement, although at times brokers do not get quite the consideration of the other two classes. The "American Agency Bulletin" is widely known as the official organ of the National Association of Local Fire Insurance Agents. Subsequent to the formation of the Fire Underwriters' Union this publication, assuming that the interests of the agents and those of the companies are now always coincident, has undertaken to put forth the position of the agents, as it sees it, as follows:

"The companies have labored and brought forth a commission agreement. As revealed to the critical eye

it shows that the companies have amply provided for themselves, and will secure, if the agreement is adopted, the maximum of benefit. While the proposal of the reorganized or enlarged Eastern Union contains many features worthy of commendation, and which, if carried out, will benefit the business, yet there is a noticeable absence of anything which will immediately benefit the insured or the agents.

"From time to time the companies have taken advantage of current conditions to secure, or attempt to secure, a reduction in agents' commissions. In this case the plea put forward is the public agitation of the expense question, but the agreement proposed contains no arrangement for a general reduction in rates to the insured. It is therefore difficult to see what relation the matter has to public interest, other than affording the companies an opportunity to increase profits at the agents' expense.

"It is claimed that this agreement is a good thing for local agents, in-

asmuch as it proposes a limitation and control of brokerage to be paid. Admitting that there is some benefit in this feature, when all is said, the fact remains that the companies propose to reduce the commissions of a very large number of their agents, and to deprive the balance of any hope of increased income through a contingent or graded commission.

"In return, they offer nothing. Dual and multiple agents, side liners, part time men, soliciting and non-recording agents remain to swell the income of the companies and reduce that of the local agents. The public demand is not for poorer-paid and less efficient agents, but for fewer hangers-on and better local representatives.

"The expense question undoubtedly needs correcting. There is graft and waste in official salaries and home office charges, State taxes and commissions, which should be eliminated; but the reform thus far proposed is entirely at the expense of the real underwriting agent, and—with the possible exception of brokerage—does

not touch the graft and waste features at any point.

"The companies have had their opportunity and have shown it to be their purpose to use the occasion for their utmost benefit. This is their privilege. Now the agents will be heard, and we trust their voice will be sufficiently strong to secure essential changes, and in particular, to induce the companies to take their share of the 'medicine' and cut out the barnacles."

ENERGY AND BRAINS



are the necessary capital for Life Insurance selling. You can get high returns on this capital by selling the policies of The Prudential.

Write us about an agency.

THE PRUDENTIAL
Insurance Company of America.

Incorporated as a Stock Company by the State of New Jersey.

JOHN F. DRYDEN, Home Office,
President. NEWARK, N. J.

LEADING FIRE COMPANY OF THE WORLD



[of Liverpool, England.]

The only Company in the World that



**"Insures Lives
and Guards
Them Against
Disease."**

E. E. RITTENHOUSE,
President

AGENTS WANTED

PROVIDENT SAVINGS LIFE
ASSURANCE SOCIETY,
35 Nassau Street, - New York

HERE AND THERE.

In accordance with a decision of a Montreal court last winter to the effect that insurance companies were, in the Dominion of Canada, exclusively under provincial rather than Dominion jurisdiction, a stated case will be submitted by the Dominion government to the high court of the Dominion. When the new insurance act was before Parliament at Ottawa at its last session the point was raised that, according to the Montreal decision just referred to, the whole act might be ultra vires, and that the provincial government alone might have the right under the British North America Act to issue licenses and force penalties. For more than forty years the jurisdiction of the Dominion Parliament over insurance companies doing a general business throughout Canada, has not been questioned.

The requisition on the stockholders of the old Greenwich Insurance Company of New York to pay in 68.67 per cent. of the par value of each share to make up the impairment, will expire on the twenty-first of this month. Arrangements are being made for outside payment in return for stock in the case of all assessments not paid by the old stockholders, and it is expected that the old Greenwich will be writing again in September.

Le Gage Pratt has severed his connections with the Puritan Life Insurance Company of Providence, R. I., because of his election as manager of a new life insurance company, now in process of organization in Cuba, under the title of Compania Nacional de Seguros de Cuba, with headquarters at Havana, and a half million dollars' capital and an equal surplus.

George F. Coar has been elected assistant secretary of the Pennsylvania Casualty Company, with which he has been associated for the last ten years.

The British Board of Trade has issued a report, containing the filed statements required by the British Government from insurance companies for the year 1908, under the employers' liability companies' act of 1907. There has been no substantial advancement in rates since 1908, and competitors' conditions have remained about as keen. Consequently the figures relating to profits and losses about represent present conditions. Thirty-five tariff companies show premiums received, amounting to slightly more than £2,000,000, on which the

margin of profit realized amounted to about £41,000, or 2.02 per cent. of the premiums. Thirty non-tariff companies took in premiums amounting to £570,000, and suffered a loss in their trading account of £8,000, or 0.31 per cent. of their premium income.

General Manager James Allan Cook of the Scottish Union and National Insurance Company will arrive at Quebec this week. He will be met there by Manager James H. Brewster and will tour Canada.

SPECIAL OPPORTUNITIES offered now in Southern States to Representatives of

**CITIZENS
NATIONAL LIFE
INSURANCE
CO.**

W. H. GREGORY,
President.

"The Leading Fire Insurance Company of America."



WM. B. CLARK, President.
W. H. KING, Vice-President.
HENRY E. REES, Secretary.

Assistant Secretaries,
A. N. WILLIAMS, E. S. ALLEN,
E. J. SLOAN, GUY E. BEARDSLEY.

Life Ins. Co. of Virginia
Home Office, Richmond, Virginia.

J. G. WALKER, President.
T. W. PEMBERTON, 1st Vice-President.
W. L. T. ROGERSON, 2d Vice-President.
E. D. HARRIS, Secretary.

The OLDEST Southern Life Insurance Company.
The LARGEST and STRONGEST Southern Life Insurance Company.
The PIONEER Southern Industrial Life Insurance Company.

Its policies are clear and definite in their provisions and their values are absolutely guaranteed.

Assets Dec. 31, 1909.....	\$5,372,691.99
Liabilities Dec. 31, 1909.....	4,312,405.32
Insurance in Force Dec. 31, 1909.....	68,337,613.00
Total Payments to Policyholders since Organization	9,820,412.40

In New England.

A NNOUNCEMENT was made last Saturday that Charles W. Fletcher, deputy insurance commissioner of Massachusetts, had resigned that position as of September 1 next, in order to accept the important post of controller and assistant treasurer of the Massachusetts Bonding of Boston, to which he was elected about two weeks ago. Mr. Fletcher was identified with the Maine Insurance Department at the time of its organization in 1889, and became deputy commissioner in 1895. In March, 1905, the late Mr. Cutting appointed him examiner for the Massachusetts department, and in December, 1907, he was promoted to the position of deputy commissioner. The Massachusetts Bonding is fortunate in securing the services of such a man as Mr. Fletcher, who unites with a power of keen analysis the faculty of clear and convincing statement, and is personally amiable withal.

As to "Freezing Out" by Fraternals.

Time was when the average daily paper was loud in its praises of "fraternal" insurance and grudging, if not denunciatory in its allusions to the level premium companies. How times have changed is evident from the subjoined extract from the Salem, Mass., "News," which, while coming naturally to the false conclusions of the inept (which will be readily recognized by our readers), still shows a lively appreciation of the perilous condition in which these unscientific fraternal co-operatives find themselves. We have permitted ourselves to bold type a few words that betoken the awakening of discernment:

"The 'New Bedford Standard' speaks of the 'freezing out' process in fraternal insurance organizations. There has been altogether too much of it, and it spells ruin for some of them. The Arcanum was a shining example of the 'freezing out' process

five years ago, and the Workmen another. There have been others. The reason is that, after members have been in these organizations for thirty or forty years and got along where they are too old to secure insurance in a regular insurance company, the younger members combine and load them down with assessments, intending to drive them out and take advantage of all the money these older members have paid in for years. If an organization finds that its assessments are too low, **and most of them start that way**, then rates should be raised. But when the increase is made it should be just to the older members as well as the younger ones. But the younger members do not allow this; they place the entire burden on the older ones. No consideration is given to all the years the older ones have been paying in their money. They do not assess these older members what they ought to have paid at the age they were when they joined, but they assess them at the rate they would pay if they were joining today, which, of course, is unfair. No one of them would join an organization and pay the rate, but they are there and too old to get insured anywhere else. All their savings may be in the assessments they have paid this organization, and they are forced to remain and submit to the injustice, hard as it is. That is why the younger element pushes up their assessments, knowing full well that it is pay or get out."

New England Brevities.

The Phoenix of London has appointed Herbert J. Hill special agent for Connecticut and Rhode Island, beginning with September next. Mr. Hill has been New England special for the Milwaukee Mechanics for the past eight years.

Charles G. Smith has been elected actuary of the Savings Bank Insurance

League of Massachusetts, succeeding Harwood E. Ryan, now identified with the New York insurance department. Mr. Smith has been engaged in life insurance business for several years, and, prior to his latest appointment, was actuary of the Puritan Life of Providence.

An industrial insurance, old age and service pension system has been established by the Cheney Brothers, silk manufacturers of South Manchester, Conn.

Apparently Jeremiah J. McCarthy has ceased to be an issue in the matter of the fire commissionership of Boston. The department appears to be scraping along in its ordinary way, with Attorney Carroll in nominal and that splendid fire general, Chief Mullen, in actual charge.

The Maryland Casualty Company has made the following appointments, completing the organization of its fidelity and surety department: Contract Section—D. H. Hatburn, Jr., superintendent; Howard H. Nusz, chief clerk, and F. Highland Burns, adviser. Fidelity Section—H. E. McClellan, superintendent; H. D. Ward, chief clerk; J. H. Stone, adviser. Judicial Section—R. M. Ross, superintendent; Frank E. Shorey, chief clerk, and Charles W. Maydwell, adviser. The company has a license now to write fidelity and surety bonds in forty States.

At an annual meeting of the policyholders of the Franklin Life Insurance Company of Springfield, Ill., a consolidation of that company with the La Salle Life of Chicago was affected, the consolidated company to be known as the Franklin Life, and to take over all the assets and liabilities of the La Salle Life. It is understood that the La Salle Life was formed with the ultimate intention of bringing about this merger, and in this way putting the Franklin Life on a stock basis.

Does This Catch Your Eye?

It will catch the eye of the
man you want to meet ❁

WRITE US TO-DAY FOR RATES.



THE CHRONICLE CO., Ltd.,
90 Williams Street, New York

The Texas Situation.

IN discussing Governor Campbell's message, the Dallas "Morning News" says: "'Defective,' 'inadequate' and 'insufficient' are the adjectives chosen by Governor Campbell to express his disapproval of the fire insurance law, which now he wants repealed. The tautological quality of the governor's denunciation would suggest a high degree of contrition for his part in its enactment. But on reading further one gets the notion that the very signal failure of this statute has been due solely to the greed and perversity of the wicked insurance companies. The candid confession of one paragraph is pretty much retracted in the next. In one breath we are asked to believe that it is all the fault of the law, and in the next that it is all the fault of the insurance companies. The possibility that some blame attaches to the board that has had the execution of the law is nowhere adverted to.

"That Governor Campbell has yielded to the temptation to be both illogical and disingenuous is probably the result of his desire to generate within the legislature such a degree of indignation against the insurance companies as will incite it to do those very dire things that he recommends. Let one insurance company intimate that it may conclude to withdraw from the State, and Governor Campbell would have the intimation construed as a threat intended to dominate legislation, for which he suggests as a punishment that it be forever thereafter barred from doing business in the State. Yet even that far reach does not mark the bounds of his indignation; he would have an insurance company which does withdraw exiled forever! It occurs to us that if the State may do either of these things it may take the one fur-

ther short step and enact that all insurance companies now doing business in the State must continue perpetually to do so at whatever rates the State may prescribe. The idea that a company which prefers not to continue in business in Texas thereby affronts the dignity of the State in so flagrant a way as to deserve perpetual banishment is grotesque, to say the least of it.

"Governor Campbell's recommendations as to legislation to supersede the act he wants repealed are vague it seems to the 'News.' Rather forcefully he exemplifies the fact that it is much easier to describe what is desirable than it is to prescribe the means of getting it. After repealing the existing law he would have another enacted preventing combinations 'to destroy competition,' that to be buttressed with another statute regulating and controlling fire insurance companies' and regulating and fixing rates. The further use of all existing 'key rates' is to be forbidden indiscriminately, notwithstanding some of them may be in all respects fair. Those recommendations, it seems to us, are highly enigmatic, if not contradictory. The only clew to the governor's purpose we can gather is that he would empower a State board to prescribe maximum rates, and then allow, or perhaps even compel the insurance companies to write at lower rates. There can be no competition without discrimination, so that a legal contraption of this kind would merely restore by mean of political machinery conditions which previously obtained as a result of natural forces. It seems to the "News," therefore, that of the three recommendations which Governor Campbell makes respecting insurance matters, all but the first one are superfluous as well as

futile. The first of these recommendations is: 'The passage of a bill repealing' the fire insurance rating law."

SAN FRANCISCO'S

WATER SUPPLY.

The "San Francisco Examiner" in a recent editorial says:

"Bids for laying the pipe of the so-called auxiliary fire system have been secured within the city engineer's estimates. For the district between Market street, Powell street and the harbor front the estimate was \$135,000, the lowest bid \$129,000.

"Every effort should be made to put through the laying of the pipes and the building of the pumping works in the shortest possible time. They are needed for the safety and comfort of the city.

"The Spring Valley Water Company refuses to provide a larger water supply unless it is given a lot more money and the underwriters and property owners tell us that the city may burn up again if a better supply is not had. The facts are all right, but the argument based on them is all wrong. The logical conclusion is not that we should pay Spring Valley a big sum to bring in a little more water from its reservoirs. The thing to do is to put at the service of our fire fighters the inexhaustible supplies that wash the shores of the city.

"The system should be pushed forward to completion with the utmost energy. Wherever it is extended it will mean safety from conflagration. No great fire can get under headway where a few lines of hose can flood a block of buildings in a brief time. And with this guaranty against conflagration will come a lowering of the insurance rates sufficient to meet all the interest and sinking fund charges on the bonds issued to pay for the work."

HARTFORD LIFE INSURANCE COMPANY, OF CONN.

1909 Policies are Participating, or Non-participating, with Lower Rates and Values based on FULL RESERVE.

For Right Contracts,
Address, Second Vice-President,
Home Office, HARTFORD, CONN.

Royal Exchange Assurance OF LONDON.

Incorporated by Royal Charter A.D. 1720.

UNITED STATES OFFICE:

92 William Street * * * New York City

UBERTO C. CROSBY, General Manager.

RICHARD D. HARVEY, Assistant General Manager.

INDUSTRIAL INSURANCE IN GERMANY.

By ROBERT J. THOMPSON,
United States Consul at Hanover.



TWENTY-SIX years have passed since the first of the workmen's insurance measures, the sick benefit law, was enacted. A year later followed the insurance bill for accidents in industry, in 1886 the bill for accidents in agriculture and forestry, in 1887 the building trades and marine accident insurance law, and in 1889 the old-age pension law.

The insurance of all workmen, including apprentices, is compulsory, employer and employe being obliged to pay fixed premiums, as established by law, and the government contributing a certain amount. From 1885 to 1907 the employers contributed \$973,300,000, the workmen \$851,587,500, and the government \$121,662,500, a total of \$1,946,550,000. In 1906 out of every 1,000 day laborers 863 were protected by sick benefit, all of them against accident, and 859 against old age and disability.

In 1907 there were about 23,000 offices for managing the sick fund; the number of insured was 12,900,000, having increased 27 per cent. in seven years; the premiums rose from \$45,957,800 to \$74,851,000 in six years, and the fund amounted to \$60,309,200, or about \$4.66 per capital. Of the total receipts in 1906, \$74,851,000, there was paid out \$67,235,000 for sickness, medicine, medical service, assistance to relatives, hospitals, recuperation, and funerals. In 1906 the workmen paid \$48,909,000 to the fund and received \$63,379,400 (128 per cent.) as insurance. The total number of cases was 4,950,000, or 41 to every 100 insured. There has been a constant in-

crease in the number of cases, but this is to be attributed rather to the greater readiness of the workmen to apply for assistance than, to what would appear on the surface, an abnormal increase of disease. The expense of treating patients has also increased from year to year, having risen from \$10.35 per case in 1900 to \$13.14 in 1906.

Among other things these statistics substantiate the well-known fact that disease seeks its victims chiefly in the more poorly paid classes of wage-earners—the lower the wages the higher the number of victims. In Stuttgart in 1907 and 1908, 29.4 per cent. of all patients died of tuberculosis; Berlin reports show similar facts; all other complaints represent only a small percentage, proportionately, of the causes of death.

Accident Insurance.

More than 9,000,000 persons in industry and 11,000,000 in agriculture and forestry are protected by accident insurance. The amount paid out in 1907 was \$35,771,400. The number of accidents has multiplied beyond all expectations, since modern industry makes it necessary for work to be done with great speed; yet the precautions and guards instituted are unprecedented. Then again other factors account for the high figure of 662,901 accidents reported in 1907. More and more accidents, even insignificant ones formerly disregarded, are now brought to the notice of the bureau and physicians. Furthermore, the industrial army of Germany has increased 2,500,000 in six years, be-

ing recruited from the inhabitants of the agricultural districts—that is to say, from persons who for the first time become acquainted with factory life and who must be trained. That accidents otherwise avoidable result is quite plausible. The number of persons who, in 1907, received an indemnity for the first time was 144,708. These, together with those whose indemnity continued from the preceding year, reached the startling figure of approximately 1,000,000. The mortality per 1,000 insured in 1907 was as follows for the several callings: Inland navigation, 2.45; mining, 2.39; teaming, 1.24; railroading, 1.16; textile industry, 0.00. Complete disability ranged from 0.45 to 0.01 in glass-works, brickyards, and wood and textile industries; partial disability from 5.25 in iron and steel works to 1.42 in the glass and brick industries. The number of accidents causing permanent disability has remained practically at the same height since 1900—1,356.

The very young and the old naturally suffer much more from industry, the former through inexperience and heedlessness, the latter owing to the impossibility of fulfilling the demands of the machine—speed and a quick eye and hand. Perhaps the old suffer also through unwillingness to renounce the work that in their youth they were capable of performing with distinction. Thus it is found that with rising age the frequency of accidents increases disproportionately. The greatest percentage takes place between the

(Continued on Page 14.)

IT PAYS THE AGENT

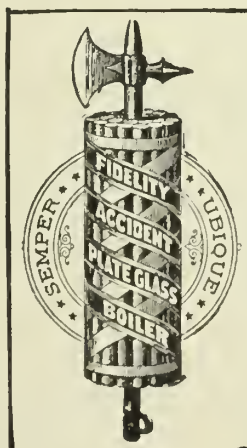
To represent the best company. There are many excellent standard life insurance companies. Which is the best? In stability, progressiveness, liberal contracts to agents and low cost to policy-holders no company surpasses

The Union Central Life Insurance Co. of Cincinnati.

Assets, \$74,523,966.28
Liabilities, \$72,324,302.92

Good openings are occurring from time to time. Address

JESSE R. CLARK, President.
ALLAN WATERS, Sup't of Agents.



THE FIDELITY & CASUALTY COMPANY

97 TO 103 CEDAR ST., NEW YORK CITY.

ASSETS - \$9,598,924.02
Cap. & Surplus \$3,564,229.90
LOSSES PAID \$31,636,503.21
to Jan. 1, 1910,

This Company grants insurances as follows:
Bonds of Suretyship for Persons in Positions of Trust, Fidelity Bonds, Burglary, Plate Glass, Steam Boiler, Fly Wheel, Employers, Public, Teams, Workmen's Collective, Elevator and General Liability; Personal Accident, Health and Physicians' Liability

OFFICERS:

GEORGE F. SEWARD, President.

Robert J. Hillas, V.-P. & Sec'y. Henry Crossley, Ass't Sec'y.
Frank E. Law, 2d Ass't Sec'y. George W. Allen, 3d Ass't Sec'y.

ANCIENT AND MODERN.

Eli Bates, sixty-six years old, who was chief of the New York Fire Department from 1873 until 1884, and who was a volunteer fireman twenty years before he joined the department, visited Commissioner Waldo at his office on Monday and had an interesting chat about past and present conditions in fire fighting.

The Commissioner took him through Fire Hall and showed him the improved system of alarms and signals. The old chief seemed delighted with his visit and congratulated the Commissioner on the general appearance of things. Mr. Bates, who lives at 236 Fulton street, Jersey City, draws a pension from the city of \$2,350 a year.

LIABILITY MEN GO SLOW.

(Continued from Page 1.)

pulsory compensation upon employers for injuries to employes. Both of these laws go into effect on September 1 and underwriters are striving to so perfect their plans and purposes that their assured may be properly protected when these two new laws go into effect. The experience statistics of all liability insurance companies doing business in this State, including the conference and non-conference companies, will be brought down to date and will be coupled with the advices of the insurance companies' attorneys, all to be used as a basis for rates under the changed conditions.

A careful summary of the two new laws in this State follows:

Employers' Liability Act.

The act provides that when personal injury is caused to an employe who is himself in exercise of due care and diligence at the time, by reason of any defect in the condition of the ways, works, machinery or plant connected with or used in the business of the employer, which arose

from, or had not been discovered or remedied owing to the negligence of the employer or any person in the service of the employer, and entrusted by him with the duty of seeing that the ways, works, machinery or plant were in proper condition.

2. By reason of the negligence of any person in the service of the employer, entrusted with any superintendence, or by reason of the negligence of any person entrusted with authority to direct, control or demand any employe, in the performance of the duty of such employe. The employe, or in case the injury results in death, the executor or administrator of the deceased employe, who has left him surviving a husband, wife, or next of kin, shall have the same right of compensation and remedies against the employer as if the employe had not been an employe of nor in the service of the employer nor engaged in his work.

If any employer enters into a contract, written or verbal, with an independent contractor to do part of such employer's work, or if such contractor enters into a contract with a sub-contractor to do all or any part of the work comprised in such contractor's contract with the employer, such contract or sub-contract shall not bar the liability of the employer for the injuries to the employes of such contractor or sub-contractor, caused by any defect in the condition of the ways, works, machinery or plant, if they are the property of the employer, or are furnished by him, and if such defect arose or had been discovered or remedied through the negligence of the employer or of some person entrusted by him with the duty of seeing that they were in proper condition.

The words of the preceding two paragraphs were not contained in the former employers liability act. The chief point of difference between the old and new act, with regard to the

section above quoted, is that under the old act the employer was liable for the negligent act of one employe causing injury to another, only when the first employe was exercising superintendence. Under the new act he is liable to one employe for an injury caused by the negligence of any person entrusted with authority to direct, control or command any employe, whether or not at the time when such injury was caused such person was "exercising superintendence."

The new act provides that no action shall be maintained under the act unless notice of the time, place and cause of the injury is given to the employer within 120 days. It also provides that if such notice does not apprise the employer of the time, place or cause of injury, he may, within eight days after service thereof, serve upon the sender a written demand for a further notice, which demand must specify the particular in which the first notice is claimed to be defective, and the failure by the employer to make such demand as herein provided shall be a waiver of all the defects that the notice may contain; after service of such demand as herein provided, the sender of such notice may at any time within eight days thereafter serve an amended notice which shall supercede such first notice, and have the same effect as an original notice hereunder.

The effect of this section is to make it impossible for the employer to take advantage of any defect which the first notice may contain. Under the old act the employer could escape liability if he could prove that the notice was defective. Under the new act he must point out to his employe wherein the notice is claimed to be defective, and the employe may serve a new notice remedying such defects.

With regard to contributory negligence and assumption of risk the new act provides that in an action brought to recover damages for personal in-

Germania Fire

INSURANCE CO.,

NEW YORK.

ORGANIZED, 1859.

Cash Capital.....\$1,000,000.00
Assets\$6,562,329.14
Net Surplus.....\$2,008,419.02
Surplus for Policyholders,\$3,008,419.02

HEAD OFFICE:

Cor. William and Cedar Streets.

THE FIDELITY MUTUAL LIFE INSURANCE COMPANY OF PHILADELPHIA

Has some excellent Agency Positions

FOR INFORMATION APPLY TO

ALEXANDER McKNIGHT, Vice-President

L. G. FOUSE, President.

juries, or for death resulting therefrom, received after this act takes effect, owing to any cause, including open and visible defects, for which the employer would be liable but for the hitherto available defense of assumption of risk by the employee, the fact that the employee continued in the service of the employer in the same place and course of employment, after the discovery by such employee or after he had been informed of the danger of personal injury therefrom, shall not be as a matter of fact or as a matter of law an assumption of the risk of injury therefrom, but an employee or his legal representative shall not be entitled under this act to any right or compensation or remedy against the employer in any case where such employee knew of the defect or negligence which caused the injury and failed, within a reasonable time, to give or cause to be given, information thereof to the employer, or to some person superior to himself in the service of the employer, or who had entrusted to him some superintendence, unless it shall appear on the trial that such defect or negligence was known to such employer or superior person, prior to such injury to the employee; or unless such defect could have been discovered by such employer by reasonable and proper care, test or inspection. The new act also provides that on the trial of any action brought by an employee or his personal representative to recover damages for negligence arising out of and in the course of such employment contributory negligence of the injured employee shall be a defense to be so pleaded and proved by the defendant. Heretofore if it could be proved that a workman consented to work at a machine which had become dangerous even if the employer was informed of the danger the workman's right of action was barred. Under the new act it is not.

Heretofore it has been necessary

for an injured employee to prove that he himself was free from contributory negligence before he could recover. Under the new act it is provided that contributory negligence of the injured employee shall be a defense to be so pleaded and proved.

Compulsory Compensation Act.

This act takes effect on the first of September, 1910.

It applies to workmen engaged in the following employments:

1. The erection and demolition of any bridge or building in which there is or in which the plans or specifications require iron or steel framework.

2. The operation of elevators, elevating machines or derricks, or hoisting apparatus used within or on the outside of any such bridge or building for the hoisting of materials for such erection.

3. Work on scaffolds of any kind elevated twenty feet or more above the ground, water, or floor beneath, in the erection, construction, painting, alteration or repair of buildings, bridges, or structures.

4. The construction of tunnels or subways.

5. All work carried on under compressed air.

6. Construction, operation, alteration or repair of wires, cables, switchboards or apparatus charged with electric current.

7. All work necessitating dangerous proximity to gun powder, blasting powder, dynamite or any other explosive, where the same are used as instrumentalities of the industry.

8. The operation of steam railroads of locomotives, engines, cranes, motors or cars propelled by gravity or steam, electricity or other mechanical power, or the construction or repair of steam railroad tracks and roadbeds over which such locomotives, engines, trains, motors or cars are operated.

If, in the course of any of the em-

ployments above described, personal injury by accident arising out of and in the course of the employment, is caused to any workman employed therein in whole or in part, or the damage or injury caused thereby is in whole or part contributed to by (a) a necessary risk or danger of the employment or one inherent in the nature thereof, or (b) failure of the employer of such workman or any of his or its officers, agents or employees, to exercise due care or to comply with any law effecting such employment, then such employer shall not be liable to pay compensation as hereinafter explained, provided that the employer shall not be liable in respect of any injury which does not disable the workman for a period of at least two weeks, from earning full wages at the work at which he was employed, and provided that the employers shall not be liable in respect of any injury to workmen, which is caused in whole or in part by the serious and willful misconduct of the workman.

If the employee has a right of action for damages caused by any such injury at common law, or under any statute in force on January 1, 1910, his right of action is not taken away by the act, but in case the injured workman, or in the event of his death his executor or administrator, shall take advantage of the workman's compensation act, either by accepting any compensation under that act, or by beginning proceedings to recover compensation under that act, he shall be barred from recovery in every other action at common law or under any other statute on account of the same injury. In case after such injury the workman, or in the event of his death his executor or administrator, shall commence any action at common law or under any statute other than the workman's compensation act, against his employer, he shall be barred from all benefits un-



Insurance Brokers

Place Your SURETY and CASUALTY business in the "EMPIRE."

CAPITAL, - - - - - \$500,000

Business Producers not now under contract wanted for open Territory.

Address Agency Department,
THE EMPIRE STATE SURETY CO.,
84 William Street, New York

The

Columbian National Life

INSURANCE COMPANY
OF BOSTON, MASS.

LIFE, ACCIDENT AND HEALTH
INSURANCE.

The Only Massachusetts
Non-Participating Company

The New Columbian Policies are
Unexcelled in Clearness and Liberality.

Good Contracts and Territory for
Good Producers.

ARTHUR E. CHILDS, President.

der the workman's compensation act.

No proceedings for compensation under this act shall be maintained unless notice of the accident has been given to the employer, as soon as practicable after the happening thereof, and before the workman has voluntarily left the employment in which he was injured, and during such disability, and unless claim for compensation has been made within six months from the occurrence of the accident or in case of the death of the workman, or in the event of his physical or mental incapacity within six months after such death or the removal of such physical or mental incapacity; or in the event that weekly payments have been made under the act, within six months after such payments have ceased, but no want or defect or inaccuracy of a notice shall be barred to the maintenance of proceedings unless the employer proves that he is prejudiced by such want, defect or inaccuracy. Notice of the accident shall apprise the employer of the claim for compensation under this article, and shall state the name and address of the workman injured, the date and place of the accident, and in simple language, the cause thereof, if known. The notice may be served personally or by sending it by mail in a registered letter, addressed to the employer at his last known residence or place of business.

If death results from injury, the amount of compensation shall be as follows: If the workman leaves any widow, children, or parents at the time of his death, then wholly dependent on his earnings, a sum which shall compensate them for loss, but not more in the aggregate than twelve hundred times the daily earnings of such workman at the rate at which he was being paid by such employers at the time of the injury, and in no event more than \$3,000. Any weekly payments made under the act shall be deducted in ascertaining such amount.

If such widow, children or parents, at the time of the workman's death, are in part only dependent upon his earnings they shall be paid such proportionate sum, not exceeding that provided in the preceding paragraph, as may be determined according to the injury to such dependent.

If the workman leaves no dependent the employer shall pay the reasonable expense of his medical attendance and burial, not exceeding \$100.

If total or partial incapacity for work at any gainful employment results to the workman from the injury he shall receive a weekly payment commencing at the end of the second week after the injury and continuing during such incapacity, not exceeding 50 per cent. of his average weekly earnings, when at work on full time, during the preceding year, during which he shall have been in the employment of the same employer; if he shall have been in the employment of the same employer for less than a year, then a weekly payment of not exceeding three times the average daily earning on full time for such less period. In fixing the amount of the weekly payment, regard shall be had to the difference between the amount of the average earnings of the workman before the accident and the average amount he is able to earn thereafter as wages in the same employment or otherwise. In fixing the amount of the weekly payment, regard shall be had to any payment, allowance or benefit which the workman may have received from the employer during the period of his incapacity, and in the case of partial incapacity the weekly payments shall in no case exceed the difference between the amount of the average weekly earnings of the workman before the accident, and the average weekly amount which he is earning or able to earn, in the same employment or otherwise, after the accident, but

shall amount to one-half of such difference. In no event shall any compensation paid under the act exceed the damage suffered, nor shall any weekly payment payable under this article in any event exceed \$10 a week or extend over more than eight years from the date of accident.

Any workman entitled to receive weekly payment under the act is required, if requested by the employer, to submit himself for examination by a duly qualified medical practitioner or surgeon, provided and paid for by the employee, within three weeks after the injury, and thereafter at intervals not oftener than once in six weeks. If the workman refuses to submit to such examination, his rights to weekly payments shall be suspended until such examination has taken place, and no compensation shall be payable during or for account of such period.

In case an injured workman shall be mentally incompetent at the time when any right or privilege accrues to him under the act, a committee or guardian of the incompetent, appointed pursuant to law, may, on behalf of such incompetence, claim and exercise any such right or privilege with the same force and effect as if the workman himself had been competent and had claimed or exercised any such right or privilege, and no limitation of time in the act shall run so long as said incompetent workman has no committee or guardian.

Any question which may arise under this act shall be determined after by agreement or by an action at law. If the employer fails to pay the compensation provided for by the act the injured workman or his committee or guardian, or executor or administrator, may then bring action to cover the compensation provided for in that act. A judgment in such action, if in favor of the plaintiff, shall be a lump sum equal to the amount of payments then due, and respectively due under the act.

THE HOME LIFE INSURANCE COMPANY OF AMERICA

Incorporated 1899.



General Agents and District Managers who can produce ordinary business can secure "Ground Floor" contracts with **Guaranteed Renewals** and an assignment of territory limited only by capacity to produce agency organization and business. Send for Sample Policy. It is one you can sell. New business, \$1,500,000. -January 1-June 30, 1910.

Address:

G. M. NETTLESHIP, General Manager,

416-18-20 Walnut Street, : : : : : PHILADELPHIA, PA

Hanover Fire

INSURANCE
COMPANY
of New York



Agencies

in all the Principal Places
in the United States.

The Mackinac Meeting.

THE meeting of the Detroit Conference at Mackinac Island last week was in every way a success. Like every other organization, the Detroit Conference has its troubles. More than once during the meeting members were reminded that they were not living up to their obligations in all cases. Occasionally there are charges of bad faith among the members, but these do not prevent this from being the most efficient among the casualty organizations. If everything ran too smoothly the Detroit conference might lose its reason for existing and become a social organization.

Taken altogether the papers were of a very high order, and covered a range of subjects from workmen's compensation, through law, medicine and agency development to professional ethics.

The conference companies are confronted with a serious situation and the most important action at this time was taken with a view to meeting that situation. Accident and health underwriters are "up in the air" over the laws of Massachusetts and New York, which require the filing by September 1 of new policies complying with the new standard provision laws of those States. The departments of these two States will collaborate in examining these policies and will pass no opinions on them until both have gone over them. The experience of one company which did get a policy passed upon several weeks ago by the New York department does not give promise of an easy time. This company had a carefully prepared contract which was approved by the Minnesota commissioner and was believed by the company to comply with every provision of the New York

law. The department, however, pointed out eleven distinct points in which it did not comply with the law. These accident and health companies must file their policies by September 1, wait till they are passed upon, then correct them if necessary and be ready to issue the new contracts January 1. It means very fast work.

These new laws in themselves would require the Detroit Conference companies which operate in either State to get out new policies, but there is another incentive. There has been a tendency to vary slightly from the conference form of 1907 and one prominent company has gone so far in its variations that its action cannot be ignored. The companies are far from wanting a competitive scramble in liberalizing contracts. The company whose policy has caused concern has agreed to abide by a new conference form, so it was decided at this meeting to get one out and do it as quickly as possible. Every member which has views will submit them to the secretary. The executive committee will then embody as many of them as it seems advisable in the new policy and at the same time will endeavor so to draw it that it will comply with the New York and Massachusetts laws and those of many other States as possible. Then when the conference, at a called meeting, has adopted it, each company operating in the two States mentioned or in either will submit its policies of the conference form to be judged as to its compliance with the law. A sub-committee of the executive committee will handle this matter and will notify each company what changes are ruled to be necessary in the conference form.

One provision likely to be put in the new form is one automatically reducing benefits at the age of 50, and

probably at other later ages. This is to obviate the present crude and inequitable plan of charging a man who takes a policy at age 40, \$1 a month as long as he keeps it, while another who takes an identical policy at age 51 pays \$1.50 a month for it as long as he keeps it.

Another important move taken at this meeting which marks a change in policy was the amendment of the by-laws so as to make all ex-presidents members of the executive committee. So far the conference has been led by the men who pioneered the monthly payment accident and health business. They are older than they were when it started and recognize that if the conference is to continue to progress and keep up its usefulness important duties must be assigned to younger men; it must get in young blood, in other words. Therefore it is purposed more and more to push young men to the front, while at the same time the patriarchs in the business will have a steadying effect as members of the executive committee.

Men best informed in the industrial disability business look for marked changes in the near future. It is hardly regarded as possible that all the States will enact similar standard provision laws. One underwriter expects that within a few years companies will be obliged to issue different policies for most of the States. The present movement towards workmen's compensation is expected also to have a marked effect on the industrial disability business. On this account managers of companies are studying the subject very carefully. One of the best papers at the convention was on the subject of factory insurance as a cure for the unsatisfactory situation growing out of the pres-

A General Agency is open
in the State of

PENNSYLVANIA

For one of the best Old Line
Companies in America

Write "B," care of this paper

BONDS OF SURETYSHIP.

The Guarantee Company of North America

HEAD OFFICE, MONTREAL

Edward Rawlings, President.

H. E. Rawlings, Asst. Mgr.

Richard B. Scott, Secretary & Treasurer.

It is the Pioneer Company, was established in 1872, and is conducted under a conservative management of over 55 years experience.

It has recouped to employers over \$2,190,000 for losses sustained by the infidelity of employees and has a surplus of \$1,041,423.23 to credit of shareholders and total resources of \$1,919,892.38 for the security of insured.

Branch Offices:

NEW YORK: 111 Broadway,
D. J. Tompkins, Secretary.
BOSTON: 114 Milk Street,
W. A. Hamilton, Agent and Attorney.
CHICAGO: Room 400, The Temple,
J. R. Pruyn, Resident Sec. and Atty.
PHILADELPHIA: 500 Arcade Bldg.
W. H. Jackson, Res. Secretary.
PITTSBURG: 1120 Farmers Bank Bldg.
E. R. Munro, Resident Secretary.
LOUISVILLE: 316 Columbia Bldg.
P. N. Clarke & Co., Agents.

ent employers' liability laws. The question of adjustments has always been an important one in the Detroit Conference and it had a prominent place in a paper at this meeting. Along somewhat similar lines was another paper giving the rules of law applying to the various exceptions in accident and health policies, as gleaned from numerous decisions. While the latter was purely legal the former treated also of the iniquities of ambiguous policy forms and the effect of profit sharing contracts with agents on claims.

A paper on venereal diseases and the discussion of the results of insuring foreigners who do not understand the English language brought out some valuable medical and underwriting information. With scarcely an exception the companies have had a very bad experience with raw continental foreigners. This is ascribed not alone to their ignorance of English, but to their manner of living and also to a moral hazard which is often found to exist.

The Detroit Conference companies are little, if any, better about reporting data for the preparation of a new manual and classification than are the members of the International Association of Accident Underwriters about reporting health statistics. The committee on new manual having failed to accomplish anything for want of more complete data was, at its own request, discharged.

The companies, as a rule, are not making much use yet of the bureau for keeping track of agents. Some have reported to it the agents who have left their service for any cause, but only one request for information about an agent was received during the past year.

Socially the convention was a delight. Mackinac Island was at its best. The weather was perfect. The drive around the island, the progressive euchre party, the steamer trip to

St. Ignace and the banquet were all exceedingly enjoyable. Thirty companies out of the fifty-two comprising the membership were represented by from one to three men each.

The following officers were elected: President—C. H. Boyer, General Accident.

First Vice President—L. O. Chatfield, Phoenix Preferred Accident.

Second Vice President—P. Lay Thompson, National Life and Accident.

Secretary—L. G. Brown, Continental Casualty.

Treasurer—C. H. Brackett, Hoosier Casualty.

Executive Committee—William H. Jones, chairman, Equitable Accident; A. E. Forrest, North American Accident; Reinhold R. Koch, American Assurance; J. B. Pitcher, United States Health and Accident; Harvey H. Shomo, American Casualty; Herman A. Behrens, Pacific Mutual Life, and Frank L. Miner, Bankers' Accident.

AT THE GENERAL COURT OF SCOTTISH WIDOWS.

At the ninety-sixth annual general court of the Scottish Widows Fund Life Assurance Society, held recently in Edinburgh, Secretary J. G. C. Cheyne had this to say in regard to the passage by parliament of the Assurance Companies Act:

The most important event in the political world, as regards insurance offices, has been the passing of the Assurance Companies Act. This act, I may say, applies also to fire and accident companies, and the new provisions as regards life assurance offices are not of great importance, but so far as they go they are improvements on those of the older act passed in 1870. That act was based on the theory that the offices should be required to furnish such particulars as would enable the public, with the help of skilled advice, to judge if the finances of these companies were thoroughly sound, while at the same time all interference by government in the

management of the offices, as is practiced in America and some of our colonies, should be avoided. In fact, it was founded on the principle of publicity without government control. It has, however, been found in practice that the amount of information which the 1870 act required is not quite sufficient. As regards particulars of the liabilities of the offices, no amendment of the consequence was necessary, but fuller particulars were desirable as to the valuation of the assets; and the new act provides that these shall be furnished. I may say that, in our last investigation report we practically, in anticipation, complied with the new provisions in regard to this point. The Scottish Widows Fund will, I may say, be really affected only by one of the clauses of the act, namely, that which provides that every insurance company shall have an investigation once in every five years, or at such shorter intervals as may be arranged. You are aware that our investigations have hitherto been made at intervals of seven years, but they will now be made at intervals of five years at the longest. The directors, however, had—before the bill was brought forward—practically decided to recommend the adoption of a shorter investigation period, so that the act has merely made obligatory what they would probably have carried into force without such compulsion.

GLOBE SURETY STARTS.

Frank Blake, superintendent of the Missouri Insurance Department, has issued a license with the Globe Surety Company of Kansas City, to transact Federal and surety bonding and casualty insurance. The Globe has a capital of \$500,000 and a surplus of \$100,000. Its officers are: President, Thomas M. Walker; vice presidents, James Van Buren, John R. Mulvane and J. Z. Miller, Jr.; treasurer, W. T. Kimper, and assistant secretary, H. P. Fones. The Globe Surety will take over and reinsure the surety business of the Commercial Trust Company of Kansas City. It intends to enter the Middle and Western States, and eventually to write casualty lines as well.

OUR BOND—YOUR SECURITY.

T. J. FALVEY, JOHN T. BURNETT,
President. Sec'y & Treasurer.



**Massachusetts
Bonding and
Insurance Co.**

Organized under
the Laws of the
Commonwealth of
Massachusetts.

Home Office, 77-81 State Street, Boston.

Capital\$500,000.00

Surplus\$250,000.00

**SURETY BONDS and BURGLARY and
THEFT INSURANCE.**

A GREAT SIX MONTHS

We closed the first half of 1910 with a rousing increase in new business over our record for the first half of highly prosperous 1909.

In policies and dividends we have what the public wants. In literature and canvassing aids we have what the agent wants. And back of all is a reputation gained from 59 years of activity as a Massachusetts Company.

If you are a genuine producer, a delivering producer, and wish to join our forces, address

GEORGE D. LANG,
Superintendent of Agencies

Massachusetts Mutual Life Insurance Company,
Springfield, Mas

Incorporated 1851

TWO LONDON PROMOTIONS.

The Gresham Fire and Accident Insurance Society of London is being organized with capital of £500,000 by the Citizens Life Insurance Society of London. The capital is divided into 200,000 management shares of £1 each and 300,000 ordinary shares of £1 each. One hundred thousand management shares have been subscribed for at par, and will be paid up in full by the Gresham Life. It is intended that the balance of the management shares should be subscribed for by that society as and when issued. The ordinary shares will rank equally as to dividend and capital with the management shares to the extent of the amounts paid up, and from the respective dates fixed for payment. The management shares carry three votes for each share, and the ordinary shares one vote for each share, which means that the Gresham has absolute control under any circumstances.

At the present time 200,000 ordinary shares are being offered at par, and it is proposed to call up 10s per share. The directors of the Gresham Life are directors of the fire and accident company. The new company will commence business under favorable conditions, being associated with an organization and agency staff which

have been built up during the last sixty years. It is intended to make application for membership of the fire offices committee and of the accident office's association.

Alexander Lawson, at present assistant general manager of the Gresham Life, has been appointed manager and secretary of the Gresham Fire and Accident.

Thomas Brand Miller, for many years past manager of the Guardian's branch at Manchester, has been appointed fire manager of the new Gresham Fire and Accident. Thomas A. Polson, who has been connected with the Ocean Accident office as manager at Belfast, has been appointed manager of the accident, burglary, etc., branch of the new society. E. W. Brown has been appointed secretary and James H. Scott will be general manager and principal officer of both the Gresham Life and Gresham Fire and Accident Insurance Societies.

The London County Commercial Fire and Accident Office, Limited, of London, is being organized with a capital of £250,000 to transact fire, accident, burglary, plate glass, marine, fidelity and general insurance.

INJURY OF A MINOR**JUST BEFORE MAJORITY.**

The "Review" of London gives the following account of the case of Evans against Vickers, Sons & Maxim, Ltd., before the House of Lords:

This appeal under the Workmen's Compensation Act was heard on June 14 and 15, the result of which was to affirm a decision of the Court of Appeal as to the rate of compensation payable to a workman who was trained as a skilled artisan, but was injured whilst employed as a casual laborer and under 21 years of age.

The applicant was a stove-grate fitter. In July, 1907, when under 21 years, he entered the service of Vickers, Sons & Maxim as a laborer, during temporary unemployment, intending to return to his former occupation when trade improved. He was injured by accident arising out of and in the course of his employment by Vickers, Sons & Maxim, and they agreed to pay him compensation at the rate of 11s. 4d. per week. Having recovered sufficiently for light work, he was in February, 1909, employed in the same service at 22s. a week, the rate of wages which he was receiving at the time of the accident, and his compensation was then reduced to a nominal sum of one penny a week. In August, 1909, having attained 21, the applicant under clause 16 of the first schedule of the act of 1906 for a review of the weekly payment, relying on the proviso that "Where the workman was at the date of the accident, under 21 years of age, and the review takes place more than 12 months after the accident, the amount of the weekly payment may be increased to any amount not exceeding 50 per cent. of the weekly sum which the workman

would probably have been earning at the date of the review if he had remained uninjured, but not in any case exceeding one pound."

The judge of the Sheffield County Court found that the applicant as a stove-grate fitter would have been able to earn 30s. a week and increased the weekly payment of one penny to 7s. 6d. a week.

The Court of Appeal by a majority affirmed the decision of the County Court judge.

The employers appealed to the House of Lords who affirmed the decision of the County Court judge and the Court of Appeal.

The Lord Chancellor agreed with the conclusion which had already been arrived at, having regard to the terms of the Act of Parliament. The standard by which the weekly payments were to be measured was generally speaking, the average weekly earnings during the period of the workman's actual employment under the same employer; but in the case of a minor, clause 16 of the first schedule made special provision for a review of the weekly payment, and the only question was "What would the workman probably have been earning?" Their lordships had not to consider what the act ought to have said, but its actual

THE BANKERS LIFE ASSOCIATION

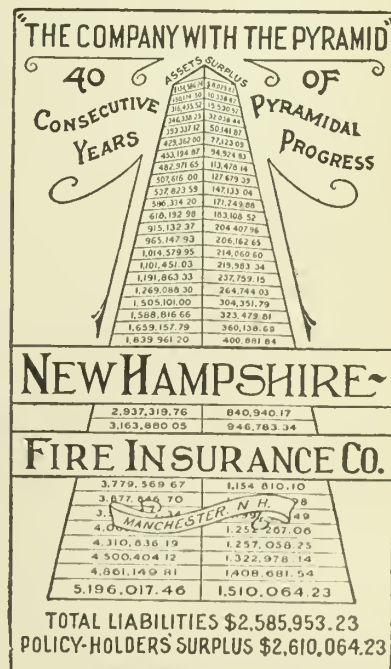
DES MOINES, IOWA.

ERNEST E. CLARK, President.

Exceptional Record During twenty-nine years for

**LOW RATE OF MORTALITY
ECONOMY OF MANAGEMENT
PROMPT PAYMENT OF CLAIMS
SECURITY OF ITS FUNDS**

and satisfactory results
for its policyholders.

**CUR**

Course of Insurance Education.

Department for Furnishing Prospects.

New "Model Policy"

Will Plough the Field and Assure the Harvest for Good Agents.

Phoenix Mutual Life

INSURANCE COMPANY,

Hartford, Conn.

Write Home Office.

201st YEAR.

SUN**Insurance Office OF LONDON.**

FOUNDED 1710.

UNITED STATES BRANCH:

54 PINE STREET, NEW YORK.

WESTERN DEPARTMENT:

171 LA SALLE ST., CHICAGO.

PACIFIC DEPARTMENT:

Sansome & Sacramento Sts.,
SAN FRANCISCO, CAL.AGENTS WANTED
AT UNREPRESENTED POINTS.

terms, and they could not read into the statute words which it did not contain.

Lord Macnaghten, Lord James of Hereford, and Lord Collins concurred. Appeal dismissed with costs.

L. H. VAIL'S DEFENSE.

The trial of Louis H. Vail, president of the Dutchess Insurance Company of Poughkeepsie, who is accused of forgery, has been set down for September 12. In the latter part of last week Milton A. Fowler, vice president of the company, who is more than eighty years old and very feeble, was examined before the Vail trial, on account of the precarious condition of his health. During the course of this examination it developed that Mr. Vail's defense on the charge of forgery, based on cutting out a resolution in the company's minute book, would probably be that it was never adopted, and that, therefore, cutting it out did no harm and could not constitute a crime. The resolution, alleged to have been cut out, had to do with fixing the reinsurance of the old Dutchess Insurance Company by the new Dutchess Fire Insurance Company, on a basis of 25 per cent.

Third Deputy Attorney General Fisher tried to get Mr. Fowler to acknowledge that he was opposed to the resolution as at first recorded, because it would call for the payment of \$63,000, which would impair the credit of the old company. Mr. Fowler admitted that this was one reason, but added that no action on reinsurance was taken up to February of this year.

At a special meeting of the board of directors of the Dutchess Fire Insurance Company J. J. Graham was relieved of his duties as secretary of the company and Frank L. Gardner was appointed to fill the vacancy.

INDUSTRIALISM IN GERMANY.

(Continued from Page 7.)

ages of 60 and 70—sixteen out of every 100 insured. Over 70 years the percentage drops perceptibly, owing to the class of work such persons perform.

Another fact of interest is the frequency of accidents on certain days of the week. Assuming that, on the average, 1 accident occurs every three hours during the year, the figures for industry would be 2.37 from 9 a. m. to 12 noon, and 2.11 from 3 to 6 p. m., but on Monday morning they are 2.87 and on Saturday afternoon 2.74. Hence it has been established that the great-

est number of accidents occur on Monday and Saturday, but especially on Monday.

Invalid and Old-Age Pensions.

The most extensive of the insurance laws is the invalid and old-age pension. There are thirty-one offices for managing this department, employing 3,800 clerks. In 1907 14,300,000 persons were protected by the invalid and old-age pension, the increase since 1900 being about 10 per cent. In 1907 \$41,174,000 was paid as pensions, benefits, etc., as compared with \$63,379,400 for sickness and \$35,771,400 for accidents. Since 1900 the indemnities have almost doubled. The premiums of the workmen amounted to about \$19,516,000, or somewhat more than one-half of the indemnities. The general administration cost about \$2,380,000, or approximately \$1.67 per insured person. The fund increased from \$201,110,000 in 1900 to \$334,152,000 in 1909, which is about \$23.80 per capita insured. This great sum of money is placed out, principally in loans to villages and private persons, in supporting the credit of agricultural districts, and in erecting good, sanitary workmen's dwellings, bath houses, sanitariums, and similar institutions. The mean rate of interest on the money so invested has varied since 1900 from 3.53 to 3.55 per cent. At the beginning of 1909 the statistics showed that 868,086 invalid, 108,637 old-age, and 19,087 sick pensions would have to be paid during the current year. This is about the same number as is provided for by the accident insurance.

Since 1907 the number of invalid pensions has risen from about 305,000 to 868,086, but owing to the efficacy of this department of insurance the strain on the old-age pension fund has gradually diminished, the number of old-age pensions having decreased from 203,955 in 1896 to 108,637 in 1909. The same effect is to be noted in the sick pensions, the number of applicants having begun to drop in 1907. Furthermore, the amount of the pensions has steadily increased—about 17 per cent. in seven years. There is still, however, considerable difference between pensions in the agricultural and in the industrial districts, since the population of the latter is among the better paid classes of workmen, insuring the higher pensions by higher premiums. Thus the average invalid pension in East Prussia in 1907 amounted to \$33.90; in Berlin, \$42.24, and in the industrial district of Bechum, \$51.49.

The causes of invalidity have proved to be chiefly enervation, anemia, senil-

1860 50th YEAR 1910

HOME LIFE

Insurance Company of New York.

GEORGE E. IDE, President.

Assets	\$23,626,018.63
Liabilities	21,858,691.52
(Including Deferred Dividend Fund)	
Dividend Endowment Fund	
(Deferred Dividends)	2,119,044.00
Net Surplus	1,767,327.00
Insurance in Force.....	92,532,583.00

The record for 1909 shows the following GAINS:

Insurance in Force	\$4,164,239.00
Assets	1,917,117.00
Deferred Dividend Reserve...	148,581.00
Contingency Reserve (Surplus)	655,149.17

COMMERCIAL - UNION

ASSURANCE CO.,

(LIMITED)

OF LONDON.

OFFICE;

Cor. Pine & William Sts.

NEW YORK.

FEDERAL LIFE INSURANCE COMPANY CHICAGO

ISAAC MILLER HAMILTON, : : President

Admitted assets.....	\$2,447,499.17
Capital stock.....	177,300.00
Surplus apportioned and unapportioned	77,510.61

Excess security to policy holders	254,810.61
1909 insurance in force increased over.....	\$6,300,000.00
Surplus increased over....	100,000.00

HIGH-GRADE MANAGERS AND AGENTS WANTED.

ATTRACTIVE POLICIES.

DESIRABLE CONTRACTS.

WILL ENTER NEW TERRITORY.

Address,

CHARLES M. TURNER,
General Manager,

Marquette Building, CHICAGO, ILL.

ity (men 15 per cent. and women 22.1 per cent.), diseases of the lungs other than consumption (men 16.7 per cent. and women 8.9 per cent.), consumption (men 15 per cent. and women 9.5 per cent.), rheumatism, gout, diseases of the limbs and nervous troubles (men 15 per cent. and women 18.6 per cent.). Up to the age of 35 more than half the recipients of invalid pensions in industrial occupations suffer from tuberculosis of the lungs; in the younger classes almost two-thirds. The sick insurance office is making great endeavors to stamp out this plague by special treatment, by the isolation of incurables as in the consumptive stations at Berlin and other points.

HEALTH INSURANCE.

The Provident Savings Life's health bureau reports as follows:

"Of those who applied during the first eight months for the health bureau examination, 62 per cent. were found in good health, and 38 per cent. were found with various forms of impairment; some of them not immediately dangerous, but all of them important, because they would have led to serious consequences if not discovered and checked in time.

"The large proportion of impairments reported was to an extent due to the fact that many of those who applied realized that they were ailing and wanted to know the truth. But the important fact disclosed by these examinations, and the one that fully justifies this plan of assisting in the conservation of the health of policyholders, was that 40 per cent. of those found impaired were unaware of any trouble.

"The knowledge gained by these medical examinations has enabled many of these people to avoid needless suffering and premature death. We simply informed them of their physical condition and the law of self-preservation, the desire to live, did the rest."

CHIEF CROKER GETS HIS OWN WAY.

The Municipal Civil Service Commission has at last decided in what way it will go about the revision of the mental tests for applicants for places as firemen and policemen, advocated some time ago by the Mayor, at about the same time that Chief Croker declared that more attention was being paid in the examination to "brain rather than brawn."

The entire list of mental questions will be revised by the commission with a particular view to the reduction

of the restrictions which have heretofore shut out many applicants for appointment from outside the city. One of the first requirements which will be taken up is that of "localities," which embodies many questions which only a man most familiar with the city could answer offhand.

OBITUARY.

Gustavus C. Holt.

On Monday afternoon last there was carried to his eternal rest from his late residence, 918 Beacon street, Boston, one of the most lovable of men—Gustavus C. Holt, senior partner of John C. Paige & Co. He had passed away early in the morning of last Friday at his summer home in Hingham, after an illness of a little over a month. Mr. Holt was born in Boston in 1851, and in his early manhood became associated with the fire agency of Kinsley & Hastings, which later became Kinsley & Holt. In 1873 the late John C. Paige started the splendid agency, which still bears his name, and Mr. Holt was then his first and only assistant. With the growth of the business he became chief clerk, and, following the demise of Mr. Paige in 1897, he became senior member of the firm. Mr. Holt was a man of quiet manner and large ability. He was uncommonly fine looking, and had but recently appeared to be in such blooming health that the announcement of his death came as a severe shock to most of his friends. He is survived by a widow, two daughters and two sons. At a special meeting of the Boston Board of Fire Underwriters, held last Friday, Messrs. Blake, Rothery, Wheelock and O'Brien paid feeling tribute to the departed. Messrs. Blake, Lovett, Serrat, C. H. Porter and Gierasch were appointed a committee to frame a memorial to Mr. Holt, and Messrs. Bullard, Rothery, O'Brien, Crain and Reed were delegated to attend the funeral. The offices in the insurance district were closed from 2 to 3 of that day in respect to the dead.

Albert Henry Ward.

Albert Henry Ward, manager of the London Assurance Company for South Africa, died on July 20 at Johannesburg. Mr. Ward, who was in his thirty-fifth year, had spent the whole of his business career in the service of the Northern, first in the London office, then as inspector for South Africa, and finally as its manager in Cape Town, a position to which he was appointed in 1907.

The Connecticut Mutual

That means the best life insurance to have and the best to sell. If you can sell life insurance, you can sell more of it for the CONNECTICUT MUTUAL.

Men of Character and Ability are invited to apply.

Conn. Mutual Life Ins. Co., Hartford, Conn.

Please mention this paper.

INCORPORATED 1833.

British America Assurance Company HEAD OFFICE, TORONTO, CANADA

UNITED STATES BRANCH.
JANUARY 1, 1910.

Assets	\$1,556,740.94
Liabilities	902,438.61
Surplus	\$ 654,302.33

Hon. GEORGE A. COX, President.
JOHN HOSKIN } Vice-Presidents.
W. R. BROCK }
W. B. MEIKLE, General Mgr.

T H E PROVIDENT LIFE AND TRUST COMPANY OF PHILADELPHIA

Insurance in Force, \$214,509,255.00
(Paid for Basis)

Assets \$70,514,350.45
(Market Value, Dec. 31, 1909)

Contingency Reserve . \$9,207,276.38
(Inclusive of Capital Stock, \$1,000,000.)

The Provident has been particularly distinguished for the development of a highly trained force of agents. The systematic instruction which its agents receive has resulted in their being recognized as representatives of exceptional knowledge of the business and of marked efficiency.

Bardoe's Column.

LESTER C. LOCKWOOD and Arthur H. Lockwood, of Lockwood Bros., have formed a partnership with W. B. Ward, of Ward & Crawford, the new firm to be known as Lockwood Bros. & Ward. The new firm will have the general and local agency for the German Fire of Pittsburg and the Ben Franklin Fire of Pittsburg. The general agency will be located at 100 William street, and the local office at 80 William street.

Manager Charles H. Post, of the Caledonian Insurance Company, has returned from Europe.

George E. Kline, vice-president of the Continental, went to Chicago last week, it being his first visit since he came East to take up his new duties. From Chicago he went to Great Falls, Mont., where he was married last night to Miss Frances Cooper.

John Kenlon, deputy chief of the New York Fire Department, has been acting in Chief Croker's place at fire headquarters since Friday. When Croker went off for a holiday he recommended Kenlon, and Commissioner Waldo approved the selection.

The General Fire Assurance Company has been admitted to Pennsylvania.

Owing to the absence of Mr. Bissell the executive committee of the Fire Underwriters Association has not had a meeting to consider the effect of Henry Evans' refusal to join the movement, nor is it likely that a gathering will take place until Mr. Bissell returns. The prevailing opinion is

that if the new organization is to be a success its regulation as to commissions will have to be altered to permit the payment of contingents, many strong companies, both domestic and foreign, now inclining to that method of compensating agents.

Chicago set a new record for fires in July, with a total of 1,512 alarms. This breaks all records in the Fire Department since its organization. Hot winds and the long spell of warm weather were partly responsible. The total loss, however, was comparatively small. The largest previous record in the history of the department was 1,218 alarms turned in during a month of the railroad strike in 1893.

A special meeting of the stockholders of the Continental Fire Insurance Company will be held on August 22 for the purpose of considering the question of altering and amending its charter upon reincorporation under the insurance law of the State of New York and the adoption of a new charter, broadened to take all the privileges at present allowed by the insurance law.

The New York Fire Patrol now possesses a new automobile patrol wagon, a cut of which appears on the cover of this issue of THE CHRONICLE. The automobile patrol has been reviewed by underwriters in Pine, Cedar and William streets, and is now stationed at 310 West One Hundred and Twenty-first street.

The Swiss Reinsurance Company contemplates entering the United States with an arrangement to do business only under the wing of the Phoenix Assurance Company of London.

SAFETY FUND INSURANCE

NIAGARA

Fire Insurance Company

—OF—

NEW YORK

OFFICE:

46 CEDAR STREET, CITY.

NOTEWORTHY ADVANCE.

The
BERKSHIRE LIFE
Insurance Company,

OF PITTSFIELD, MASSACHUSETTS,

takes an advanced step in the interest of the policyholder by the adoption of the following liberal features in its new policy contract:

Low premium rates.

Large surrender values.

Dividends at the end of each policy year.

Thirty-one days of grace in payment of all premiums after the first year.

Paid-up insurance or cash surrender value or extended insurance after two years' premiums have been paid.

Loans for the full cash surrender value.

Policy payable in one sum or in installments for terms of years.

Policy has no restrictions upon residence or travel and is incontestable after the first policy year, except for non-payment of premiums.

Right of the insured to change the beneficiary.

Liberal re-instatement privileges.

Every effort has been made to make this new policy the very perfection in a life insurance contract.

For further information apply to
JOHN H. ROBINSON, General Agent
FRANK ALLEN, Associate General Agent
For New York and New Jersey,
Postal Building,
253 Broadway, NEW YORK.

INSURANCE STOCK QUOTATIONS.

	Capital	Approx. Annual Div.	When Payable	Bid Price P.C.	Asked Price P.C.
City of New York.....	\$500,000	10	Q	325	205
Commonwealth.....	500,000	10	J&J	925	950
Continental.....	2,000,000	40	"	125	125
Empire City.....	200,000	8	"	275	280
Fidelity-Phenix.....	2,500,040	V	V	275	300
German-Alliance.....	400,000	15	J&J	560	570
German American.....	1,500,000	30	"	285	295
Germania (\$50).....	1,000,000	18	"	1,525	455
Glens Falls (\$10).....	200,000	30	"	190	205
Globe and Rutgers.....	400,000	40	Q	680	675
Hanover (\$50).....	1,000,000	10	J&J	165	175
Home.....	3,000,000	30	"	300	305
Nassau (\$50).....	200,000	10	"	155	165
Niagara (\$50).....	1,000,000	20	"	135	145
North River (\$25).....	300,000	10	A&O	90	105
Pacific (\$25).....	200,000	6	J&J	155	160
Peter Cooper (\$20).....	150,000	6	"	60	70
Stuyvesant.....	400,000	10	"	455	460
United States (\$25).....	250,000	V	V	380	400
Westchester (\$10).....	400,000	35	F&A		
Williamsburg City (\$50).....	250,000	20	J&J		
V—No information.					
Q—Quarterly.					

RECTOR 2817

ESTABLISHED 1864

E. S. BAILEY

DEALER IN

INSURANCE STOCKS

A SPECIALTY

66 Broadway NEW YORK



of New York

SUPERIOR POLICIES

KIMBALL C. ATWOOD, President.
290-292 Broadway, New York.

New England Mutual Life

Insurance Company

BOSTON, : : : MASS.

chartered 1835

Assets, January 1, 1910..\$51,316,543.00
 Liabilities 47,050,672.15

Surplus \$4,265,870.85

Sixty-six years of honorable dealing with its policyholders has placed the **NEW ENGLAND MUTUAL LIFE INSURANCE COMPANY** in the front rank of Life Insurance Companies of the Country.

ALFRED D. FOSTER, President.
D. F. APPEL, Vice-President.
J. A. BARBEY, Secretary.
WM. F. DAVIS, Assistant Sec'y.
J. G. WILDMAN, Assist. Sec'y.

EDWARD W. ALLEN, Manager,
 220 Broadway, New York.
LATHROPE E. BALDWIN, Manager,
 141 Broadway, New York.
CHARLES H. STRAUSS, Gen. Ag't.
 200 Fifth Ave., New York.

FOUNDED 1792

118th ANNUAL STATEMENT

INSURANCE COMPANY OF NORTH AMERICA. OF PHILADELPHIA, PA.

ASSETS.

January 1, 1910.
 Real Estate\$ 364,410.00
 First Mortgages on Real Estate 373,803.43
 Philadelphia, New York, Boston and other City and State Loans 1,134,390.00
 Pennsylvania, Philadelphia and Erie, Lehigh Valley and other Companies' Bonds and Stocks 8,909,150.32
 Cash in Bank and Bankers' hands 1,134,635.88
 Notes Receivable and Unsettled Marine Premiums.... 347,440.69
 Net Cash Fire Premiums in course of Transmission.... 1,069,510.62
 Accrued Interest, and all other property 52,160.57
 Total Assets\$13,385,501.56

LIABILITIES.

Capital Stock\$ 3,000,000.00
 Reserve for Re-Insurance .. 6,813,862.47
 Reserve for Losses 877,250.00
 All other Liabilities 104,982.45
 Surplus over all Liabilities.. 2,589,406.64

\$13,385,501.56

Surplus to Policyholders.....\$5,589,406.64
 Increase in Reinsurance Reserve 349,934.71
 Increase in Net Surplus..... 838,500.98
 Increase in Assets 1,371,438.93

Eugene L. Ellison.....President
Benjamin Rush.....Vice-President
T. Howard Wright.....Secretary
Henry W. Farnum.....Assistant Secretary
John O. PlattAssistant Secretary

Agencies in all Prominent Cities & Towns.

WESTERN ASSURANCE Co.

HEAD OFFICE,

TORONTO, - - CANADA.

Incorporated 1851.

Hon. GEORGE A. COX.....President
 W. R. BROCK and JOHN
 HOSKIN, K. C. LL. D., Vice-Presidents
 W. B. MEIKLE.....General Manager

United States Statement, Jan. 1, 1910.
 Assets\$2,377,303.37
 Surplus in United States..... 839,268.07

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS is unsurpassed for net low cost and care of interests of all members.

THE PENN MUTUAL LIFE INSURANCE COMPANY OF PHILADELPHIA

On January 1, 1909, rates were reduced and values increased to full 3% reserve.

THE American Credit-Indemnity Co. OF NEW YORK.

CREDIT INSURANCE ONLY.

Insures Wholesalers and Manufacturers against Excessive Annual Loss through the Insolvency of their Customers.

We can always use a few high-grade solicitors.

ST. LOUIS, MO.

NEW YORK, N. Y.

Offices in All Principal Cities.

A. B. TREAT, General Agent,
 302 Broadway, : : : : : New York.

**OLDEST
IN
AMERICA**

**STRONGEST
IN THE
WORLD**

THE MUTUAL LIFE Insurance Company of New York

**Mutual Life Agents Make Most Money
Because Mutual Life Policies Sell Most Freely**

For terms to producing agents, address

GEORGE T. DEXTER

2nd Vice-President

34 Nassau Street

New York, N. Y.

FIRST EDITION HALF GONE!

Survivorship Annuity Tables

Net Premiums, Mean and Terminal Reserves

**American Experience Table,
LIFE OF NOMINATOR**

**Danish Survivorship Annuitants' Table,
LIFE OF ANNUITANT**

And 3½ Per Cent. Interest

BY
MILES M. DAWSON,
Consulting Actuary

SEND ALL ORDERS TO

The Chronicle Co. (Ltd.)

No 90 William St.

NEW YORK

The Chronicle

1866

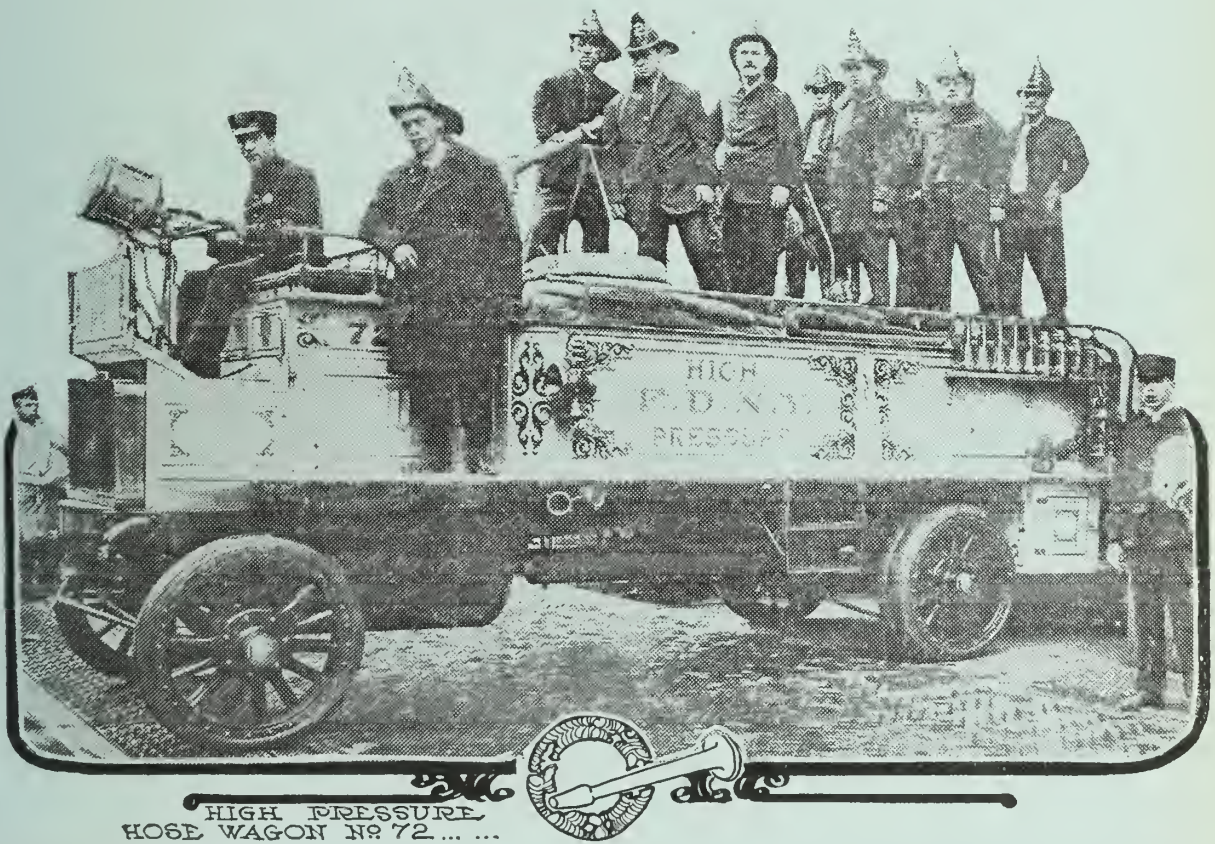
Published by THE CHRONICLE COMPANY, Ltd., 90 William St., New York City.

1910

VOLUME LXXXVI.

New York, August 11, 1910.

NUMBER 6



Courtesy of the New York World.

AUTO HOSE CART GOING TO A FIRE.

EMPLOYERS LIABILITY INSURANCE ABROAD.

By MILES M. DAWSON.

A series of articles from Foreign Countries will be contributed to THE CHRONICLE during the following weeks by Mr. Dawson, who is in Europe on a Government mission.

COMPARATIVE RESERVE TABLES

By MILES M. DAWSON,
Consulting Actuary.

Containing Mean and Terminal Reserves for the usual forms of policies and by the following standards—

- American Experience, Select and Ultimate $3\frac{1}{2}$ per cent.
- American Experience, Select and Ultimate 3 per cent.
- American Experience, Modified Preliminary Term $3\frac{1}{2}$ per cent.
- American Experience, Modified Preliminary Term 3 per cent.
- American Experience, Select and Ultimate 4 per cent.
- Actuaries', Modified Preliminary Term 4 per cent.
- American Experience, Committee of Fifteen, $3\frac{1}{2}$ per cent.
- American Experience, Illinois and Tennessee, $3\frac{1}{2}$ per cent.
- American Experience, Michigan, $3\frac{1}{2}$ per cent.
- American Experience, Wisconsin, $3\frac{1}{2}$ per cent.
- American Experience, New Jersey, $3\frac{1}{2}$ per cent.
- H^M, Canadian Life Officers' Association, $3\frac{1}{2}$ per cent.
- O^[M], Select and Ultimate, $3\frac{1}{2}$ per cent.

This covers all the standards, other than the net level premiums, in this country. Tables showing the first year margins set free by each method of valuation are given.

EDITION ALMOST EXHAUSTED — SAVES TIME AND MONEY

VARIOUS DERIVED TABLES---American Experience 3 and 3 1-2 PER CENT.

By MILES M. DAWSON

Table of Contents.

Single Premiums, Pure Endowment.
Accumulations, Pure Endowment.
Forborne Immediate Annuities.
Accumulated Temporary Insurances.
Accumulated Increasing Insurance.
Single Premiums Endowment Insurance.
Single Premiums Temporary Insurance.
Immediate Temporary Annuities.
Valuation Columns.

SELECT AND ULTIMATE VALUES.

Single Premiums, Whole Life.
Life Annuities.
Terminal Reserves, Life, Limited Payment Endowment.
Mean Reserves, Life, Limited Payment, Endowment.

LOGARITHMS, SEVEN PLACES.

Forborne Immediate Annuities.
Curtate Summations of D Column.
Immediate Temporary Annuities.

Uses.

- Computing Annual Term Insurance Premiums:
Divide endowment insurance values by immediate temporary annuities.
- Computing Annual Endowment Insurance Premiums:
Divide endowment insurance values by immediate temporary annuities.
For these purposes the "select and ultimate" will be most useful.
- Computing Annual Pure Endowment Premiums:
Divide pure endowment values by immediate temporary annuities or take reciprocals of forborne immediate annuities.
By these means, the net extra premium for a special guaranty can be quickly and accurately computed.
- Computing Annual Semi or Double Endowment Premiums:
Add temporary insurance and pure endowment values for proper amounts and divide by immediate temporary annuity.
- Computing Limited Premiums:
Divide the proper single premiums by immediate temporary annuity.
- Computing Surrender Values:
Extended Insurance. Find the temporary insurance value next lower than the sum to purchase extension. This gives even number of years. Apply remainder to pay for additional days according to daily differences in the table.
- Extended Insurance with Fractional Paid-up Endowment:
Deduct from purchase money, value of insurance for unexpired term; multiply remainder by accumulation, pure endowment, to get amount of endowment.
- Computing Terminal Reserves:
Unvarying Benefits. Multiply net premiums by forborne immediate annuity and deduct accumulated temporary insurance.
Return Premium, Full Reserve. Multiply net premium by forborne immediate annuity and deduct accumulated temporary insurance and accumulated increasing insurance, multiplied by gross premiums to be reduced.
Return Premium, Extra Reserve. Multiply net extra premiums by forborne immediate annuity and deduct accumulated increasing insurance, multiplied by gross premiums to be returned.
- Warranted Commissions for New Business.
Surrender Values.
Dividends.

SEND ALL ORDERS TO **THE CHRONICLE CO. (Ltd.)** 90 William Street,
New York.

The Chronicle

VOLUME LXXXVI

NEW YORK, THURSDAY AUGUST 11, 1910.

NUMBER 6

PUBLISHED EVERY THURSDAY BY
THE CHRONICLE COMPANY, Limited.
No. 90 WILLIAM ST., NEW YORK.
Phone "567 John." Cable Address, "Chronogram," New York.

Subscription Price:
Three Dollars a Year. Single Copies, Twenty-five Cents.
Postage Prepaid in the United States and Canada.

MILES M. DAWSON, President.
R. B. Dawson, Treas. A. C. Harwick, V.-P. A. L. Dern, Sec'y.
Emil Schwab, Manager New England Department,
200 Devonshire Street, Boston, Mass.

All communications should be addressed to and remittances should be made to The Chronicle Company, Limited.
Entered at the Post Office, New York, N. Y., as Second Class Mail Matter.

DEATH KNEEL FOR NEW YORK FIRE HORSES.

Waldo Decides to Put Department on Automobile Basis—Fire Hose Auto Costs \$50 a Year; Horse Drawn, It Would Be \$1,200.



FIRE COMMISSIONER WALDO of this city has decided to substitute motors for horse-drawn fire-fighting equipment. The 45-horse-power automobile hose cart of High Pressure Company 72, at 22 East Twelfth street, has demonstrated, after a year's trial, that it can cover more ground in less time and carry twice as much hose at much less expense than when horses are used.

Next week the Fire Department will advertise for bids on nine pieces of auto apparatus, which it is planned will replace engines, hose carts and trucks now drawn by horses. Six of

the new vehicles will be hose autos. There will be one couple gear hook and ladder auto truck, one gasoline driven and gasoline pumping engine, and one gasoline driven "steamer."

Figures prepared by Commissioner Waldo show that it costs twenty-four times as much to maintain a team of fire horses as it does one auto hose cart. The cost of maintenance last year of the gasoline driven hose cart, including expense of repairs, gasoline and oil, was only \$50, while to stable, feed and shoe a team of horses cost, approximately, \$1,200.

Compression is maintained in the cylinders day and night, and the

chauffeur fireman may start simply by throwing on the clutch. The vehicle carries from eight to ten men and 2,000 feet of three-inch hose, or twice as much as the ordinary horse-drawn cart. In addition, it is equipped with a tower nozzle near the front, through which a stream may be thrown direct.

The picture on the front cover of this issue of THE CHRONICLE shows the hose auto responding to an alarm. The crew is commanded by Fire Captain Edward F. O'Connor, and Fireman James Tierney is in the chauffeur's seat. The car makes thirty miles an hour in the street.

Mutual Reserve's Remaining Assets.

THE receivers of the Mutual Reserve Life Insurance Company and Edward S. Rapallo, the special master appointed to pass on claims against the concern, made their reports at a hearing before Judge Ward in the United States Circuit Court last Friday. Many creditors represented by lawyers were on hand to urge their exceptions to the allowances and the disallowances recommended by the receivers.

The assets of the company, as far as disclosed, were sufficient to allow the payment of only fifty or sixty cents on the dollar on death claims, with nothing left for living policyholders.

Among the principal exceptions filed to the reports were those on behalf of French and Spanish policyholders, whose death claims had been disallowed by the special master on the ground that there were sufficient as-

sets in those countries in the hands of the liquidators to satisfy such claims.

The French policyholders put in claims of approximately \$150,000 for death benefits. All these claimants, as well as those in Spain, were represented by Royall Victor, of the firm of Sullivan & Cromwell, who urged the payment of the foreign creditors under the rights guaranteed by the treaties between those countries and America, which gave their citizens the same standing in the United States courts as American citizens.

Mr. Victor said that there were on deposit \$41,000 free assets in French banks belonging to the company and \$131,000 on deposit with the Government there as a guarantee fund under the provisions of the French law. If the total of \$172,000 could be employed to pay death benefits, he said, all the French claims would be satis-

fied. But the expert testimony was that the Government deposit under the French law could be employed for but one purpose—to pay the mathematical reserve of each policyholder—and could not be used to pay death benefits.

The court asked Mr. Victor whether he meant to say that death claimants were not protected under the French law by virtue of that deposit.

Mr. Victor replied, "Yes."

"That seems monstrous," declared Judge Ward.

The lawyer added that the foreign policyholders would get only about twenty cents on the dollar if they were not permitted to share in the distribution of the assets here.

The hearing on the exceptions of other groups of creditors promises to be long drawn out, and the matter may be taken to the United States Court of Appeals.

Seen and Heard in La Salle Street.

CHICAGO, Aug. 10.—The Chicago local entertainment committee, which has in charge preparations for the meeting of the National Association of Local Fire Insurance Agents in the city next month, has not yet fully matured its plans. They will depend to some extent on the report of the finance committee which has not yet completed its labors.

The entertainment committee, however, has decided that it will not undertake a great deal in the way of automobile rides and the like. These forms of entertainment provided by convention cities in the past have been enjoyed and appreciated. The committee believes, however, that in the case of Chicago a change is desirable, as the circumstances are different. Probably 75 per cent. or more of the men who attend the Chicago convention will have business to transact with Western department offices, or at least will want to call upon some of the managers of their companies. The entertainment committee believes that in looking after the comfort of the visitors and providing enough entertainment to show that Chicago insurance men are glad to have them as guests and then leaving them to enjoy themselves as they see fit will be more acceptable than a constant round of entertainments occupying most of the time not taken up in convention work.

The program for the meeting includes such questions for discussion as "Fire Insurance Expenses," "State Rating Laws," "Uniform Blanks," "Trust Lines and Brokers," "Qualifications for Agency Appointments." Those selected to speak on these questions are largely local agents, although several insurance commissioners have been invited to participate, among them Superintendent Hotchkiss of New York, Charles W. Barnes of Kansas and James V. Barry of Michigan.

The Chicago committee having charge has selected President Homer W. Stillwell of the Chicago Association of Commerce to deliver the address of welcome. The response will be given by F. G. Lumpkin, Columbus, Ga., vice-president of the National Association.

The executive committee of the National Association of Local Fire Insurance Agents has voted to admit to the "co-operating list" the Massachusetts Fire and Marine Insurance Company of Boston and the Scranton Fire

Insurance Company of Scranton, Pa., these companies having subscribed to the territorial and expiration principles of the National Association.

Accounts current are now being received at Chicago from agents in Illinois on July business. As the commission scale of the Western Insurance Bureau became effective in the State July 1, these accounts current are being watched with more than usual interest. In a few cases agents have held out commissions according to their old contracts. In these cases the companies, if they live up to their obligations, will have to make the agents make necessary corrections or take up their supplies. More or less argument and correspondence is expected, but after this month agents are expected to know that the companies are in earnest when they say that the bureau scale is a maximum.

Just as some agents have been accustomed to try to make field men think they received excess commissions from every company in their agencies, so it appears now that a few are going to give out the impression that not all members of the Western Insurance Bureau are living up to their pledges. One case is reported by a non-bureau field man where an agent told him he had the promise from certain of his companies of a premium at the end of the year equal to the difference in his commissions on the old and new scales. The field man who tells this is entitled to belief. Whether the agent who told him is also truthful is another question. If he is, it looks as if crooked work was beginning early in the game.

Announcement that James V. Barry, insurance commissioner of Michigan, will deliver the annual address at the October meeting of the Fire Underwriters Association of the Northwest, is a splendid start on the program. No commissioner in the country stands higher in the esteem of fire insurance men. Mr. Barry's reputation as one who says things worth hearing is equalled only by his reputation for saying them in an entertaining manner. There is not an insurance man in the entire West who will be listened to with greater interest than he.

The committee on revision of the ritual appointed at the last meeting

of the grand nest of the Blue Goose has addressed a circular letter to the various ponds asking for suggestions as to desirable changes. It is somewhat surprising that the old ritual has been in use for four years with but slight changes from the original draft, improvised in a few hours for an evening's fun. As the order has grown its serious side has been more emphasized and a number of State ponds have introduced innovations of their own to give utterance to this more serious spirit. It is not unlikely that the revision committee will take cognizance of this sentiment and add to the dignity of the ritual.

The Illinois Insurance Commission held an executive session in Chicago recently to consider its report. It is understood that O. B. Ryon, attorney of the commission, has been at work on the report for some time. The committee, of course, will give out nothing at present as to what its findings and recommendations are likely to be.

Reports from the "excepted cities" of the West, to visit each of which committees of managers have been appointed, give a faint idea of what problems are to be met in bringing about a reduction in expense. Chicago has many salaried managers, a number of general agents conducting local agencies, a horde of brokers and solicitors, high rates on preferred business, and agents doing a large downtown business have to render much service in the way of inspections, etc., which other agents do not have to render at all. Louisville, on the other hand, has mostly sole agencies, practically no brokers or solicitors, few salaried managers, and is regarded as comparatively easy to handle.

Milwaukee has high rates on pre-

MEN OF ENERGY ARE OFFERED WORK OF MOMENT

in desirable localities representing a sixty-year old institution, with modern, liberal, law-conforming policies, and helpful Home office co-operation. Much good territory available. Many opportunities for advantageous positions. Inquire NOW.

UNION MUTUAL LIFE INSURANCE COMPANY PORTLAND, MAINE

FRED E. RICHARDS, President.

Address either:
 ALBERT E. AWDE,
 Supt., 396 Congress St.,
 Portland, Maine.
 THORNTON CHASE,
 Supt., 405 Exch. Bldg.,
 Los Angeles, Cal.

ferred business, six home companies besides two "annexes," an army of solicitors. St. Louis, with low rates and persistent rate-cutting still shows a low loss ratio year after year. Commissions are perhaps more excessive there than in any other city in the West. The anti-compact law covers commissions as well as rates. The agents do not believe the companies will all play fair if an agreement could be reached. They think there should be a curtailment in the number of agents and other reforms before the commission question is taken up. Cleveland agents point to the duplication of work in the field and on losses, resulting in expense, which they think should be eliminated before an attempt is made to cut commissions. Cincinnati has the salaried manager and the solicitor to deal with among other problems.

It can readily be seen that with the varying conditions it would be almost impossible to formulate any general scheme to be universally applied. Each city will have to be dealt with individually and with infinite tact and patience. Agents at some points, at least will demand concessions from the companies in return for lower commissions, such as the reduction in the number of agents or reduction in rates.

Just now it is almost impossible to do anything, as the vacation season is at its height.

* * *

Several of the leading liability offices in Chicago are reporting a remarkable increase in volume of premiums this year. Apparently several causes are contributing to this result. In one case at least the increase is largely due to securing the liability lines on several very large contracts in the far Northwest. One office is receiving considerable increase through excess premiums, and there probably are others similarly affected. Following the depression of 1907 some

agencies allowed the assured to make low payroll estimates almost at once and they were soon receiving excess premiums on these low estimates. Others succeeded in holding up the estimates immediately following the panic with the result that they had rebates to pay the next year and had to accept low estimates. They are now in line for excess premiums and higher estimates. The growth of the automobile business has cut an important figure in the receipts of some of the offices.

EMPLOYERS LIABILITY HEARINGS IN ILLINOIS.

CHICAGO, Aug. 10.—The Employers Liability Commission of Illinois began holding hearings at various points in the State this week. The most important one will be held at Chicago on August 24 and 25. The commission has sent out to employers, labor organizations and other interested parties a synopsis of a tentative bill it has drawn, which will be the basis of the discussions at the hearings.

This proposed bill is a workmen's compensation measure. It provides for compensation on the following basis:

Death: Where there are dependents, three years' wages, but not more than \$1,500 or less than \$3,000; where there are no dependents, a sum not to exceed \$200.

Permanent disability: A pension on the basis of 50 per cent. of the employe's earnings, to be paid as long as disability lasts or until the compensation shall amount to four years' wages, such pension to begin after two weeks' disability. For permanent partial disability, the percentage of compensation is to be reduced in proportion to the reduction in earning capacity.

Temporary disability: When such disability has continued bona fide for two weeks the employe is to receive

50 per cent. of his earnings from the beginning of disability and as long as it lasts. Provision is made for determining disability.

Minors: To be compensated for permanent disability on the basis of 50 per cent. of the wages of adults in the same line of employment; for temporary disability, where there are dependents, on the basis of 50 per cent. of adults' earnings, provided the compensation shall not exceed the employe's full weekly pay; where there are no dependents, on the basis of 50 per cent. of the employe's own wages.

The proposed law leaves the employe the privilege of suing the employer under common law or statutes, in case the employe does not take compensation, but in that case the employer has all his old defenses. If the employer refuses to compensate the injured employe and forces him to sue, the employer is then deprived of his privilege of pleading the fellow servant rule, assumption of risk or contributory negligence, unless the employe's negligence be greater than that of the employer, in which case damages shall be apportioned according to relative negligence and the burden of proof shall rest upon the employer.

The proposed law is to apply to all employers of labor who have more than five persons employed at one time.

PACIFIC COAST CASUALTY.

S. H. Wolfe, the adjuster, has finished his examination of the Pacific Coast Casualty Company, and in his report increases the assets from those claimed by the company, namely, \$970,146.56 to \$972,387.27. Mr. Wolfe concludes his report as follows: "The policyholders of this company are amply secured by a capital stock of \$400,000 and an admitted surplus of \$276,753.73. Claims appear to have been settled promptly."

Does This Catch Your Eye?

It will catch the eye of the
man you want to meet.

WRITE US TO-DAY FOR RATES.



THE CHRONICLE CO., Ltd.,
90 Williams Street, New York

H. A. WILEY ROYAL SPECIAL.

Announcement was made Tuesday last that Herbert A. Wiley has been appointed special agent for New England of the Royal of Liverpool. Mr. Wiley, though still a young man in the thirties, has already seen seven years of service in the office of the Scottish Union and National at Hartford, and thereafter two years with the National Fire in that city. He then became special agent of the Royal Exchange, holding that position for two years, and the past five years has been special agent for New England of the Insurance Company of the County of Philadelphia.

A first class life underwriter with a successful field record, and an untarnished reputation can secure good open territory by addressing

**SECURITY MUTUAL LIFE
INSURANCE COMPANY**

Binghamton, N. Y.

The Employers' Liability

Assurance Corporation, Ltd.

**LIABILITY, STEAM BOILER,
ACCIDENT, HEALTH, FIDELITY
and BURGLARY INSURANCE.**

UNITED STATES BRANCH.

**SAMUEL APPLETON, United States
Manager,**

**Employers' Liability Building,
33 BROAD STREET, BOSTON, MASS.**

**EDMUND DWIGHT,
Resident Manager for New York State,
56 MAIDEN LANE, NEW YORK.**

AGENTS WANTED.

The

**Columbian National Life
INSURANCE COMPANY
OF BOSTON, MASS.**

**LIFE, ACCIDENT AND HEALTH
INSURANCE.**

**The Only Massachusetts
Non-Participating Company**

**The New Columbian Policies are
Unexcelled in Clearness and Liberality.**

**Good Contracts and Territory for
Good Producers.**

ARTHUR E. CHILDS, President.

**BANKERS LIFE COMBINES
HEALTH AND LIFE.**

The Bankers Life Insurance Company of the City of New York announce that their new policies are now ready for issuance. These forms are written combining health insurance with life insurance and are unique in that they represent the first policies of their kind to be issued by any New York State life insurance company.

Vice-President Wilbur S. Tupper devised the combination of health and life insurance ten years ago on the Pacific Coast, and achieved considerable success with the Conservative Life of Los Angeles, utilizing and specializing on these forms.

The policies are written on the basis of five dollars of health insurance, which covers all forms of disability for each thousand dollars of life insurance. With each thousand dollars of endowment insurance ten dollars per week of health insurance may be had. The health portions of these contracts are absolutely without restriction and present a new phase in the disability insurance business.

THE RAWN CASE.

In an effort to prove that Ira G. Rawn, president of the Chicago, Indianapolis and Louisville Railway, was murdered, and did not come to his death by a pistol shot fired by himself, a reward of \$5,000 has been offered by the Rawn estate for information leading to the arrest and conviction of the supposed murderer or murderers. Mr. Rawn was found dead in his home at Winnetka on the morning of July 20.

HERE AND THERE.

The Dutchess Fire Insurance Company of Poughkeepsie has declared a semi-annual dividend of 2 per cent.

Albert H. Mowbray, fellow (by examination) of the Actuarial Society of America, formerly actuary of the Insurance Department of North Carolina, and later with the California Insurance Department, announces the opening of an office as consulting actuary at San Francisco.

A large sprinklered risk recently burned at Nashville, Tenn., has caused a total loss to companies and the failure of the equipment is being investigated.

The Prussian National will plant the Prussian National Underwriters, which it recently started, in all available territory. Rosc & Mayer have

been appointed agents for the Prussian National Underwriters at New Orleans, the parent company being represented by the Adolphe D'Aquin Company.

George H. Henshaw has resigned as special agent for the Atlas of Des Moines in South Dakota to take Iowa and Nebraska for the National Union.

Frank M. Avery, manager of the California department of the Fire Association of Philadelphia and the Philadelphia Underwriters, is here from San Francisco.

1890 SOUTH YEAR 1910

HOME LIFE

Insurance Company of New York.

GEORGE E. IDE, President.

Assets	\$23,626,018.63
Liabilities	21,858,691.52
(Including Deferred Dividend Fund)	
Dividend Endowment Fund	
(Deferred Dividends)	2,119,044.00
Net Surplus	1,767,327.00
Insurance in Force	92,532,583.00

The record for 1909 shows the following GAINS:

Insurance in Force	\$4,164,239.00
Assets	1,917,117.00
Deferred Dividend Reserve	148,581.00
Contingency Reserve (Surplus)	655,149.17

COMMERCIAL - UNION

ASSURANCE CO.,

(LIMITED)

OF LONDON.

OFFICE;

Cor. Pine & William Sts.

NEW YORK.

Life Ins. Co. of Virginia

Home Office, Richmond, Virginia.

J. G. WALKER, President.
T. W. PEMBERTON, 1st Vice-President.
W. L. T. ROGERSON, 2d Vice-President.
E. D. HARRIS, Secretary.

The **OLDEST** Southern Life Insurance Company.

The **LARGEST** and **STRONGEST** Southern Life Insurance Company.

The **PIONEER** Southern Industrial Life Insurance Company.

Its policies are clear and definite in their provisions and their values are absolutely guaranteed.

Assets Dec. 31, 1909	\$5,372,691.99
Liabilities Dec. 31, 1909	4,312,405.32
Insurance in Force Dec. 31, 1909	68,337,613.00
Total Payments to Policyholders since Organization	9,820,412.46

Mayor Gaynor and the City.

IN the attack upon William J. Gaynor, Mayor of New York, on the deck of the steamship Kaiser Wilhelm der Grosse in her slip at Hoboken when he was about to sail on a short European vacation, every lover of good government received a blow. Fire underwriters in their representative business capacity were affected, as well as their individual character as citizens.

* * *

Henry W. Eaton, United States manager of the Liverpool and London and Globe Insurance Company, in response to a request from THE CHRONICLE, had this to say:

"The event regarding which you ask me to briefly comment is most startling, and, in its effect, disheartening to all concerned in good government. Whilst all true citizens will greatly hope that Mayor Gaynor's life may be preserved, and that we may enjoy the continued benefits of his wise and just administration, arrested only by temporary inability, we are yet im-

pressed with the painful idea that in this free land a gentleman honored by the gift of such an office, and fearless in his work, has been struck down by the hand of a disgruntled, and, as it would appear, an incompetent city employe. There would be some relief in discovering, as may possibly prove to be the case, that such a lawless act was prompted by a mind so afflicted as to be irresponsible."

* * *

The "New York Times," in its leading editorial of yesterday morning, said:

"We wish it were possible for Mayor Gaynor in the slow hours of suffering and peril through which he is passing to know how the hearts of his fellow-citizens go out to him in sympathy and affection, and with what fervor they hope that he may be restored to complete the service for which he has shown himself so rarely fitted. Most of us, we venture to say, hardly knew what a place he had secured in our esteem and regard until this terrible experience brought it clearly to us. And there is a sense of

sorrowful pride in learning that in this supreme trial he has manifested the simple manliness, the native fortitude, the calm dignity that we naturally associate with his personality."

IN THE OLDEN TIME.

Epictetus was born at Hierapolis in Phrygia and became a slave of Epaphroditus, a favorite of Nero, who is recorded to have treated him with great cruelty. One day Epaphroditus began twisting his leg for amusement. Epictetus said:

"If you go on, you will break my leg."

Epaphroditus persisted, the leg was broken and Epictetus, with unruffled serenity, only said:

"Did I not tell you that you would break my leg?"

LLOYDS AT BASKING RIDGE.

BASKING RIDGE, N. J., Aug. 10.—The firemen of this place have insured with the Lloyds of London. They pay \$100 for insurance on \$900 that it will not rain between 1 a. m. on August 19 and midnight of August 20.

Half Million Dollar Fire in Boston.

BOSTON, Aug. 10.—(Special.)—A destructive fire swept the lumber district along Albany street last night, causing losses estimated to aggregate \$500,000, mostly on lumber, as the buildings, with one exception—the fire department repair shop—were of small value. The entire department was called out, and the metropolitan system of mutual aid, whereby most of the surrounding

towns sent fire fighting aid, was availed of for the first time.

The principal loss was suffered by the Blacker & Shepard Company, and may reach \$200,000. The insurance loss involved is thought not to exceed \$350,000 in all, the fire department building not being insured. The insurance loss is well distributed among the companies represented in Boston.

Among the property destroyed in the fire department building were engine 9, truck 14 and chemical 5. While

the lumber district fire was in progress another occurred in the building of the Johns-Manville Company on High street, destroying values of perhaps \$50,000.

The great number of pieces of apparatus in action last night and the caution which the companies exercise in writing lumber risks, caused a waggish agent to remark that "the fire department had more lines on the property affected than did the insurance companies."

RIGHT NOW ——— WRITE NOW

LIVE ASSETS for LIVE AGENTS

Live, not Life Insurance, is the only necessity of life that has not increased in cost.

It is a great asset for a Live Agent to represent the largest health and accident insurance company in the world, especially at this time with compulsory workmen's insurance imminent and employers' liability insurance becoming costlier every day. Up-to-the-second policies. Most liberal contracts to agents.

CONTINENTAL CASUALTY CO.,

E. G. B. ALEXANDER,
President.

1203 Michigan Ave. : : Chicago

"Often Copied; Never Equalled."

Most agents take a vacation during a part of the Summer months. The agents of the Philadelphia Life, having the advantage of a direct contract with the Company, can generally be placed in territory where they may enjoy a vacation and at the same time have the advantage of writing business and making money.

Write Perry to-day for contract.

AN INSURANCE MILLION IN SOPHOMORIC HANDS.

It is quite the ordinary thing for bands of beauties from Kentucky, Kansas and Georgia to visit Wall street in the good old summertime. It is not always usual for the afore-said bands of beauties to find themselves rivalled by foreign students of the masculine persuasion.

A collection of sophomores' from the College of Commerce in Cologne is on this side of the water at present, with the settled purpose of learning American business ways. This week this sophomore collection took a dive into the most gilded ripple of New York's financial pool. In other words, they visited the Stock Exchange. But they did not go back to the Plaza without showing that they heard of the existence of other ripples in this pool. One of the other ripples, into which they dived, is devoted to life insurance.

In the vaults of the New York Life building they formed in line and were permitted to hold as much wealth as can be contained in a small bag. When they were told that the \$1,000,000 which made a very small parcel was equal to 4,000,000 marks, it was necessary to lead the way upstairs at once where refreshment could be administered. To see one insurance company wasn't enough, for they wanted to know all about these companies, so they went to Newark to look at the Prudential building, inside and out, and to meet Senator Dryden.

THE AMPERSAND CASES.

Subsequent to the decision by the Court of Appeals in the action of the Ampersand Hotel Company against the Home Insurance Company, wherein it was held that the alleged defense of conspiracy to burn the property in question was insufficient in law and in consequence that the action of the trial justice in striking

out that defence was affirmed, as was also the judgment in favor of the hotel company on all of the other defenses set up by the defendant, a motion to amend its answer by setting up further details of the alleged conspiracy claimed by the defendant's counsel to constitute overt acts was made on behalf of one of the other defendant companies before Justice Van Kirk sitting in the Supreme Court at Schenectady on July 15. The motion was argued on behalf of the defendant by Hartwell Cabell, of counsel for all the companies interested in the Ampersand Hotel Company loss. The motion was opposed by William B. Ellison and Arnold L. Davis of counsel for the hotel company.

Justice Van Kirk has just handed down a decision in which the motion to amend is denied on the ground that the Court of Appeals has in effect decided that the matters alleged in the proposed amendment would not constitute a defense.

A NEW SKYSCRAPER BY FIRE UNDERWRITERS.

A local real estate transaction of some importance to fire underwriters was the sale of the property at 21 to 27 Cedar street by the City Investing Company last week. Reports, which obtained neither confirmation nor denial, were published to the effect that the property had been purchased by a fire insurance syndicate. Since then the property has been transferred to the City Real Estate Company, a holding company. It has been learned upon good authority that the latter concern is acting for the parties mentioned in the report.

Henry Evans, president of the Continental Insurance Company, heads the syndicate, which has in view the improvement of the property, which fronts a little more than 90 feet on Maiden Lane and Cedar street, with a building probably twenty stories in

height, for occupancy by fire insurance companies. This additional evidence of the concentration of the insurance business to the east and north of the financial district is especially interesting in view of the several recent improvements made in the vicinity of the purchase, and behind the move is the Fire Companies Building Corporation, recently incorporated at Albany with \$1,500,000 capital—a combination sufficiently influential to induce others to build near by.

OBITUARY.

James L. Foley.

Major James L. Foley, Cincinnati manager for the Royal, died last Friday night, after a short illness. He was manager for the company at St. Louis for some years, being transferred to Cincinnati about five years ago. He was a veteran of the Civil War and about seventy years of age. While at St. Louis he served in several important civic positions, and was a member of the commission which is just finishing the installation of a \$10,000,000 waterworks system at Cincinnati, representing the insurance interests on the commission. He was a past commander of the Loyal Legion at Cincinnati.

Walter Nichols.

Walter Nichols died at his home, 401 Sackett street, Brooklyn, in his ninety-third year. He came from Newport, R. I., in 1851, settling in Brooklyn, and entered the insurance business as a clerk in the office of the Nassau Fire Insurance Company. He helped in the organization of the Mechanics Fire Insurance Company of Brooklyn and became its secretary in 1859, retaining that position until the company was liquidated in 1887. He then continued in the insurance business as a broker. Mr. Nichols left a family of four sons and three daughters.

NATIONAL LIFE INSURANCE COMPANY of the United States of America



MORE THAN \$9,750,000.00 IN ASSETS
EXCESS SECURITY TO POLICYHOLDERS \$1,300,000.00

Chicago's Oldest and Strongest
Company

OUR NEW POLICIES ARE WORLD BEATERS

LOWEST RATES AND HIGHEST VALUES

YOU LOSE MONEY WHEN YOU NEGLECT YOUR CHANCE TO SELL THEM

Write to Robert D. Lay, Secretary, 159 La Salle St., Chicago

WESTERN ASSURANCE Co.

HEAD OFFICE,
TORONTO, - - CANADA.

Incorporated 1851.

Hon. GEORGE A. COX.....President
W. R. BROCK and JOHN
HOSKIN, K. C. LL. D., Vice-Presidents
W. B. MEIKLE.....General Manager

United States Statement, Jan. 1, 1910.

Assets\$2,377,303.37
Surplus in United States..... 839,268.07

Home Office Reinsurance.

IT has been decided by the Massachusetts Supreme Court that a fire insurance company may not charge home office reinsurance against gross premiums. The decision was rendered in the case of the Federal Insurance Company against Gilmour & Coolidge, its former agent, in favor of the latter. Justice Rugg, who wrote the opinion, says:

"This is a suit in equity for an accounting between a fire insurance company and its agents. The material facts are that the defendants were constituted the agents of the plaintiff by a contract dated September 3, 1903, which set out the terms under which the business was to be done. It contained no express provision as to termination, and both parties assumed that the relation would be of long duration. On February 15, 1907, the plaintiff telegraphed the defendants in substance that it had reinsured its fire risks and discontinued that branch of its business. The controversy arises as to the contingent commission, which may be due under this clause of the agency contract, to wit:

"In addition to the above rates of commission, a contingent commission of 10 per cent. will be allowed you, predicated on the yearly profits of the agency, computed in the following form—the first computation to be as of September 1, 1904, i. e.—

"The first year you will be credited with the gross amount of premiums written, less cancellations, reinsurances and returns of every nature on the one hand, and debited with commissions, postage and other incidental agency charges, local board and fire patrol assessments, local taxes, if any, losses incurred during the year and 40 per cent. reserve on the net premiums written during the current year, and upon the profit balance, if any, thus shown the contingent com-

mission will be predicated. The same methods of computation will apply the second year, and thereafter, with the exception that beginning with the second year the reserve that has been debited the previous year will be brought down as a credit, and you in like manner debited with a 40 per cent. reserve on the premiums of the current year.'

"It is to be observed that this language does not specifically refer to the contingency which has arisen. It must be assumed, however, that an ending at some time of the relationship created by the contract was impliedly contemplated. It would inevitably occur by the efflux of time through the death of one or both of the defendants. The language of the clause is general. Its purpose is to make a part of the compensation of the defendants commensurate with the energy, industry and perseverance with which they should prosecute their work as agents. This purpose is applicable to the relation of the parties, whenever the agency may cease. The words 'predicated on the yearly profits,' do not indicate an intention that no such profits should be ascertained in the event of a termination of the agency between the annual dates fixed in the contract, but rather describe a term of calculation which is to be used year by year, so long as the contract is in force, and for any fraction of a year remaining unadjusted when the relation of principal and agent ceases. See *Doc v. Grafton*, 18 Q. B. 496-501. The date was apparently adopted for convenience, and was not coterminous with the calendar year of the agency. Hence the terms of payment established by the contract are to be applied to the situation of the parties as it is found to be on February 15, 1907, and their rights and

liabilities are to be determined as of that date.

"The plaintiff urges that the word 'reinsurances' in the contract means that in making up the items of the account upon which the contingent commission is to be computed, the actual cost to it of reinsuring its risks should be charged against the gross premiums. Evidence was received to show that the word 'reinsurances' as used in dealings between fire insurance companies and their agents has a technical meaning of agency reinsurance and excludes home office reinsurance. If there was any doubt about the sense, this evidence was competent. *Jennings v. Puffer*, 203 Mass. 534, 89 N. E. 1036; *Way v. Greer*, 196 Mass. 237, 81 N. E. 1002; *Smith v. Vose Piano Co.*, 194 Mass. 193, 80 N. E. 527, 9 L. R. A. (N. S.) 966, 120 Am. St. Rep. 539. Its significance had been so confined in all the previous accountings between the parties. Although risks written by the defendants had occasionally been reinsured through the plaintiff's home office, this expense had never been charged against the profits of the defendants' agency. Its context in the contract indicates that the word was intended to be confined to reinsurances effected at the agency of the defendants, and did not include a total reinsurance of all risks by the home office, made without the knowledge or consent of the defendants. The contract must be the only guide for ascertaining the rights of the parties. We cannot speculate as to what they might have agreed had the contingency which has now come to pass been before them when its terms were settled, nor undertake to make what may now seem an equitable adjustment of their conflicting claims. The rule which the parties have themselves

"The Leading Fire Insurance Company of America."



WM. B. CLARK, President.
W. H. KING, Vice-President.
HENRY E. REES, Secretary.

Assistant Secretaries,
A. N. WILLIAMS, E. S. ALLEN,
E. J. SLOAN, GUY E. BEARDSLEY.

CHICAGO'S GREATEST COMPANY

ILLINOIS LIFE INSURANCE CO.

OLDEST IN CHICAGO **CHICAGO** LARGEST IN ILLINOIS
JAMES W. STEVENS, PRESIDENT

We Guarantee where others Promise

The year 1909 was the most successful in this company's already splendid record of successful years.

INSURANCE IN FORCE
FIFTY MILLION DOLLARS

adopted must be used to measure their obligations. According to that rule the contingent commission is to be computed, whenever the occasion arises for ascertaining it, by putting upon the credit side of the account the gross amount of premiums received for the period under consideration (less cancellations, agency reinsurances and other returns), and the 40 per cent. reserve which had been used as a debit item at the last previous accounting, and charging against it on the debit side, expenses, losses and a 40 per cent. reserve on the net premiums of the period under consideration. Upon whatever balance of profit is thus shown the contingent commission is to be computed. The master has found that the word 'reserve,' employed to describe the item of 40 per cent. on the net premiums in making up the account, although used in the insurance business to designate a fund set aside for reinsurance of outstanding risks, if necessary, is not limited to this meaning but includes also funds to pay losses or other expenses of the business. In whichever sense it may have been used in this contract, the result is the same. Forty per cent. on the net premiums of any period appears to have been adopted by the parties as an approximation of the actual cost to the plaintiff of carrying the insurance written by the defendants for that period. It was credited to them when a new account was made up because the real losses for the period just ended on risks previously written had been then ascertained. While not an exactly accurate means of ascertaining the net profit of the business of the agency, it is one which can be applied at any time without waiting for the policies to expire in order to determine the net profit with accuracy. But whether accurate or not, it is the rule made by the parties, and it is not unconscionable. There is no occasion for the court to try to take better care

of the rights of the parties than they have provided by their written agreement.

"On the report of the master under this rule the balance due the plaintiff is \$219.48. Let a decree be entered according.

'So ordered.'"

AUTO RISK PREMIUMS.

In accordance with the recent decision of the Court of Appeals in the case of the New York Board of Fire Underwriters against Higgins & Cox et al., that, under the provisions of the act incorporating the board, underwriters and agents issuing automobile and marine policies insuring property in the Borough of Manhattan and the Bronx in the City of New York against fire (among other risks), are required to make a return to the board showing the aggregate amount of such part of premiums received on these policies as represents the insurance against fire, the companies have been requested by a circular from the board to promptly file answers to the following questions with the treasurer of the board, covering the six months ended June 30, 1910:

1. Have you issued any automobile policies?
2. Are the premiums on these policies representing insurance against fire included in your returns filed with the treasurer for the period?
3. Have you issued any marine policies?
4. Are the premiums on these policies representing insurance against fire included in your returns filed with the treasurer for the period?

INSURANCE COMPANIES SUE IN LOUISIANA.

One hundred and thirty-four insurance companies of States, other than Louisiana, have filed a petition in the Civil District Court at New Orleans, asking that the tax collector for the

Parish of Orleans be enjoined from collecting taxes assessed against insurance premiums due the companies. They allege that the policies issued in New Orleans and in Louisiana were issued by brokers domiciled there, who defray the expenses of their offices, and that they have no capital invested in that State, and that the premiums due are not the result of capital invested there.

They deny the right of the Louisiana Legislature to localize such premiums away from the domicile of the petitioners, the State power of taxation, they declare, being limited to persons, property, or business within the State and declare that the laying and assessment of such a tax is a violation of the fourth amendment of the Constitution of the United States, which forbids the taking of property without due process of law.

EXPLANATORY.

From the Hoboken Insurance Gazette.

The Gazette recently came into possession of a highly scandalous bit of information in regard to the conduct of one of our largest local sources of corporate pride. We accordingly put in type some three columns of matter for next week's installment of what we expected would be an expose of high finance on our side of the river.

J. Stuyvesant O'Brien just this moment came into our office, paid up his subscription bill for the last three months, and promised us the annual statement of his company next January. He is one of the first citizens of Hoboken, and any intimation that his conduct of affairs, committed to his trust, is open to suspicion, is entirely unwarranted.

We have decided not to publish any expose of any company having anything to do with Hoboken. We don't believe there is anything scandalous in Hoboken.

INCORPORATED 1833.

British America
Assurance Company
HEAD OFFICE, TORONTO, CANADA

UNITED STATES BRANCH.
JANUARY 1, 1910.

Assets	\$1,556,740.94
Liabilities	902,438.61
Surplus	\$ 654,302.33

Hon. GEORGE A. COX, President.
JOHN HOSKIN } Vice-Presidents.
W. R. BROCK }
W. B. MEIKLE, General Mgr.

A GREAT SIX MONTHS

We closed the first half of 1910 with a rousing increase in new business over our record for the first half of highly prosperous 1909.

In policies and dividends we have what the public wants. In literature and canvassing aids we have what the agent wants. And back of all is a reputation gained from 59 years of activity as a Massachusetts Company.

If you are a genuine producer, a *delivering* producer, and wish to join our forces, address

GEORGE D. LANG,
Superintendent of Agencies
Massachusetts Mutual Life Insurance Company,
Springfield, Mass.

Incorporated 1851

In New England.

BOSTON, Aug. 10.—By far the most compact, logical and well-constructed review of the attempts to introduce governmental regulation of life insurance companies in the United States, and the possibility of such a change being brought about, has been contributed to the Boston "Globe" by Samuel Davis, a member of the Massachusetts bar, and one who has been well and honorably known in the domain of insurance journalism. Well may the Federal regulationists rejoice and Max Cohen chortle, for Mr. Davis has brought such balm to their souls as they have not experienced for many a long year. His article, while not chary in conceding what is due to State supervision, embodies the opinion that well-known evils, inconveniences, inconsistencies and disadvantages are connected therewith, which would be put aside by a system of Federal regulation. Having reviewed Paul versus Virginia, Hooper versus California and other decisions whereby insurance was excluded from the interpretation of commerce under the terms of article I, section 8, of the Constitution, which says, "Congress shall have power to regulate commerce with foreign nations, and among the several States, and with the Indian tribes," Mr. Davis comes to the conclusion that the question itself is an economic one, and that the arguments of the opponents of Federal regulation are based upon an altogether narrow and formal conception of the letter of the Constitution. In support of this he quotes Dean Bigelow of the Boston University Law School, as follows: "Congress has power under the Constitution to regulate commerce between the States. Commerce was no doubt an unfortunate word to use, but what the framers of the Consti-

tution were aiming at is made plain enough in their debate and in the notorious facts of the times, if not in the final language of the Constitution itself. They were endeavoring to break down the barriers to freedom of intercourse between the States—business intercourse, especially, of all kinds. They, however, without due caution used the word commerce instead of business or some such term, and the Supreme Court of the United States looking at the letter alone, could accordingly say, and did say, that insurance was not commerce, and hence that the States were not prohibited from discriminating against each other in regard to that important subject. And so the business of insurance was put in fetters not intended." In a final word Mr. Davis says, "There is on the one side a conception of the meaning of the word 'commerce' strongly held to by the United States Supreme Court, while on the other hand it is the irresistible pressure of economic evolution. It is my opinion that economic force will win in the end. Of necessity it will win as the result of an amendment to the Federal Constitution which shall in express terms give Congress jurisdiction of insurance."

The foregoing is a necessarily imperfect abridgment of an uncommonly fine presentation of the matter under review, and those interested in the subject will do well to study the article itself in its entirety. It occupies a part of a special section of Monday morning's "Globe," which contains besides more or less of the usual grade of matter generally put forth to catch the elusive insurance advertisement.

Tribute to the Late G. C. Holt.

At last Tuesday's meeting of the Boston Board of Fire Underwriters,

a committee, of which E. D. Blake was chairman, submitted a memorial to the late Gustavus C. Holt, which was unanimously adopted. It recounts the main facts of the life of the deceased, as summarized in our issue of last week, and says of him: "During all his years in active business he was a most respected member of our fraternity. * * * A loyal friend, an upright man, he has passed to the Great Beyond, and we pay a deserved tribute to the memory of our late associate, who lived a life full of honor and has left behind him a record of faithfulness to family and business associates. We cherish his memory as one who was ever faithful in all walks of life, and who leaves to us an example of sincerity, truthfulness and honor."

Star Producers.

The "Intelligencer," published by the Metropolitan Life, in its issue of July 30, under the heading "A Down East Banner Report," presents the following tribute to its Boston staff: "During the first twenty-seven weeks of 1910 (down to Saturday, July 9) the Boston staff made 107 per cent. of Superintendent Seldon D. Bartlett's apportionment of industrial business increase, and 217 per cent. of the superintendent's apportionment of paid-for ordinary business. That is to say, the staff not only kept in advance of the superintendent's industrial apportionment for the period referred to, but exceeded by 24 per cent. his ordinary apportionment for the entire year."

A Well Deserved Promotion.

In view of the forthcoming change, whereby Mr. Fletcher, Deputy Insurance Commissioner of Massachusetts, will connect himself with the Massachusetts Bonding and Insurance Company, Lemuel G. Hodgkins is to be advanced to the deputy commissionership. Mr. Hodgkins was educated at Worcester and Dartmouth College.

Good Salesmen Make Money



"Big" money is made by good Life Insurance Salesmen. Be a money-maker. Sell Prudential policies—the kind the people want.

Write us about an agency.

THE PRUDENTIAL
Insurance Company of America.

Incorporated as a Stock Company by the State of New Jersey.

JOHN F. DRYDEN, Home Office,
President. **NEWARK, N. J.**



Insurance Brokers

Place Your **SURETY** and **CASUALTY** business in the "EMPIRE."

CAPITAL, - - - - - \$500,000

Business Producers not now under contract wanted for open Territory.

**Address Agency Department,
THE EMPIRE STATE SURETY CO.,
84 William Street, New York**

He entered the service of the department twelve years ago, and two years later was given employment in its actuarial work. In 1907 he was promoted to be chief examiner, and his excellent work as such thoroughly justifies the latest advancement which has come to him. Thorough, courteous and painstaking, Mr. Hodgkins has won the esteem of all who have had the good fortune to avail themselves of his services, and the deputy commissionership will be in most excellent hands.

As chief examiner, to succeed Mr. Hodgkins, Harry W. Peabody has been chosen, a gentleman who has been engaged by the department in a variety of important work since 1905, and who has acquitted himself well in the tasks imposed upon him.

New England Brevities.

F. G. Macomber has been appointed Boston agent at Lloyds, London, succeeding the late Francis Peabody.

Frank K. Mitchell has relinquished connection with the New England Bureau of United Inspection, and has accepted a position with the engineering department of the Continental.

That the new policy of the New York Life, which waives payment of premiums after the first, following total disablement of the assured, involves disability insurance, has been ruled by the attorney general of Massachusetts, who therefore holds that it cannot be lawfully issued in that Commonwealth.

Regarding the question, raised by the insurance commissioner, whether under the Massachusetts law, two or more surety companies may jointly and severally issue the same bond or obligation, the attorney general expresses the opinion that the language of the statute is sufficiently broad to include a contract of indemnity as

surety, whether such contract be in the form of an official bond or of any other kind of bond, and that in the case of fidelity or surety insurance no sufficient reason is presented why the construction of such statute should be narrow so as to permit more than one surety company upon the bond.

The building numbered 93 Water street, Boston, has been leased by John C. Paige & Co., and is to be remodeled for their use, communication between their present and additional quarters in prospect being easily established.

J. S. Galvin, of Decatur, for many years a valuable and faithful representative of the John Hancock, has resigned his position as State agent for Southern Illinois on account of ill health, and T. W. Boruff, for several years associated with Mr. Galvin, is appointed to succeed him in that capacity.

EMIL SCHWAB.

WANT REPEAL IN TEXAS.

The Chamber of Commerce of Dallas, Texas, has indorsed the action of Governor Campbell, who has called for the repeal of the new State fire insurance law. Copies of the resolution adopted were telegraphed to Governor Campbell and to members of each house of the Texas Legislature. The resolution follows:

Whereas, The governor has called a special session of the legislature and requested the repeal of the present law establishing the Fire Insurance Rating Board, and,

Whereas, We believe that the law should be repealed;

Resolved, That the directors of the Dallas Chamber of Commerce, in regular session assembled, do hereby unanimously indorse the action of the governor of the State of Texas in calling for the repeal of this law; and be it further

Resolved, That in our opinion the State is not ready at this time for further legislation in fire insurance matters, if the present law is repealed.

FRATERNALS IN MINNESOTA.

John A. Hartigan, Commissioner of the Minnesota Insurance Department, issues, under date of August 1, the following reports as to fraternal in that State:

An examination of the Grand Lodge Ancient Order of United Workmen, of Minnesota, shows the following condition, June 30, 1910.

Total income, December 1, 1909, to June 30, 1910.....	\$298,601.97
Total disbursements, Dec. 1, 1909, to June 30, 1910.....	241,837.10
Death claims paid.....	220,636.77
Total admitted assets.....	229,381.09
Total liabilities	34,098.58

The books and records were found in excellent condition and the ratio of expenses to income is low, as it should be in all fraternal societies.

An examination of the Bohemian Slavonian Workmen Benevolent Society of St. Paul, shows the following condition on July 19, 1910:

Admitted assets.....	\$36,058.64
Liabilities	4,747.26

Expenses for 1909 were 8 per cent. of the total income. The records are carefully kept.

An examination of the Katolicky Delnik (Catholic Workman) of New Prague, Minn., shows a total income in 1909 of.....\$48,675.06
Disbursements

37,089.16
Total admitted assets (Dec., 1909)

89,138.66
Total liabilities

3,000.00

During 1909, the expenses were 12 per cent. of the receipts. The assets were well invested and the society is honestly managed.

Governor Hadley of Missouri, after a recent address by John Mitchell, former president of the United Mine Workers, declared that he would use his influence with the next session of the Missouri Legislature to obtain advanced legislation in the matter of workmen's compensation.

THE Philadelphia Casualty Co.

WALTER LE MAR TALBOT, Pres't.

Our New Accident Policy Is Perfect.

It's the Policy Your Client Wants.
It's the Policy That's Easy to Sell.

Personal Accident, Health, Liability
Automobile, Plate Glass and
Credit Insurance.

Agency Correspondence Solicited.

THE HOME LIFE INSURANCE COMPANY OF AMERICA

Incorporated 1899.



General Agents and District Managers who can produce ordinary business can secure "Ground Floor" contracts with **GUARANTEED RENEWALS** and an assignment of territory limited only by capacity to produce agency organization and business. Send for Sample Policy. **IT IS ONE YOU CAN SELL.** New business, \$1,500,000—January 1-June 30, 1910.

Address:

G. M. NETTLESHIP,
General Manager.

JOHN LANGHAM, Jr., President.
JOSEPH L. DURKIN, Secretary.
EDWARD P. MADDEN, Treas.

416-18-20 Walnut St., : PHILADELPHIA, PA.

Bob's Remarks.

THE fire patrol figures of the companies for the boroughs of Manhattan and Bronx, which have been published in advance by the "Journal of Commerce," have caused some surprise and no little comment. In view of the fact that local offices have been complaining about dullness of trade—both as to renewals and new business—it appeared strange to some observant brokers and underwriters that so many companies and agency offices showed increases and some of them very substantial ones.

In connection with this a William street broker, who is somewhat of a wag in his way, after looking over the list, gave utterance to the following trite but scriptural expression: "So the last shall be first and the first last." A glance at the published patrol figures will make obvious the meaning of his remark.

The proposed Fire Underwriters Association does not seem to be moving with that ball-bearing smoothness that was expected. One of the chief elements of hostility is that of the Brokers' Board, which, by the way, has had, recently, many new members added to its list. It is a plain fact that this organization of brokers, long dormant and now getting new life by reason of new accessions to its membership and the proposed curtailment of brokerage, is an important factor to be considered in the regulation and adjustment of commissions as to the metropolitan district. There is another "insurgent" element in the field, such as some fifty odd companies which have not signed the agreement.

Fred. H. Parson, well known as a veteran broker, has withdrawn completely from the insurance field. His

business will be taken care of by his long-time assistants, J. C. Ammermuller and John Schmall.

"Looks like the two extremes of the fire insurance district," remarked the other day an astute and observant placer for a prominent brokerage concern. This after the news came out of the real estate deal in Cedar street and Maiden Lane. His opinion was that William and Fulton streets and William street and Maiden Lane would now (or very soon) be respectively the northern and southern boundaries of the fire insurance section. It certainly looks that way, although the "English channel" still exists in Pine street.

Under the firm name of J. R. McCay & Co. Mr. McCay has become associated in partnership with a gentleman in Germany for general insurance business, including "treaty" contracts.

The completion of the union of the big retail drug concerns of William B. Riker & Son Co. and Hegeman & Co. into one corporation, to be called the Riker-Hegeman Company, has set the street agog as to the probable insurance brokerage control for the successor organization. Johnson & Higgins have for some time placed the insurance on the Riker properties, and R. C. Rathbone, Son & Co. that of the Hegeman Company. John H. Flagler, R. Blecker Rathbone and Frederick H. Pouch are mentioned as probable officials in the new company, and the opinion prevails that, for such reason, the Rathbone firm will handle the entire combined insurance.

Application clerks call attention to the fact that we have a Yorkville in

Upper Manhattan, a Brownsville in Brooklyn and now another is added, "Lunchville." This is the district on Maiden Lane from Gold street to Nassau street. The wonderful growth of the restaurant business in this section during the past few years has been so evident that the "street" has dubbed it "Lunchville."

Brokers who handle insurance on automobiles report an unusual dullness in business—even for this season of the year.

Kelly & Fuller have added to their metropolitan agency the Michigan Millers Mutual Fire Insurance Company.

NEW LIABILITY RATES.

The committee on rates of the liability insurance companies is passing on the forms of endorsements to be attached to existing policies, to take care of the compensation feature.

The companies have the liability question in hand, and while meetings will be held from time to time, they will be principally for the purpose of straightening out questions that are likely to arise. The matter of rate has been settled. It is said that two of the companies expect to have their rate books out this week.

WHITE HOUSE HISTORY.

"The Presidents from 1789 to 1910, and a History of the White House," is the title of a book just issued by the New York Life Insurance Company. It contains a set of portraits and a short biographical sketch of each of the Presidents from Washington to Taft, inclusive. It also contains pictures of the White House in 1800 and 1908, together with a selection from "One Hundred Years in the White House," by Rene Bache.

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS is unsurpassed for net low cost and care of interests of all members.

**THE PENN MUTUAL
LIFE INSURANCE COMPANY
OF PHILADELPHIA**

On January 1, 1909, rates were reduced and values increased to full 3% reserve.

THE FRANKFORT
MARINE, ACCIDENT
AND PLATE GLASS INSURANCE CO.
OF FRANKFORT-ON-THE-MAIN - - - - GERMANY
ESTABLISHED 1865.

United States Department, - - 100 William Street, New York, N. Y.

TRUSTEES:

RICHARD DELAFIELD, Pres. of National Park Bank
ERNST THALMANN, of Ladenburg, Thalmann & Co.
STUYVESANT FISH, 52 Wall Street, New York City.

C. H. FRANKLIN, U. S. Mgr. and Attorney JNO. M. SMITH, Sec. U. S. Branch

INSURANCES TRANSACTED

LIABILITY—
Employers, General, Vessel Owners,
Public, Landlords, Contingent, Workmen's Collective
Teams, Elevator, Druggists & Physicians. Individual Accident & Health
Industrial Accident & Health

AGENTS WANTED FOR UNOCCUPIED TERRITORY

INSURANCE FUNDS ARE BUILDING UP NEW YORK.

In the column headed "Holland's Letter," the "Wall Street Journal" points out that much of the building expansion, characteristic of New York, lately, is due to the loans made by the savings banks and the large insurance companies. "Holland" says:

"The habit of saving has become so thoroughly established in this State that it is now possible to report that the wage-earners have deposited in the aggregate so much money that the resources of these institutions are almost exactly \$1,700,000,000. That is capital equivalent, practically, to the total investment in electric plants, manufactories and operations throughout the United States, Great Britain and the continent of Europe, according to statistics recently prepared for George Westinghouse.

"With this money and with the loans, made by the great insurance companies, much of the constructive changes in the way of building operations, which have been so strikingly characteristic of New York City within the past ten years, have been made possible. It is not unreasonable to say that the savings of those whose incomes are relatively small have gone far to make possible the real estate improvements in New York City, improvements which are yearly swelling the taxable values of the city by millions of dollars."

SAFEGUARDING COTTON IN SOUTHERN TERMINALS.

A committee of Southern underwriters went to Savannah last week and conferred with C. G. Bell, president of the local cotton exchange, and several railroad traffic officials in regard to bettering conditions for protecting cotton at the terminals.

The underwriters demand especially that better water facilities be provided

at the terminals and that a larger number of watchmen be maintained. It is also suggested that a more general segregation of the cotton shipments is desirable and that the terminals be divided into zones, so that a possible fire in one section of the warehouses may be checked before it can spread to adjoining zones. It is understood that the congestion is one of the most serious objections which the underwriters advance against present conditions.

INSURANCE COMPANIES AND COTTON CHARGES.

A Southern view of one phase of the cotton insurance problem is presented in the following editorial of the "Insurance Vindicator" of New Orleans:

"Realizing that the charges for handling cotton at New Orleans have operated to the detriment of this port, the Cotton Exchange has been endeavoring to obtain a reduction from all concerned in the business. The announcement has been made that all interests have agreed to lower their rates but the insurance companies, and publications in the daily press leave the companies in the attitude of being the only stumbling block to placing this port in a position to regain some of the business it has lost through expensive handling. It is claimed that there has been great improvement in the matter of protection in the presses, and for this reason there should be a marked reduction in rates. It is because of this improvement in conditions for the prevention of fires that New Orleans is now enjoying lower rates than any other cotton handling point in the South. Elsewhere the basis rate is one dollar and twenty-five cents; in New Orleans it is 1 per cent. At other points one thousand is the maximum number of bales allowed to be stored, but here, owing to these improvements, there

may be stored 2,500 bales. The open presses—that is, those which have no doors—pay \$1.50, but if they had, or should comply with the offer of the insurance companies and install doors, their rate would be materially reduced. However, the companies have offered to make a still further reduction if the presses will introduce the hydrant and modern systems of fire prevention. They refuse to do this; hence the companies take the position that the present rate is as low as it can be made for safety and profit in the operation of their business.

"Then, again, the cotton people regard the insurance rates as applicable to their presses only, but the companies include the cotton as well in the calculation of the proper charges to be made.

"The companies do not and have no desire to take a position inimical to the welfare of New Orleans, but they are in a different attitude from most of the other interests involved. They insure cotton in every port in the South where it is handled. A reduction without proper reason in New Orleans would mean a demand upon them for lower rates from each of these points. These ports would ask why the companies should assist New Orleans to the detriment of competing places. For these reasons the companies have been compelled to decline a further reduction in rates here except in the manner suggested—upon the introduction of proper equipments for fire prevention."

CASUALTY AND SURETY MEET.

The seventh annual meeting of the Board of Casualty and Surety Underwriters will be held at the Hotel Plaza in this city on Tuesday, October 18. The meeting will be followed by a dinner on the evening of the same day.

BONDS OF SURETYSHIP.

The Guarantee Company of North America HEAD OFFICE, MONTREAL

Edward Rawlings, President.

H. E. Rawlings, Asst. Mgr.

Richard B. Scott, Secretary & Treasurer.

It is the Pioneer Company, was established in 1872, and is conducted under a conservative management of over 55 years experience.

It has recouped to employers over \$2,190,000 for losses sustained by the infidelity of employees and has a surplus of \$1,041,423.23 to credit of shareholders and total resources of \$1,919,892.38 for the security of insured.

Branch Offices:

NEW YORK: 111 Broadway,
D. J. Tompkins, Secretary.
BOSTON: 114 Milk Street,
W. A. Hamilton, Agent and Attorney.
CHICAGO: Room 400, The Temple,
J. R. Pruyn, Resident Sec. and Atty.
PHILADELPHIA: 500 Arcade Bldg.
W. H. Jackson, Res. Secretary.
PITTSBURG: 1120 Farmers Bank Bldg.
E. F. Munro, Resident Secretary.
LOUISVILLE: 316 Columbia Bldg.
P. N. Clarke & Co., Agents.

The Connecticut Mutual

That means the best life insurance to have and the best to sell. If you can sell life insurance, you can sell more of it for the CONNECTICUT MUTUAL.

Men of Character and Ability are invited to apply.

Conn. Mutual Life Ins. Co.
Hartford, Conn.

Please mention this paper.

Text of Insurance Amendments.

THE text of the amendments to chapter 697 of the laws of New York, made at the last session of the legislature, follow:

Section 1. Section seventy-three of chapter thirty-three of the laws of nineteen hundred and nine, entitled "An act in relation to insurance corporations, constituting chapter twenty-eight of the consolidated laws," is hereby amended to read as follows:

Sec. 73. **Special deposits to secure registered policies and annuity bonds.** Any domestic life insurance corporation may deposit with the superintendent of insurance securities of the kinds and in addition to the amount now required and authorized by law to be deposited with him, to any amount not less than twenty-five thousand dollars, which shall be legally transferred by it to the superintendent for the common benefit of all the holders of its registered policies and annuity bonds issued under the provisions of this article, and he shall hold the same in trust for the purposes and objects specified in this article; provided that no policies shall be registered or annuity bonds issued under the provisions of this section after the thirty-first day of December, nineteen hundred and ten. Such securities shall not be alienated from the purposes of such trust, nor transferred except in the manner provided in this article, and such transfer must be made by the superintendent under his seal of office upon the written application, un-

der its corporate seal, of the corporation making the deposit, or of the receiver of such corporation, and in compliance with the laws of the State relating to such transfers. When such securities shall have been legally transferred to the superintendent, he shall issue to such corporation registered policies of insurance or annuity bonds of such denominations or amounts as the corporation may require. Such policies or bonds shall bear upon the face thereof the words "the reserve on this policy (or bond) is secured by pledge of public stock or bonds and securities" with the seal of the department, and shall be countersigned by the superintendent or his authorized deputy. The corporation shall be charged by the superintendent upon the delivery of such policies or bonds with the amounts of the net value thereof at the end of the policy year, valued according to the provisions of section eighty-four of this chapter, making proper allowances for semi-annual, quarterly or monthly premiums, but in no case shall the amount of securities deposited under the provisions of this section be less than the amount of such aggregate values.

Sec. 2. Section ninety-six of said chapter is hereby amended to read as follows:

Sec. 96. **Limitation of new business.** No domestic life insurance corporation shall issue in any year new policies for a larger amount in the aggre-

gate than as follows, to wit: If the total amount of insurance by said corporation in force on the thirty-first day of December of the preceding year is more than fifty million dollars, and not in excess of one hundred million dollars, not more than thirty per centum thereof; if more than one hundred million dollars, and not in excess of three hundred million dollars, not more than twenty-five per centum thereof, or thirty million dollars, whichever is the larger; if more than three hundred million dollars, and not in excess of six hundred million dollars, not more than twenty per centum thereof, or seventy-five million dollars, whichever is the larger; if more than six hundred million dollars, not more than one hundred and fifty million dollars, or it may increase its new business over the largest amount issued in any one of the three years immediately preceding in the proportion in respect to said amount which the difference between twenty-five per centum of its net renewal premiums computed according to the bases of mortality and interest assumed in calculating its liabilities, and its total expenses for such preceding year, after deducting from said total expenses, (1) the items of first year expenditure specified in the first sentence of section ninety-seven of this chapter, (2) its actual investment expenses (not exceeding one-fourth of one per centum of the mean invested assets) and (3) taxes on real estate and other out-

"THE COMPANY WITH THE PYRAMID"

40 CONSECUTIVE YEARS OF PYRAMIDAL PROGRESS

Assets	Surplus
1,539,961.20	499,991.84
1,459,157.79	345,128.49
1,380,816.68	323,479.81
1,305,101.00	304,351.79
1,249,088.30	264,744.03
1,191,863.23	237,759.15
1,101,451.03	219,963.34
1,014,579.95	214,040.62
965,147.93	208,162.45
915,132.37	204,007.04
818,192.98	183,108.52
765,314.70	171,249.88
737,823.55	167,133.04
707,616.00	161,820.79
682,971.65	151,470.16
653,198.07	144,324.83
625,362.80	137,123.09
593,191.1	128,461.05
561,139.25	121,038.44
531,031.52	113,580.93
500,900.10	106,121.81
470,768.10	98,662.70
440,636.10	91,203.59
410,504.12	83,744.48
380,372.12	76,285.37
350,240.12	68,826.26
320,108.12	61,367.15
290,000.00	53,908.04
260,000.00	46,448.93
230,000.00	38,989.82
200,000.00	31,530.71
170,000.00	24,071.60
140,000.00	16,612.49
110,000.00	9,153.38
80,000.00	1,694.27

NEW HAMPSHIRE FIRE INSURANCE CO.

Assets	Surplus
3,779,568.67	1,154,810.10
3,627,846.70	1,084,810.10
3,476,124.73	1,014,810.10
3,324,402.76	944,810.10
3,172,680.79	874,810.10
3,020,958.82	804,810.10
2,869,236.85	734,810.10
2,717,514.88	664,810.10
2,565,792.91	594,810.10
2,414,070.94	524,810.10
2,262,348.97	454,810.10
2,110,626.00	384,810.10
1,958,904.03	314,810.10
1,807,182.06	244,810.10
1,655,460.09	174,810.10
1,503,738.12	104,810.10
1,352,016.15	34,810.10
1,200,294.18	0.00

TOTAL LIABILITIES \$2,585,953.23
POLICY-HOLDERS SURPLUS \$2,610,064.23

**OLDEST
IN
AMERICA**

**STRONGEST
IN THE
WORLD**

THE MUTUAL LIFE Insurance Company of New York

**Mutual Life Agents Make Most Money
Because Mutual Life Policies Sell Most Freely**

For terms to producing agents, address

GEORGE T. DEXTER

2nd Vice-President

34 Nassau Street

New York, N. Y.

lays exclusively in connection with real estate, bears to said net renewal premiums; provided, that in determining the amount of insurance in force and the amount of new insurance issued, industrial policies issued upon the weekly premium plan and all premiums on such policies and the expenses in connection with such policies, shall be excluded and there shall be included only that insurance upon which the first premium or instalment thereof has actually been received. A foreign life insurance corporation, which shall not conduct its business within the limitation and in accordance with the requirements imposed by this section upon domestic corporations, shall not be permitted to do business within this State.

Sec. 3. Section ninety-seven of said chapter is hereby amended to read as follows:

Sec. 97. **Limitation of expenses.** No domestic life insurance corporation shall in any calendar year, after the year nineteen hundred and six, expend or become liable for, including any and all amounts which any person, firm or corporation is permitted to expend on its behalf or under any agreement with it (1) for commissions on first year's premiums, (2) for compensation, not paid by commission, for services in obtaining new insurance exclusive of salaries paid in good

faith for agency supervision either at the home office or at branch offices, (3) for medical examinations and inspections of proposed risks, and (4) for advances to agents, a total amount exceeding in the aggregate (a) the loadings upon the premiums for the first year of insurance received in said calendar year, (calculated on the basis of the American experience table of mortality with interest at the rate of three and one-half per centum per annum) and (b) the present values of the assumed mortality gains for the first five years of insurance on policies in force at the end of said calendar year on which the first premium, or instalment thereof, has been received during said calendar year, as ascertained by the select and ultimate method of valuation as provided in section eighty-four of this chapter; and (c) on policies issued and terminated in said calendar year the full gross premiums received, less the net cost of the insurance for the time the insurance was in force, computed by the American experience select and ultimate table, three and one-half per centum. No such corporation shall make or incur any expense or permit any expense to be made or incurred upon its behalf or under any agreement with it, except actual investment expenses (not exceeding one-fourth of one per centum of the mean invested assets) and also except taxes on real estate and other outlays exclusively in connection with real estate, in excess of the aggregate amount of the actual loadings upon premiums received in said year calculated according to the standards adopted by the company under section eighty-four of this chapter, and the present values of the assumed mortality gains hereinbefore mentioned. No such corporation, nor any person, firm or corporation on its behalf or under any agreement with it shall pay or allow to any agent, broker or other person, firm or corporation for procuring an application for life insurance, for collecting any premium thereon or for any other service performed in connection therewith any compensation other than that which has been determined in advance. All bonuses, prizes and rewards, and all increased or additional commissions or compensation of any sort based upon the volume of any new or renewed business or the aggregate of policies written or paid for, are prohibited. No such corporation shall pay commissions upon renewal premiums received upon policies issued after the year nineteen hundred and six, in excess of five per centum of the premium annually for fourteen years after the first year of

insurance in the case of endowment policies providing for less than twenty annual premiums, nor in excess of seven and one-half per centum of the premium annually for the first nine years after the first year of insurance and five per centum of the premium annually for the next ensuing five years in the case of other forms of policies; provided that an amount found to be equivalent to the aggregate amount so payable by a calculation approved by the superintendent of insurance and based upon mortality, interest and lapse rates, may be distributed through three or more years, or through a period exceeding fourteen years, but not more than two-fifths of such amount shall be payable for any one year; provided further that in any agency district subject to the supervision of a local salaried representative the renewal commission payable to agents of such district shall not exceed two-thirds of the foregoing rates annually for fourteen years, subject to the calculation as aforesaid; provided further that any such corporation may condition the allowance or payment in whole or in part of any of the renewal commissions allowed to be paid as aforesaid upon the efficiency of service of the agent receiving the same or upon the amount and quality of the business renewed under

SUN **Insurance Office** **OF LONDON.**

FOUNDED 1710.

UNITED STATES BRANCH:
54 PINE STREET, NEW YORK.

WESTERN DEPARTMENT:
171 LA SALLE ST., CHICAGO.
PACIFIC DEPARTMENT:

Sansome & Sacramento Sts.,
SAN FRANCISCO, CAL.

AGENTS WANTED
AT UNREPRESENTED POINTS

HARTFORD LIFE **INSURANCE COMPANY,** **OF CONN.**

1909 Policies are Participating, or Non-participating, with Lower Rates and Values based on FULL RESERVE.

For Right Contracts,
Address, Second Vice-President,
Home Office, HARTFORD, CONN.

NATIONAL LIFE **Insurance Company,** **MONTPELIER, VERMONT.**

Established in 1850.
Operating in 37 States.

JOSEPH A. DE BOER, President.

FRED A. HOWLAND, Vice-President
JAMES B. ESTEE, 2nd Vice-President
OSMAN D. CLARK, Secretary
H. M. CUTLER, Treasurer
A. B. BISBEE, Medical Director
C. E. MOULTON, Actuary

This Company held January 1, 1910,
and gained during the past decade:

ASSETS . . .	\$47,490,998.98
GAIN, 167 PER CENT.	
LIABILITIES . .	\$41,661,130.12
GAIN, 162 PER CENT.	
SURPLUS . . .	\$5,829,868.86
GAIN, 211 PER CENT.	
INSURANCE .	\$161,423,115.00
GAIN, 79 PER CENT.	

Absolute Security and
Economy of
Management

his supervision; and also provided that a fee not exceeding three per centum may be paid for the collection of premiums which shall be received for any year after the fifteenth year of insurance. If any such corporation shall compensate its agents, or any of them, after the first insurance year, in whole or in part, upon any other plan than commissions and collection fees, the aggregate sum so paid shall in no year exceed the limitations herein imposed and the schedule and plan of such compensation shall be submitted to and approved by the superintendent of insurance. No such corporation, nor any person, firm or corporation on its behalf or under any agreement with it, shall make any loan or advance to any person, firm or corporation soliciting or undertaking to solicit applications for insurance without adequate collateral security, nor shall any such loan or advance be made upon the security of renewal commissions, or of other compensation earned or to be earned by the borrower except advances against compensation for the first year of insurance. A foreign life insurance corporation which shall not conduct its business within the limitations and in accordance with the requirements imposed by this section upon domestic corporations shall not be permitted to do business within the State. This section shall not apply to expenses made or incurred in the business of industrial insurance nor, except as to

FEDERAL LIFE INSURANCE COMPANY CHICAGO

ISAAC MILLER HAMILTON, : : President

Admitted assets.....	\$2,447,499.17
Capital stock.....	177,300.00
Surplus apportioned and unapportioned	77,510.61
Excess security to policy holders	254,810.61
1909 insurance in force increased over.....	\$6,300,000.00
Surplus increased over....	100,000.00

HIGH-GRADE MANAGERS AND AGENTS WANTED.

ATTRACTIVE POLICIES.

DESIRABLE CONTRACTS.

WILL ENTER NEW TERRITORY.

Address,

CHARLES M. TURNER,
General Manager,

Marquette Building, CHICAGO, ILL.

the limitation of expenses for the first year of insurance and as to compensation of and loans and advances to agents or solicitors, to stock corporations issuing and representing themselves as issuing non-participating policies exclusively.

Sec. 4. All acts or parts of acts inconsistent with this act are hereby repealed.

Sec. 5. This act shall take effect on the first day of July, nineteen hundred and ten.

NYLIC ONCE AGAIN.

Thomas A. Buckner, vice-president of the New York Life, in that company's bulletin of Tuesday, announces the continuance of Nylie as follows:

"In a recent bulletin we informed the field of our indebtedness to the Hon. William H. Hotchkiss, Superintendent of Insurance, and his staff of lieutenants, for their able efforts in securing the amendment to section 96 of the laws of the State of New York. It is our pleasure to again advise the field force that, largely through the aid and assistance of Mr. Hotchkiss and his principal lieutenants, Messrs. Paterson, Hadley, Hurrell and Woodward, section 97 of the New York laws has been amended so as to permit the reintroduction of Nylie for agents. Mr. Hotchkiss and each of the foregoing members of his staff have gone carefully through the operations of Nylie time and again. Long ago they all became convinced that Nylie was an excellent program for the company.

"Chief Examiner Hadley, upon his investigation and examination into the affairs of the New York Life as far back as 1907, expressly commended the Nylie system and referred in terms of praise to the great advantages accruing to the company through this method of compensating its agents. As a result of Mr. Hadley's report, which included a careful study of the progress of the business of the New York Life and the economy of its management, Superintendent Hotchkiss became convinced that the law should be amended so that Nylie could be offered to men who had not secured membership in Nylie prior to the passage of the Armstrong laws.

"Frequent conferences between the superintendent and his various lieutenants on the one side, and the officers of the New York Life, especially General Counsel McIntosh and Actuary Hunter, on the other, resulted in the drafting of an amendment to section 97 which would permit the company to resume Nylie. This amendment recently passed the Legislature and was signed by the governor, as every one knows."

AN AUSTRALIAN MERGER.

Henry D. Baker, United States vice-consul general at Sydney, announces in a communication to the State Department the amalgamation of the Mutual Life and Citizens Company and the Australian Widows' Fund. He says:

"The directors of the Australian Widows' Fund propose to go into voluntary liquidation to enable them to sell their business and undertaking to the Mutual Life and Citizens. The liquidator has power to transfer the business on the following terms: The Mutual Life and Citizens undertakes to manage the business at 10 per cent. of the premium income and to allow the Widows' Fund to share in all profits from new business. Any profit must be restricted to the difference between the actual cost to it and the 10 per cent. allowed by the agreement, and that profit, and more along with it, will no doubt be put into the purchase of extra new business. The agreement also provides for the election by the Widows' Fund policyholders of a body of trustees to safeguard their interests. Provision is also made for auditors and actuaries."

SPECIAL OPPORTUNITIES offered now in Southern States to Representatives of

**CITIZENS
NATIONAL LIFE
INSURANCE
CO.**

W. H. GREGORY,
President.

**LEADING FIRE COMPANY
OF THE WORLD**



(of Liverpool,

England.)

Bardoe's Column.

THE fire engineers of the United States and Canada will meet this month in Syracuse as members of the International Association of Fire Engineers. They will discuss problems pertaining to the extinguishing of fires by public departments, the use of automobile apparatus, the necessity for quick and accurate notice of the location of fires in connection with rapid-moving apparatus, high pressure service, the value of cisterns as a water supply for fire engines, the benefit to fire departments resulting from the underwriters' inspections of cities, the purpose and object of underwriters' tests as conducted at Chicago, the use and abuse of automatic sprinkler protection as an auxiliary to public apparatus, etc.

President Hugo Schumann of the Germania Fire will arrive from Europe in a few days.

A delegation of German insurance men is visiting the head offices of American companies, and also some of the insurance departments.

The United States Underwriters has begun business. It is composed of the North River, Nassau, Empire City and United States Fire insurance companies, each taking separate insurance to the extent of one-fourth of the total amount of the policy, which will be written under a form approved by Superintendent Hotchkiss. Crum & Forster are the general agents.

H. C. Stockdell of Atlanta announces that owing to financial conditions existing at this time the books of subscription for the stock of the

Merchants and Manufacturers Insurance Company will not be opened for the present.

In 1909 the fire insurance companies in Canada received \$17,058,843 in premiums and suffered losses amounting to \$8,585,354, a gross profit of nearly 50 per cent. The amount at risk in 1909 was \$1,863,459,222, an increase of \$162,751,259 over 1908.

J. G. Hilliard sailed from Queens-town yesterday by the steamship Adriatic for New York.

The Attorney General and the Insurance Commissioner of Texas have authorized the Fidelity-Phenix Company to notify all its agents to begin business again in Texas.

The Retailers Fire Insurance Company of Oklahoma City has been chartered at Guthrie with \$250,000 capital and authority to write insurance against fire, hail, lightning or explosion by natural gas. Behind the company stands the State Retailers Association.

The Great Eastern Casualty Company has appointed George R. Nolan as outside man to develop business from brokers. Mr. Nolan was formerly with the Massachusetts Bonding and Insurance Company.

Frank H. Sykes, secretary of the literary department of the Fidelity Mutual Life Insurance Company of Philadelphia, was in town this week.

J. Lehrenkrauss' Sons have been appointed Brooklyn agents of the Ocean Accident and Guarantee for all lines.

Germania Fire INSURANCE CO.,

NEW YORK.

ORGANIZED 1859.

Cash Capital.....\$1,000,000.00
Assets\$6,562,329.14
Net Surplus.....\$2,008,419.02
Surplus for Policyholders,\$3,008,419.02

HEAD OFFICE:

Cor. William and Cedar Streets.

T H E
PROVIDENT
LIFE AND TRUST COMPANY
OF PHILADELPHIA

Insurance in Force, \$214,509,255.00
(Paid for Basis)

Assets \$70,514,350.45
(Market Value, Dec. 31, 1909)

Contingency Reserve . \$9,207,276.38
(Inclusive of Capital Stock, \$1,000,000.)

The Provident has been particularly distinguished for the development of a highly trained force of agents. The systematic instruction which its agents receive has resulted in their being recognized as representatives of exceptional knowledge of the business and of marked efficiency.

INSURANCE STOCK QUOTATIONS.

	Capital	Approx. Annual Div.	When Payable	Bid Price P.C.	Asked Price P.C.
City of New York.....	\$500,000	10	Q	...	205
Commonwealth.....	500,000	10	J&J	324	...
Continental.....	2,000,000	40	"	935	950
Empire City.....	200,000	8	"	125	...
Fidelity-Phenix.....	2,500,040	V	V	275	280
German-Alliance.....	400,000	15	J&J	275	300
German American.....	1,500,000	30	"	500	570
Germania (\$50).....	1,000,000	18	"	285	295
Glens Falls (\$10).....	200,000	30	"	1,325	...
Globe and Rutgers.....	400,000	40	Q	455	...
Hanover (\$50).....	1,000,000	10	J&J	190	205
Home.....	3,000,000	30	"	680	695
Nassau (\$50).....	200,000	10	"	165	175
Niagara (\$50).....	1,000,000	20	"	300	305
North River (\$25).....	350,000	10	A&O	155	165
Pacific (\$25).....	200,000	6	J&J	135	145
Peter Cooper (\$20).....	150,000	6	"	90	105
Stuyvesant.....	100,000	10	"	155	160
United States (\$25).....	250,000	V	V	60	70
Westchester (\$10).....	400,000	35	F&A	455	...
Williamsburg City (\$50).....	250,000	20	J&J	380	400
V—No information.					
Q—Quarterly.					

RECTOR 2817

ESTABLISHED 1864

E. S. BAILEY

DEALER IN

INSURANCE STOCKS

A SPECIALTY

66 Broadway

NEW YORK



of New York

SUPERIOR POLICIES

KIMBALL C. ATWOOD, President.
290-292 Broadway, New York.

New England Mutual Life

#Insurance Company

BOSTON, : : : MASS.
chartered 1835

Assets, January 1, 1910..\$51,316,543.00
 Liabilities 47,050,672.15
 Surplus \$4,265,870.85

Sixty-six years of honorable dealing with its policyholders has placed the **NEW ENGLAND MUTUAL LIFE INSURANCE COMPANY** in the front rank of Life Insurance Companies of the Country.

ALFRED D. FOSTER, President.
D. F. APPEL, Vice-President.
J. A. BARBEY, Secretary.
WM. F. DAVIS, Assistant Sec'y.
J. G. WILDMAN, Assist. Sec'y.

EDWARD W. ALLEN, Manager.
 220 Broadway, New York.
LATHROP E. BALDWIN, Manager.
 141 Broadway, New York.
CHARLES H. STRAUSS, Gen. Ag't.
 200 Fifth Ave., New York.

FOUNDED 1792
118th ANNUAL STATEMENT
INSURANCE COMPANY OF
NORTH AMERICA.
OF PHILADELPHIA, PA.

ASSETS. January 1, 1910.
 Real Estate\$ 364,416.00
 First Mortgages on Real Estate 373,803.48
 Philadelphia, New York, Boston and other City and State Loans 1,134,390.00
 Pennsylvania, Philadelphia and Erie, Lehigh Valley and other Companies' Bonds and Stocks 8,909,150.32
 Cash in Bank and Bankers' hands 1,134,635.88
 Notes Receivable and Unsettled Marine Premiums.... 347,440.69
 Net Cash Fire Premiums in course of Transmission.... 1,069,510.62
 Accrued Interest, and all other property 52,160.57

Total Assets\$13,385,501.56

LIABILITIES.
 Capital Stock\$ 3,000,000.00
 Reserve for Re-Insurance .. 6,813,862.47
 Reserve for Losses 877,250.00
 All other Liabilities 104,982.45
 Surplus over all Liabilities.. 2,589,406.64

\$13,385,501.56

Surplus to Policyholders.....\$5,589,406.64
 Increase in Reinsurance Reserve 349,934.71
 Increase in Net Surplus..... 838,500.98
 Increase in Assets..... 1,371,438.93

Eugene L. Ellison.....President
Benjamin Rush.....Vice-President
T. Houard Wright.....Secretary
Henry W. Farnum.....Assistant Secretary
John O. Platt.....Assistant Secretary

Agencies in all Prominent Cities & Towns.

IT PAYS THE AGENT

To represent the best company. There are many excellent standard life insurance companies. Which is the best? In stability, progressiveness, liberal contracts to agents and low cost to policy-holders no company surpasses

The Union Central Life Insurance Co. of Cincinnati.

Assets, \$74,523,966.28
 Liabilities, \$72,324,302.92

Good openings are occurring from time to time. Address

JESSE R. CLARK, President.
ALLAN WATERS, Sup't of Agents.

JOHN C. PAIGE & CO.

INSURANCE

65 KILBY STREET

BOSTON

Metropolitan Life Insurance Co.

(INCORPORATED BY THE STATE OF NEW YORK, STOCK COMPANY)

The Company OF the People. BY the People. FOR the People

PROOF OF PUBLIC CONFIDENCE

This company has more premium paying business in force in the United States than any other Company, and for each of the last 16 years has had more New Insurance accepted and issued in America than any other Company.

The number of Policies in force is greater than that of any other Company in America, greater than all the Regular Life Insurance Companies put together (less one), and can only be appreciated by comparison. It is a greater number than the Combined Population of Greater New York, Chicago, Philadelphia, Boston, St. Louis, Cleveland, Cincinnati, San Francisco, Pittsburg, Baltimore, New Orleans and Buffalo.

ASSETS.

Municipal and R. R. Bonds and Stocks\$123,346,181.39
 Bonds and Mortgages..... 105,183,172.02
 Real Estate 23,311,215.73
 Cash 5,420,643.42
 Demand Loans on Collateral.... 172,930.00
 Loans to Policyholders..... 11,193,245.61
 Prem. deferred and in course of collection (net) 5,190,288.45
 Accrued Int., Rents, etc..... 3,290,211.85

Total\$277,107,868.48

LIABILITIES.

Reinsurance Fund and Special Reserves237,213,384.00
 All other Liabilities 9,992,264.48
 Capital and Surplus..... 3,902,219.98

Total\$277,107,868.46



Largest Office Building in the World—Madison Avenue, Fourth Avenue, 23d Street and 24th Street, New York City.

THE DAILY AVERAGE OF THE COMPANY'S BUSINESS DURING 1909 WAS:
 456 per day in number of Claims paid.
 6,635 per day in number of Policies placed and paid for.
 11,463,755 per day in New Insurance placed and paid for.
 \$183,403.75 per day in Payments to Policyholders and addition to Reserve.
 \$132,172.72 per day in Increase of Assets.

OFFICERS

JOHN R. HEGEMAN.....President
HALEY FISKE.....Vice-President
GEORGE H. GASTON.....2d Vice President
GEORGE B. WOODWARD.....3d Vice President
FRANK O. AYERS.....4th Vice President
F. F. TAYLOR.....5th Vice President
JAMES M. CRAIG.....Actuary
STEWART L. WOODFORD.....Counsel
WM. J. TULLY.....General Solicitor
FRED'K. H. ECKER.....Treasurer
WALTER STABLER.....Comptroller
JAMES S. ROBERTS.....Secretary
JOHN R. HEGEMAN, JR.....Asst. Secretary
J. J. THOMPSON.....Asst. Secretary
T. R. RICHARDSON.....Asst. Secretary
GEO. B. SCOTT.....Asst. Secretary
FRED'K. A. BETTS.....Asst. Secretary
GEORGE C. PENHALLOW.....Asst. Secretary
THOMAS H. WILLARD, M. D.....Med. Dir.
AUGUSTUS S. KNIGHT, M. D.....Med. Dir.
E. M. HOLDEN, M. D.....Asst. Med. Director
W. S. MANNERS, M. D.....Asst. Med. Director
J. BERGEN OGDEN, M. D.....Asst. Med. Dir.
D. M. GEDGE, M. D.....Asst. Med. Director
I. J. CAHEN.....Manager Ordinary Dept.
LEE H. FRANKEL, Ph. D.....Mgr. Indus. Dep.
JACOB CHADEAYNE.....Mgr. Intermediate Br.
CHAS. G. REITER.....Asst. Actuary
JAMES C. BROWN.....Asst. Actuary
JAMES D. CRAIG.....Asst. Actuary
RAYMOND V. CARPENTER.....Asst. Actuary

Paid to Policyholders since Organization, plus the Amount now invested for their Security, \$537,223,523.83.
 Number of Policies, 1 Force, December 31, 1909, \$10,621,879. Total Outstanding Insurance Placed and Paid for, December 31, 1909, \$2,041,951,700.00.

In its Ordinary Department policies are issued for from \$1,000 to \$1,000,000 on individual lives, premiums payable annually, semi-annually and quarterly. In its Industrial Department policies are issued on all the insurable members of the family for weekly premiums. Full particulars regarding the plans of the Metropolitan may be obtained at its Home Office, 1 Madison Avenue, New York City, or its Agents in all the principal cities of the United States and Canada.

FIRST EDITION HALF GONE!

Survivorship Annuity Tables

Net Premiums, Mean and Terminal Reserves

**American Experience Table,
LIFE OF NOMINATOR**

**Danish Survivorship Annuitants' Table,
LIFE OF ANNUITANT**

And $3\frac{1}{2}$ Per Cent. Interest

BY
MILES M. DAWSON,
Consulting Actuary

SEND ALL ORDERS TO

The Chronicle Co. (Ltd.)

No 90 William St.

NEW YORK

The Chronicle

1866

Published by THE CHRONICLE COMPANY, Ltd., 90 William St., New York City.

1910

VOLUME LXXXVI.

New York, August 18, 1910.

NUMBER 7



HENRY EVANS.

COMPARATIVE RESERVE TABLES

By **MILES M. DAWSON,**
Consulting Actuary.

Containing Mean and Terminal Reserves for the usual forms of policies and by the following standards—

American Experience, Select and Ultimate $3\frac{1}{2}$ per cent.
 American Experience, Select and Ultimate 3 per cent.
 American Experience, Modified Preliminary Term $3\frac{1}{2}$ per cent.
 American Experience, Modified Preliminary Term 3 per cent.
 American Experience, Select and Ultimate 4 per cent.
 Actuaries', Modified Preliminary Term 4 per cent.
 American Experience, Committee of Fifteen, $3\frac{1}{2}$ per cent.
 American Experience, Illinois and Tennessee, $3\frac{1}{2}$ per cent.
 American Experience, Michigan, $3\frac{1}{2}$ per cent.
 American Experience, Wisconsin, $3\frac{1}{2}$ per cent.
 American Experience, New Jersey, $3\frac{1}{2}$ per cent.
 H^M, Canadian Life Officers' Association, $3\frac{1}{2}$ per cent.
 O^[M], Select and Ultimate, $3\frac{1}{2}$ per cent.

This covers all the standards, other than the net level premiums, in this country. Tables showing the first year margins set free by each method of valuation are given.

EDITION ALMOST EXHAUSTED ————— **SAVES TIME AND MONEY**

VARIOUS DERIVED TABLES---American Experience 3 and $3\frac{1}{2}$ PER CENT.

By **MILES M. DAWSON**

Table of Contents.

Single Premiums, Pure Endowment.
 Accumulations, Pure Endowment.
 Forborne Immediate Annuities.
 Accumulated Temporary Insurances.
 Accumulated Increasing Insurance.
 Single Premiums Endowment Insurance.
 Single Premiums Temporary Insurance.
 Immediate Temporary Annuities.
 Valuation Columns.

SELECT AND ULTIMATE VALUES.

Single Premiums, Whole Life.
 Life Annuities.
 Terminal Reserves, Life, Limited Payment Endowment.

Mean Reserves, Life, Limited Payment, Endowment.

LOGARITHMS, SEVEN PLACES.

Forborne Immediate Annuities.
 Curtate Summations of D Column.
 Immediate Temporary Annuities.

Uses.

Computing Annual Term Insurance Premiums:
 Divide endowment insurance values by immediate temporary annuities.
 Computing Annual Endowment Insurance Premiums:
 Divide endowment insurance values by immediate temporary annuities.
 For these purposes the "select and ultimate" will be most useful.
 Computing Annual Pure Endowment Premiums:
 Divide pure endowment values by immediate temporary annuities or take reciprocals of forborne immediate annuities.
 By these means, the net extra premium for a special guaranty can be quickly and accurately computed.
 Computing Annual Semi or Double Endowment Premiums:
 Add temporary insurance and pure endowment values for proper amounts and divide by immediate temporary annuity.
 Computing Limited Premiums:
 Divide the proper single premiums by immediate temporary annuity.
 Computing Surrender Values:
 Extended Insurance. Find the temporary insurance value next lower than the sum to purchase extension. This gives even number of years. Apply remainder to pay for additional days according to daily differences in the table.
 Extended Insurance with Fractional Paid-up Endowment:
 Deduct from purchase money, value of insurance for unexpired term; multiply remainder by accumulation, pure endowment, to get amount of endowment.
 Computing Terminal Reserves:
 Unvarying Benefits. Multiply net premiums by forborne immediate annuity and deduct accumulated temporary insurance.
 Return Premium, Full Reserve. Multiply net premium by forborne immediate annuity and deduct accumulated temporary insurance and accumulated increasing insurance, multiplied by gross premiums to be reduced.
 Return Premium, Extra Reserve. Multiply net extra premiums by forborne immediate annuity and deduct accumulated increasing insurance, multiplied by gross premiums to be returned.
 Warranted Commissions for New Business.
 Surrender Values.
 Dividends.

SEND ALL ORDERS TO **THE CHRONICLE CO. (Ltd.)** 90 William Street,
New York.

The Chronicle

VOLUME LXXXVI

NEW YORK, THURSDAY, AUGUST 18, 1910.

NUMBER 7

PUBLISHED EVERY THURSDAY BY
THE CHRONICLE COMPANY, Limited.
No. 90 WILLIAM ST., NEW YORK.
Phone "567 John." Cable Address, "Chronogram," New York.

Subscription Price:
Three Dollars a Year. Single Copies, Twenty-five Cents.
Postage Prepaid in the United States and Canada.

MILES M. DAWSON, President.
R. B. Dawson, Treas. A. C. Harwick, V.-P. A. L. Dern, Sec'y.
Emil Schwab, Manager New England Department,
200 Devonshire Street, Boston, Mass.

All communications should be addressed to and remittances
should be made to The Chronicle Company, Limited.
Entered at the Post Office, New York, N. Y., as Second Class
Mail Matter.

NEW YORK FIRE PATROL FIGURES INCREASE.

Volume of Premiums for First Six Months of 1910 Almost \$1,000,000 Ahead of Last Year—Boston Increases Also.



At the regular monthly meeting yesterday of the New York Board of Fire Underwriters, the report of the finance committee was presented, showing the volume of premiums written by companies and agencies during the six months ended June 30, on risks located in the Boroughs of Manhattan and Bronx. Herewith we append a comparative statement for the corresponding period of 1909:

First Half 1909.	
Local companies	\$3,356,865.16
Agency companies	4,197,518.33
Foreign companies	3,104,032.99
	\$10,658,416.48

First Half 1910.	
Local companies.....	\$3,512,281.02
Agency companies.....	4,764,592.35
Foreign companies.....	3,326,558.61
	\$11,603,431.98

In looking over an old patrol statement of premium reported to the New York Board of Fire Underwriters, under date of December 31, 1868, it is curious and interesting to note what changes have occurred. The statement referred to quotes a list of 157 companies. Of this number 91 were New York City and Brooklyn, 61 New York and other States, while only five were foreign, all of which were English companies.

Boston, Aug. 18.—The returns of the Boston Protective Department, made public last night, show fire receipts in this city during the first half of 1910 of \$904,910 on buildings and \$1,446,462 on contents, an aggregate of \$2,351,372, or \$45,311 more than for the corresponding period of 1909.

Thursday Morning Postscripts.

THE special legislative committee, appointed at the last session of the Legislature to investigate alleged corrupt practices, is formally installed in its quarters on the thirteenth floor of the Liberty Tower this morning. An executive session was held at the Murray Hill Hotel on Tuesday, and the first public hearing will be held August 30.

Jersey City was so hard hit by fire last night that she had to call on New York for help. Before the fire fighters of Manhattan and the men of the Jersey City department whipped the flames there was nothing left of a solid block of factory buildings but

sizzling ashes, and black holes in adjoining streets marked the ruin outside the wasted block. The block destroyed lay in the centre of Jersey City's industrial district. It was bounded by Washington, Morgan, Warren and Steuben streets, a square which lies at a considerable distance from the river front, but within easy distance of the Pennsylvania railroad station. Within the block were the cork manufacturing plant of the Truslow-Fullee Company, the Independent Baking Powder Company's factory, the Ames Rolling Mills, the Ames cooperage factory and a few small buildings connected with the big shops. Just outside of the block across

Morgan street was the big plant of the Regal Sack Company. The fire leaped from the block and burned it to the ground.

William Augustus Walker, who for forty years practiced law in this city, having offices in Wall street, died suddenly on Monday from apoplexy in his home in Nyack. Previous to his retirement from active business he was one of the foremost figures in the field of admiralty law. He was president of the New York Lloyds for marine underwriters, which he organized. He was also president and founder of the Average Adjusters' Association of New York.

Life Insurance Taxation.

AM. JOHNSON, president of the National Life Insurance Company of the United States of America, discusses the question of life insurance taxation in the policyholders' edition of the "National News," published by that company. He says in the main:

"You probably do not know that life insurance is the most heavily taxed institution in America to-day. Do you know that you pay your share of twelve million dollars, which, in round numbers, was the amount levied upon the insurance companies of the United States last year? This is almost entirely a tax for revenue only, and is in addition to the enormous amount of taxes paid upon real estate and other property.

"No one denies that the investment of the funds of the policyholders should be subject to the most careful supervision, and perhaps it is fair that the policyholders should pay for the same, but two million dollars would and does more than pay for it—the other ten million dollars is a tax for revenue only, this amount being used for the expenses of government other than the supervision of life insurance companies, a tax which is laid upon thrift, human misfortune, misery and sorrow; for every dollar of this is

taken from policyholders, which either diminishes the amount of their insurance or increases its cost. The man who pays a premium on a policy which will yield a death benefit to his loved ones has done a wholly unselfish act, for he knows that he cannot profit by it himself and he realizes he will never live to see his loved ones enjoy the provision he has made. Why should a man who has done an act so unselfish, so fine and so noble, be 'fined' (as he is by this unjust tax) for his unselfish love? He could not be if the tax were levied upon him direct, but when it is aimed at the insurance companies whom he has appointed to carry the risk for his loved ones, it passes without remark; but even though it is indirect you are paying your share of this ten million dollars.

"Now, we come to your part of the matter: When one knows of the above condition of affairs and the enormous tax upon life insurance companies, the question at once arises: What can we do to better these conditions? You can exert your influence upon the community as a whole, and particularly upon the man whom you send to the Legislature. Try to induce him to remedy this injustice; to cease placing upon the industry of life insurance a tax which is borne by no other institution of like kind and character in this country, for life insurance is itself a tax voluntarily assumed by the prudent and self-sacrificing for the benefit of others, and when legislators lay an additional burden upon this self-sacrifice and devotion, discouraging thrift in its most desirable form, it shows a most lamentable weakness in our system of taxation.

"Your policy is being taxed; the cost of your insurance is increased by this unjust legislation; and it is to your interest to do your utmost to change conditions."

THE OCEAN LOG BOOK.

"The Ocean Log Book," Vol. 1, No. 1, September, 1910, has appeared in the London and New York offices of its publisher, the Ocean Accident and Guarantee Corporation of London. The Log Book is serious in spots. For instance, on the front cover appears the legend, "Automobiles divide the people into two classes: The Quick and the Dead." On page four, this same book asserts: "A wise man said that the two things necessary

to make a marriage happy are: (1) That the man should be deaf; and, (2) that the woman should be blind." On page two appears an offer of \$25 in gold to be paid for the best humorous story or anecdote not exceeding 100 words in length submitted before September 30 1910. Address Ocean Log Book, 59 John street." In view of this announcement and the fact that the production containing it has been sent to the various insurance periodicals, no one will longer question the sense of humor resident in the literary factory of the Ocean.

The

Columbian National Life INSURANCE COMPANY OF BOSTON, MASS.

LIFE, ACCIDENT AND HEALTH
INSURANCE.

The Only Massachusetts
Non-Participating Company

The New Columbian Policies are
Unexcelled in Clearness and Liberality.

Good Contracts and Territory for
Good Producers.

ARTHUR E. CHILDS, President.

201st YEAR.

SUN Insurance Office OF LONDON.

FOUNDED 1710.

UNITED STATES BRANCH:

54 PINE STREET, NEW YORK.

WESTERN DEPARTMENT:

171 LA SALLE ST., CHICAGO.

PACIFIC DEPARTMENT:

Sansome & Sacramento Sts.,
SAN FRANCISCO, CAL.

AGENTS WANTED
AT UNREPRESENTED POINTS.

THE BANKERS LIFE ASSOCIATION

DES MOINES, IOWA.

ERNEST E. CLARK, President.

Exceptional Record During
twenty-nine years for

LOW RATE OF MORTALITY
ECONOMY OF MANAGEMENT
PROMPT PAYMENT OF CLAIMS
SECURITY OF ITS FUNDS

and satisfactory results
for its policyholders.

FEDERAL LIFE INSURANCE COMPANY CHICAGO

ISAAC MILLER HAMILTON, : : President

Admitted assets.....	\$2,447,499.17
Capital stock.....	177,300.00
Surplus apportioned and unapportioned	77,510.61
Excess security to policy holders	254,810.61
1909 insurance in force in- creased over.....	\$6,300,000.00
Surplus increased over....	100,000.00

HIGH-GRADE MANAGERS AND
AGENTS WANTED.
ATTRACTIVE POLICIES.
DESIRABLE CONTRACTS.
WILL ENTER NEW TERRITORY.

Address,

CHARLES M. TURNER,
General Manager,

Marquette Building, CHICAGO, ILL.

President Edson S. Lott Discusses the New Liability Statutes of this State.

THE United States Casualty Company has issued two pamphlets, containing the text of the new employers' liability and workmen's compensation laws respectively, which will take effect in this State on September 1. With these pamphlets, the company paid THE CHRONICLE a compliment by sending out the article on "Employers' Liability Here and Abroad," by P. Tecumseh Sherman, former Commissioner of Labor of New York State, which was written for THE CHRONICLE and appeared in our issue of July 28. This article in the United States Casualty's reprint was headed "The Workmen's Side of the Question."

Edson S. Lott, president of the United States Casualty, discussed the effect of the new labor laws on the liability of employers at length in the "Journal of Commerce" as follows:

"These amendments to our labor laws are, in their entirety, the most advanced ever enacted in this country, although, except as respects the compensation payable, not as far-reaching as the labor laws of many foreign countries. I speak of the two so-called Wainwright-Phillips acts as a whole because these two laws are so interwoven that they should be studied together. One of these acts is generally known as an act amending the employers' liability law, with alternative compensation plan, and the other as the compulsory workmen's compensation law, relating to certain dangerous employments.

Great Change Beginning.

"This is the beginning of a great change, and it surely is but the beginning, unless the new doctrine is declared unconstitutional. In place of 'damages' to be fixed by a court and jury, and hinging on whether or not the negligence of the employer was responsible for the injury, beginning September 1 the employer engaged in certain 'especially dangerous' occupations must 'compensate' his injured workmen, no matter, one can almost say, who is at fault. The new law as it now stands reads:

"This article shall apply only to workmen engaged in manual or mechanical labor in the following employments, each of which is hereby determined to be especially dangerous, in which from the nature, conditions or means of the prosecution of the work therein, extraordinary risks to the life and limb of workmen en-

gaged therein are inherent, necessary or substantially unavoidable, and as to each of which employments it is deemed necessary to establish a new system of compensation for accidents to workmen."

"The especially dangerous employments are named in the law. This reference to 'especially dangerous' employments was for the purpose of avoiding 'class legislation'—therefore, unconstitutional legislation—in making a beginning of what the promoters of the law hope will soon be universal legislation in this country, it being their intent to have enacted into law the doctrine expressed by President Roosevelt when he said in a message to Congress:

"Exactly as the workingman is entitled to his wages, so he should be entitled to indemnity for the injuries sustained in the natural course of his labor."

and promulgated by Hon. P. Tecumseh Sherman, formerly Commissioner of Labor of the State of New York, in the following words:

"The economic principle underlying this liability is that industries should pay for lives and limbs destroyed just as they pay for coal consumed and machinery worn out. And it seems to be the unanimous opinion of those who have studied this subject broadly, having regard to the causes of accidents, the operation of law and the welfare of society, that the compensation principle is right in theory and beneficial in practice."

No Class Legislation.

"I have said that the promoters of this new principle, which has now found a place in our general labor laws, declared as 'especially dangerous' the employments to which the new doctrine shall apply, and that this was done to avoid having the law adjudged unconstitutional on the ground that it was class legislation, it being unconstitutional to enact a law which grants special favors, privileges or advantages to any man or any class of men; hence the courts would declare unconstitutional any law granting compensation to, let us say, carpenters for accidental bodily injuries sustained in the course of their employment and withholding by its provisions such compensation to, let us say, cabinet-makers. But that which sometimes appears at first to be class legislation, which seems to apply to a part of and not to all of the people, is not

always in the last analysis found to be class legislation. These new laws may stand the constitutional test. The commission appointed last year to inquire into the question of employers' liability said in its report to the Legislature that the Constitution of the State of New York granted the Legislature power to prescribe that employers shall conduct their business, use their machines and use their property in such ways as shall conduce to the safety of their employes and the prevention of both accident and disease, and that the Legislature has exercised that power, in part; and the report goes on to say:

"Since beginning its investigation this commission has come to the opinion that even with such protective requirements as the law has thrown about the workman in modern industries, there still exist, in certain trades, dangers inherent in the employment which are at present substantially unavoidable. We are of opinion that it is competent for the Legislature to take a further step and provide conditions for the carrying on of such dangerous industries—not at the moment conditions as to the method of carrying them on, but conditions providing that any man in the State who carries on such dangerous trades shall be liable to make compensation to the employes injured either by any fault of the employer, or by those unavoidable risks of the employment. The effect of such a statute would be to reverse the common law doctrine that the employe assumes the risk of his employment."

"The report argues that, while it is quite within the powers of the Legislature to prohibit the construction of tunnels or the use of compressed air

(Continued on Page 12.)

The Connecticut Mutual

That means the best life insurance to have and the best to sell. If you can sell life insurance, you can sell more of it for the CONNECTICUT MUTUAL.

Men of Character and Ability are invited to apply.

**Conn. Mutual Life Ins. Co.,
Hartford, Conn.**

Please mention this paper.

Life Ins. Co. of Virginia

Home Office, Richmond, Virginia.

J. G. WALKER, President.
T. W. PEMBERTON, 1st Vice-President.
W. L. T. ROGERSON, 2d Vice-President.
E. D. HARRIS, Secretary.

The OLDEST Southern Life Insurance Company.
The LARGEST and STRONGEST Southern Life Insurance Company.
The PIONEER Southern Industrial Life Insurance Company.
Its policies are clear and definite in their provisions and their values are absolutely guaranteed.

Assets Dec. 31, 1909.....\$5,372,691.99
Liabilities Dec. 31, 1909.....4,312,405.32
Insurance in Force Dec. 31, 1909.....68,337,613.00
Total Payments to Policyholders since Organization 9,820,412.46

Germania Fire Insurance Co.

NEW YORK.

ORGANIZED 1859.

Cash Capital.....\$1,000,000.00
Assets.....\$6,562,329.14
Net Surplus.....\$2,008,419.02
Surplus for Policyholders,\$3,008,419.02

HEAD OFFICE:
Cor. William and Cedar Streets.

WESTERN ASSURANCE Co.

HEAD OFFICE,
TORONTO, - - CANADA.
Incorporated 1851.

Hon. GEORGE A. COX.....President
W. R. BROCK and JOHN HOSKIN, K. C. LL. D., Vice-Presidents
W. B. MEIKLE.....General Manager

United States Statement, Jan. 1, 1910.

Assets.....\$2,377,303.37
Surplus in United States.....839,268.07

Good Salesmen Make Money



"Big" money is made by good Life Insurance Salesmen. Be a money-maker. Sell Prudential policies—the kind the people want.

Write us about an agency.

THE PRUDENTIAL
Insurance Company of America.

Incorporated as a Stock Company by the State of New Jersey.

JOHN F. DRYDEN, Home Office,
President. NEWARK, N. J.

NEW LIABILITY RATES

The liability insurance companies have individually settled upon the course to be pursued as to the new rates, under conditions which will obtain when the new laws go into effect in this State on September 1. There will probably not be another general meeting of the companies for some time, but the standing conference committee has been continued in existence for the purpose of mutual sharing of the experience of the companies in the coming months.

IRA G. RAWN'S AFFAIRS.

CHICAGO, Aug. 17.—The Winnetka home of Robert C. Brinkley, son-in-law of Ira G. Rawn, president of the Monon Railway, who died of a bullet wound on July 20, was entered last Saturday night and drawers in desks, to which Mr. Rawn's private papers had been transferred, were ransacked. The intruder was frightened away by a private watchman. Police Magistrate C. F. Hatley declared that the entry was evidently not made by burglars, as valuable silver and jewelry were not disturbed. Mr. and Mrs. Brinkley are in Virginia. Mr. Rawn carried accident insurance, totaling \$110,000 and accumulations.

MEMPHIS, Tenn., Aug. 17.—The Chancery Court found last week that Ira G. Rawn, president of the Monon, and formerly vice-president of the Illinois Central, with six other former railroad officials, held stock in the Memphis Car Company.

The other former officials, who are held to have owned the same amount of stock as Rawn, 150 shares, are Frank B. Harriman, general manager; William Renshaw, superintendent of machinery; Joseph E. Buker, assistant superintendent of machinery; John M. Taylor, general storekeeper; H. McCourt, general superintendent of the Southern lines of the Illinois Central, and W. S. King, superintendent of the Yazoo and Mississippi Valley road and of the Memphis Terminals of the Illinois Central.

The decree recites that McCourt and King voluntarily returned to the company \$13,000 each, which is stated by the attorneys to be all they had left of the \$16,000 they received as dividends on their Memphis Car Company stock.

The decree was the result of a settlement between the Memphis Car Company, the only defendant, and the officials of the Illinois Central road.

All civil action by the Illinois Central against the Memphis Car Company is brought to an end by the settlement.

OUR BOND—YOUR SECURITY.

T. J. FALVEY, JOHN T. BURNETT,
President. Sec'y & Treasurer.



Massachusetts Bonding and Insurance Co.

Organized under the Laws of the Commonwealth of Massachusetts.

Home Office, 77-81 State Street, Boston.
Capital\$500,000.00
Surplus\$250,000.00
SURETY BONDS and BURGLARY and THEFT INSURANCE.

1860 50th YEAR 1910

HOME LIFE

Insurance Company of New York.

GEORGE E. IDE, President.

Assets\$23,626,018.63
Liabilities21,858,691.52
(Including Deferred Dividend Fund)
Dividend Endowment Fund
(Deferred Dividends)2,119,044.00
Net Surplus1,767,327.09
Insurance in Force.....92,532,583.00

The record for 1909 shows the following GAINS:

Insurance in Force\$4,164,239.00
Assets1,917,117.00
Deferred Dividend Reserve...148,581.00
Contingency Reserve (Surplus)655,149.17

COMMERCIAL - UNION

ASSURANCE CO.,

(LIMITED)

OF LONDON.

OFFICE;

Cor. Pine & William Sts.

NEW YORK.

SPECIAL OPPORTUNITIES offered now in Southern States to Representatives of

CITIZENS
NATIONAL LIFE
INSURANCE
CO.

W. H. GREGORY,
President.

New York Paterson's Gamaliel.

ALL because fire underwriters have declared that the Paterson Fire Department was inadequate, Mayor McBride of that city sent to New York on Monday a fire captain, two lieutenants and three firemen, who will study the fire-fighting system of New York for one month, and then go home to teach their Paterson comrades.

Fire Commissioner Waldo assured Mayor McBride last week that he would be glad to put some of the Paterson men in the New York School of Instruction. For one month the six men from Paterson will spend their days from nine to five in the School of Instruction, and at night will be assigned to six downtown engine companies.

"While you are here, you will rank as firemen, and you must do your work as such and live up to the rules of our department," said the commissioner to them. "In the School of Instruction you will be placed with thirty brand-new firemen, and will take the usual course of training with them. It will include every means of fire-fighting and life-saving used by our force, and you will see the practical side of things at night."

William Leslie Dill, secretary to Mayor McBride, said yesterday that since the big fire of 1902 criticism had been heaped upon the Paterson Fire Department from all sides. The criticism came most severely, he said, from the fire insurance companies, who had threatened to raise the

rates. The six Paterson men and their assignments are:

Capt. Charles Nolan, to Engine Company No. 5, at 363 Broome street.

Lieut. Thomas Coyle, to Engine Company No. 33 (Chief Croker's), in Great Jones street.

Lieut. John Specht, to Hook and Ladder Company No. 20, at 157 Mercer street.

Fireman Stephen Walls, to Engine Company No. 17, at 99 Ludlow street.

Fireman James Sweeney, to Hook and Ladder Company No. 6, at 77 Canal street.

Fireman Frank Boyle, to Engine Company No. 20, in Lafayette street, which has searchlight and high-pressure equipment.

The Paterson Fire Department consists of 165 men, ten engine companies, three trucks and one chemical engine. Mr. Dill says that two gasoline-propelled engines have been ordered.

Bardoe's Column.

THEODORE ROOSEVELT has notified J. Huyler Ellison, chairman of the General Convention Committee of the Freeport Fire Department, that on Oct. 4 next, he would address the 400 delegates of the Southern New York Volunteer Firemen's Association, who will meet that day at Freeport in the Sigmond Opera House. The Freeport firemen have decided that, with the speech of the former president and the display of the silver hose cart of the Peekskill Volunteers the three-day program will be about all the occasion in their eyes seems to require.

The Supreme Lodge of the Knights of Pythias at Milwaukee has decided to re-rate the members of the fourth class which includes all those who did not transfer their insurance to the new fifth class based on adequate rates. An unusual proportion of old members is left in the old class.

Artemas Roberts, president of the Amicable Life Insurance Company of Waco, Texas, has signed a contract for the construction of a twenty-story, modern fireproof office building in Waco at a cost of \$530,000. The highest building in Waco to-day boasts of six stories.

"The Unique Manual" for 1910-1911, issued by Sampson Dawe of Boston, has been received. It comprises 893 pages, printed on tough thin paper and bound in limp leather in the form that

can be slipped into a rather large pocket. It contains facts and figures of the regular life insurance companies in an unusually useful and valuable arrangement.

George E. Kline, vice-president of the Continental Insurance Company, who was married in Montana two weeks ago, is making the trip from Chicago to New York by automobile, accompanied by Mrs. Kline.

Howard Abrahams, assistant secretary of the National Surety Company, has been appointed New York man-

ager of the fidelity and surety department of the Maryland Casualty Company and will assume his new position on September 1. Mr. Abrahams has been associated with Vice-President Danmunn as manager of the National Surety's contract bond department since January, 1909. He had previously been connected with the Illinois Surety Company.

The Surety and Casualty Underwriters' Company of Newark has been appointed general agents of the Empire State Surety Company for all lines in the State of New Jersey with common rights in Essex County with the company's present local agent there.

Lloyds in New York State.

PURSUANT to the provisions of the new law vesting the New York State Insurance Department with power over Lloyds insurance associations, twenty organizations of this character—which are practically partnerships made up of a large number of individuals and operating through an attorney-in-fact, who mutually agree to become responsible for the loss due to fire or other causes—have made applications for certificates of authority permitting them to do business in this State after January 1, 1911. Three other associations of a similar kind, but known as interinsurers, have also applied.

The State Insurance Department

has issued the following statement to the public:

"The following associations, which have been doing business in this State have not made application and after this year will not be authorized to do business in New York: International Fire Office of New York City, Fidelity Insurance Association, and Union Underwriters. Two other Lloyds associations, the Garfield Assurance Fire Lloyds and the New York and New England Underwriters at Lloyds, are now being liquidated by the Insurance Department.

"The new law not only requires Lloyds and interinsurers thus to make application for certificates of author-

ity, but compels them to file with such applications their financial statements as of June 30 last and agreements, executed by their underwriters or duly authorized attorneys in fact, specifying one or more residents of New York on whom proofs of loss and legal process can be served. The law further requires the Insurance Department to examine each of the associations which applies for a certificate, and such examinations have now begun. It further places certain restrictions on this class of business, and is expected to put an end to numerous losses due to irresponsible underwriters and illegal organizations of this character. The department will thus be able shortly after January 1 to furnish the insuring public with accurate information as to the solvency and methods of business of all Lloyds and interinsurers issuing policies in New York, and also to lay information before the criminal authorities against underwriters and attorneys in fact which have not been authorized to do business in accordance with the new law.

"The Lloyds thus to be authorized should not be confounded with alien Lloyds, such as that which does business under the name of Lloyds, London. Citizens of New York who accept policies of any of the syndicates of underwriters operating under this name do so at their peril in case of loss, such syndicates having no authority to do business in this State, and there being no persons resident in New York on whom proofs of loss or process can be served to the end that suits to collect may be brought in American courts. After January 1 all agents or other persons representing Lloyds, London, or any unauthorized Lloyds in this State, will, pursuant to the new Lloyds article of the insurance law, be liable to criminal prosecution.

"The following Lloyds, with their attorneys-in-fact, have made applica-

tion and filed statements of condition as of June 30 last:

Underwriters at American Lloyds, Underwriters at Great Western Lloyds, the National Underwriters of America, Underwriters at New York and Boston Lloyds, the Union Underwriters of New York, for each of which Hall & Trowbridge, 45 Cedar street, New York, are the attorneys-in-fact.

Manufacturers Lloyds and Merchants Fire Lloyds, for each of which Jameson & Frelinghuysen, 111 William street, New York, are attorneys-in-fact; Henry Griffen being associated with them in the Merchants Fire Lloyds.

New York Central Lloyds and Mercantile Lloyds of New York City, for each of which John W. Fitzgerald, Little Falls, N. Y., is attorney-in-fact.

American Exchange Underwriters of New York City, for which Weed & Kennedy, 123 William street, New York, are the attorneys-in-fact.

North American Inter-Insurers of the City of New York, for which Benedict & Benedict, 35 Nassau street, New York, are the attorneys-in-fact.

New York Commercial Underwriters, for which Henry Stewart & Son, 3 South William street, New York, are the attorneys-in-fact.

Lumber Underwriters, for which Eugene F. Perry, 66 Broadway, New York, is the attorney-in-fact.

Allied Underwriters at New York and Chicago Lloyds, for which E. A. G. Intemann, Jr., 51 Sixth avenue, New York, is the attorney-in-fact.

Underwriters at the Isthmus Lloyds of the City of New York, for which Thomas Tilleston, 2nd, 84 William street, New York, is the attorney-in-fact.

New York Fire Lloyds, for which Cortis & Patterson, 22 West Fourth street, New York, are the attorneys-in-fact.

Subscribers at United States Lloyds, for which A. Foster Higgins, 3 South William Street, New York, is the attorney-in-fact.

Assurance Lloyds of America, for which Frank M. Parker, 156 Broadway, New York, is the attorney-in-fact.

Lloyds, New York, for which R. F. Folsom, 1 Liberty street, New York, is the attorney-in-fact.

Underwriters at the New York Insurance Association, for which Daniel Woodcock & Co., 19 Liberty street,

New York, are the attorneys-in-fact.

"The following inter-insurers have made like applications and filed their statements:

Subscribers at Individual Underwriters and subscribers at New York Reciprocal Underwriters, for each of which John R. Waters, 90 West street, New York, is the attorney-in-fact.

The Indemnity Exchange, for which W. R. M. Williamson, 290 Broadway, New York, is attorney-in-fact.

"The legality of organization and the financial condition of each of the domestic Lloyds and interinsurers will be the controlling factors in determining whether, after examination by the department, the certificate of authority required by the new law and authorizing them to do business after January 1 next, will be granted. Meanwhile, each of these organizations, save several which are practically dormant, are operating under the law as it stood prior to the amendment, the latter, so far as the conduct of business is concerned, not going into effect until the beginning of next year."

LEADING FIRE COMPANY
OF THE WORLD



IT PAYS THE AGENT

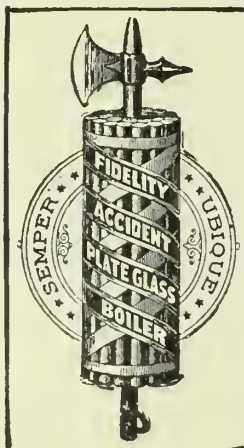
To represent the best company. There are many excellent standard life insurance companies. Which is the best? In stability, progressiveness, liberal contracts to agents and low cost to policy-holders no company surpasses

The Union Central Life Insurance Co. of Cincinnati.

Assets, \$74,523,966.28
Liabilities, \$72,324,302.92

Good openings are occurring from time to time. Address

JESSE R. CLARK, President.
ALLAN WATERS, Sup't of Agents.



THE FIDELITY & CASUALTY COMPANY

97 TO 103 CEDAR ST., NEW YORK CITY.

ASSETS - \$9,598,924.02

Cap. & Surplus \$3,564,229.90

LOSSES PAID \$31,636,503.21
to Jan. 1, 1910.

This Company grants Insurances as follows:

Bonds of Suretyship for Persons in Positions of Trust, Fidelity Bonds, Burglary, Plate Glass, Steam Boiler, Fly Wheel, Employers, Public, Teams, Workmen's Collective, Elevator and General Liability; Personal Accident, Health and Physicians' Liability

OFFICERS:

GEORGE F. SEWARD, President.

Robert J. Hillas, V.-P. & Sec'y. Henry Crossley, Ass't Sec'y.
Frank E. Law, 2d Ass't Sec'y. George W. Allen, 3d Ass't Sec'y.

Western Sayings and Doings.

WITH the annual meeting of the Fire Underwriters Association of the Northwest less than two months away, speculation as to who will be the next president is now beginning to be indulged in. That is a regular summer pastime in Chicago. This is a year when by custom the president will be chosen from among the managers. The two men who so far have been mentioned most frequently in this connection are W. N. Johnson, general agent of the North America, and A. R. Monroe, assistant manager of the Queen. Mr. Johnson was considered two years ago, but at that time he was located at Erie. Since coming to Chicago his acquaintance among Western fire insurance men has extended rapidly and he has grown in popularity. Mr. Monroe, while not in the limelight as much as he would be if he were a manager, is well known and very much liked.

There is other available timber, however. W. R. Townley, general agent of the British America and Western, is probably as well known to members of the Northwest Association as any man in it. For seven years, like Matthew, he sat at the receipt of custom, gathering in the annual dues as treasurer of the organization. J. W. Robertson, manager of the Fire Association, was spoken of for the presidency two years ago, when he was assistant manager, and his rise to the managerial rank makes him more rather than less available.

Richard D. Harvey, of New York, assistant United States manager of the Royal Exchange, and James F. Joseph, vice-president of the Commonwealth of New York, would both be seriously considered if they had remained in Chicago. Mr. Harvey had a considerable following two years

ago, but then, as now, the fact of his living in the East was against him. There is a strong feeling that the president should be a Western man, living within easy distance of Chicago.

The retirement of N. B. Jones, of Detroit, as State agent of the Spring Garden in Michigan has received more than the usual amount of notice. The fact that the company has retired him on a pension has been the subject of much favorable comment, for his service with the Spring Garden had only been of four or five years' duration. For years Mr. Jones has been accorded the affectionate title of "the Grand Old Man of Michigan." A long and honorable career in the field, where he has been like a father to the younger men, has endeared him to them. Much of his service was with the American Fire of Philadelphia, and it was only when it and the Spring Garden came under the same management that he became associated with the latter company.

Considerable grumbling is heard among field men in some of the Western States at the constant assessments levied upon them by self-constituted committees for one occasion and another. It is a very common occurrence in some parts of the West for a few special agents to decide that a present ought to be purchased for this field man who is to be married or that one who is leaving the field, or a complimentary banquet should be tendered and a proper gift presented to this or that one. Accordingly it is decided to call upon each field man for a certain sum and it is very embarrassing for him to decline. Yet, if he happens to be one who covers several States, the calls come so fre-

quently as to be a serious drain on his income.

Another annoying feature of the situation is that those who raise the money are accountable to nobody. Those asked to contribute generally have no voice in deciding how much money shall be spent, but are merely requested to step up to the captain's office and settle. The custom has gone so far that some of the field men are on the brink of open rebellion. They intimate that they would view the question differently if the object and amount of these expenditures were decided upon by the contributors and an accounting made to them.

Pending the visits of the managerial committees to the six excepted cities of the West to confer with local agents on the reduction of expenses, discussion of the expense question goes on in a somewhat desultory way. Field men do not appear much concerned about the suggestion that their numbers be reduced. They have nothing to do with making rates, and as a rule their adjustment work is now confined mostly to losses in which their own companies alone are interested. They are well aware that most companies are not yet ready to agree upon joint inspections. Their underwriting policies are so different that each, as a rule, wants the opinion of its own representative upon large risks, unless they be those handled by the syndicates. Unless there should be a change in this regard, the companies cannot dispense with the services of their field men unless first they reduce the number of their local agents to be supervised. The tendency is rather to increase the number of local agents and this tendency appears likely to continue until commissions are reduced by agreement or

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS is unsurpassed for net low cost and care of interests of all members.

**THE PENN MUTUAL
LIFE INSURANCE COMPANY
OF PHILADELPHIA**

On January 1, 1909, rates were reduced and values increased to full 3% reserve.

"WILL SIGN YOUR BOND"

**The Bankers Surety Co.
of Cleveland, Ohio,**

"EXECUTES SURETY BONDS OF EVERY DESCRIPTION"

**DOLAN, EIBLER & McGINTY,
General Eastern Agents,**

56 Maiden Lane, - - - - - New York City
Phone 1281-2 John

by statute to a point where many will be frozen out of the business.

One man in the managerial ranks has called attention to a point where he believes an expense could be legitimately cut off. That is in the matter of maps. He believes that the present price for maps and for corrections is exorbitant. As the companies are the main purchasers of maps they could, by standing together, demand a reduction to what they might consider a reasonable figure.

To the hard-working field man, leaving home every Monday for five or six days' sojourn at hotels good and otherwise, the life of the assistant manager, with a larger salary and all the joys of home life, looks mighty good. Rumor in Chicago has it, however, that "things are not what they seem" always. Several assistant managers in Chicago are understood not to be very happy in their positions. They have the title and the salary, but the "working conditions," as labor unions call them, are not satisfactory. As for authority or responsibility they are about equal to chief clerks or head daily report examiners. While in some offices the assistant manager has well defined and important duties, the proper performance of which causes him to be recognized as a big man in the business, in others the manager is it, with a large "I," while few people outside of the offices would know that there was an assistant manager but for the fact that his name is printed in the insurance directories.

The seriousness with which some company executives take themselves adds greatly to the gayety of nations. Recently Chicago was honored with the presence of one of these personages. As there were in town at the same time some fifteen or twenty thousand Knights Templar, some of whom are persons of real importance,

his coming did not receive the attention it might otherwise have done, but he knew he was there and that was probably sufficient. Men who find no difficulty in conferring with the really big men in the business almost any time, had to arrange for interviews with him at set hours a day or two ahead. Dignity at times seems to run inversely as the square of the premium income.

The decision of the Empire State Surety to cease writing all casualty lines except burglary insurance in Illinois has been the subject of considerable comment and there is a tendency in some quarters to ask for the real reason for the decision. There is no cause for belief that there was any dark, hidden reason. It was merely the cutting off of something which was not profitable nor likely to be so for a long time to come. The Empire State Surety does a good volume of surety business in Chicago and does it at a low expense ratio. Its volume of any one of the casualty lines was small, the expense of handling the business was large and on some lines the loss ratio was also.

As a rule most companies entering the Chicago field find the development of all casualty lines except liability slow. As the Empire State Surety does not make a practice of going after large liability risks and as the small business, such as landlords' public liability and physicians' and druggists' liability, of which the company has a good volume in the East, are not yet developed in the West, the company faced the alternative of keeping up an organization to handle a small business or change its underwriting policy and accept in Chicago large liability risks, on which few of the older and larger companies are making any profit.

Last week was an "off week" in all kinds of insurance in Chicago. The

triennial convale of the Knights Templar brought to the city not only thousands of knights, but more thousands of visitors who wanted to witness the great parade. As the procession passed up La Salle street for about four hours on Tuesday there naturally was little doing that day. On Wednesday the time of many managers and their subordinates and of many local agents was occupied with visiting agents and on Thursday there was more or less interruption. Combined with the vacation season, which leaves many offices short-handed, work piled up sufficient to last several days despite heroic efforts to clear it away.

THE PROTECTIVE FIRE NEARLY READY TO BEGIN.

Robert R. Tuttle, president of the Protective Holding Corporation, says:

"The Protection Holding Corporation, organizing the Protective Fire Insurance Company, has arrived at a point where the services of a promoter are no longer needed, and, therefore, has accepted the resignation of Ira A. Manning, whose connection with the corporation has entirely ceased. The Protective is distinctly different from most of the new companies formed in recent years, in that it has not made an active canvass among general agents, offering territory in return for subscriptions for its stock.

"The corporation has secured nearly one thousand stockholders who have bought and paid for in whole or in part, nearly \$300,000 of the stock, and reservations have been made for nearly \$400,000 additional stock. The indications are that the company will have a body of about ten thousand stockholders. The directors are well-known business and professional men, who are highly regarded in their respective communities. The officers of the company hope to start writing insurance within sixty or ninety days."

Hanover Fire

INSURANCE
COMPANY
of New York



Agencies

in all the Principal Places
in the United States.



Insurance Brokers

Place Your SURETY and CASUALTY
business in the "EMPIRE."

CAPITAL, - - - - - \$500,000

Business Producers not now under contract wanted for
open Territory.

Address Agency Department,
THE EMPIRE STATE SURETY CO.,
84 William Street, New York

In New England.

BOSTON, Aug. 17.—No longer will the sunny presence of George P. Field illumine the gatherings of Boston fire underwriters. For some months past he had been in delicate health, but last Friday ventured upon an automobile trip from his summer home in Norwell, Mass., to his office in Boston, which overtaxed his strength and necessitated his removal to the Parker House, where he expired in the afternoon. Although not wholly unexpected, the demise of this lovable man came as a shock to the many that had the privilege of knowing him.

George Prentice Field, senior member of the firm of Field & Cowles, New England managers of the Royal and Boston representatives of several other leading companies for fire, marine and casualty business, was born in Seamount, Me., October 17, 1844. He was educated in the public and high schools of Belfast, whither his family had removed during his infancy. He next worked in his father's insurance agency as a clerk until the establishment, during the Civil War, of the provost's marshal's department for the Fifth Maine District, in which he was employed until after the close of the war. After that he served for a time in the Belfast custom house as deputy collector, resigning that position to become assistant secretary of the National Insurance Company of Bangor. In 1867 he connected himself as general agent with the First National Fire of Worcester, and later became its secretary. He was appointed special agent of the Royal in July, 1873, under Foster & Scull of Boston, at that time its New England representative. He wrought so well in this capacity that advancement to the position of general agent, superintendent of

agencies and membership in the firm came to him successively. The firm name after the death of Mr. Foster having changed to Scull & Bradley, on the demise of the latter, became Scull & Field, and when Gideon Scull was gathered to his fathers in 1900, E. B. Cowles was admitted and the present style established. Some time afterward Herbert Damon was taken into partnership, and last month George Neiley and John Jennings, as detailed in our issue of July 14.

Mr. Field's colleagues in the business were not slow to appreciate his good qualities and to confer upon him positions of honor and trust. He was president of the New England Insurance Exchange in 1885 and served for a period of five years (1888-1893) as chairman of the New England Bureau of United Inspection. During the same period he was president of the Boston Protective Department, which also had his services as a director from 1900 to 1906. During these same years he was president of the Insurance Library Association, and was elected president of the Boston Board of Fire Underwriters in 1905, holding that position for three years.

At a special meeting of the Boston Board, held last Saturday, a committee comprising Augustus Lovett, Thomas L. O'Brien, Frederic Hinckley, Francis Stevens and Herbert J. Coolidge was appointed to prepare a suitable memorial to the dead.

The funeral took place Monday afternoon at 2:30, from the residence of Mr. Field's son-in-law, Horace B. Pearson, at 36 Monmouth street, Brookline. The attendance was large and the floral tributes lavish and exquisite. Among those noticed were a delegation from the Boston Board,

and E. F. Beddall and Cecil F. Shallcross of the New York head office of the Royal.

Boston's Fiery Experience.

Besides the two large Boston fires mentioned in last week's issue, a third occurred within a space of twenty-four hours from the first, by which a heavy damage was caused to the Charlesgate garage and a great many valuable automobiles burned.

If the enthusiasm does not evaporate, Boston will see some important improvements in its fire protective service before long, as a result of last week's experience. In the first place the narrow escape from destruction of the fire alarm headquarters has suggested the necessity of an auxiliary fire alarm for emergencies; in the second place it is represented that on account of the close call which the fire department headquarters had, it ought to be removed to some location where it is less in peril by exposure, and finally the value of outside sprinklers in checking the course of the fire was thoroughly demonstrated. The mayor and the acting fire commissioner are in accord upon these points and it is understood that the counsel of the Boston Board of Fire Underwriters is to be solicited in connection with their realization. The mayor, furthermore, seems impressed with the efficiency of the water towers and is reported to be in favor of having more of them.

New England Brevities.

The New England Casualty has secured William M. Olive, for many years identified with the United States Casualty, as home office agency director.

* * *

A ten thousand dollar fire damaged the Standard Oil Company's station at Fish Island, near New Bedford, Saturday afternoon. That the loss was not ten times as great, was doubtless due to the presence of mind of George

"The Leading Fire Insurance Company of America."



WM. B. CLARK, President.
W. H. KING, Vice-President.
HENRY E. REES, Secretary.
Assistant Secretaries,
A. N. WILLIAMS, E. S. ALLEN,
E. J. SLOAN, GUY E. BEARDSLEY.

The Best, Safest, Most Liberal and Most Equitable Forms of Policy Contracts are Issued by the



ROLAND O. LAMB, President. WALTON L. CROCKER, Secretary.

Issues the Most Perfect Forms of Life, Endowment, Instalment and Term Policies. Greatest Sellers in the Market.

LIBERAL CONTRACTS TO THE RIGHT MEN.
ROBERT K. EATON, Supt. of Agencies, Boston.

WILLIAM N. COMPTON, General Agent, Metropolitan District,
St. Paul Building, 220 Broadway, New York.

Henry Evans Gives Reason for Belief in Contingent Commissions.

JAMES V. BARRY, Commissioner of the Michigan Insurance Department, recently made an inquiry as to the wisdom of the contingent or profit-sharing plan for compensating fire insurance agents. In reply to this inquiry, Henry Evans, president of the Continental Insurance Company, had this to say:

"An insurance agent works out of sight and, having binding powers, can obligate his principal, the company, to assume any risk he sees fit to write. The risks of large value are generally inspected and reported on by salaried employes of single companies or combinations of companies, but the risks of small value cannot be inspected by such persons, except at such great cost as to preclude the possibility of profit, unless the rates are very largely increased over the present basis. Such being the conditions, much business is written by companies without true knowledge of the physical or moral hazard assumed, and often without regard to the market value of the property covered.

"A very large percentage of the insurance agents are honest and intend to do the right thing; but human nature is the same in all callings, and where the agent is not interested in the profit result the tendency is to err on the side that puts money in his pocket. It follows that business is written that should be declined, either because of physical or moral hazard (which becomes very serious when coupled with full or overinsurance), and a fire resulting from such condition may destroy much other property. When the agent is compensated fairly by a flat and contingent or profit-sharing commission he becomes an underwriter, watching new

construction, fire-fighting facilities, moral hazard, overinsurance and the physical or fire-breeding condition of each risk.

"In the conduct of the business of the Continental Insurance Company we have where possible interested agents in the profits of the business, and we believe we know that the result has been beneficial to us and to some extent to the public. Under its 'police powers' it would be possible for any State to enforce a law making all companies pay agents a flat and contingent or profit-sharing commission, such commission to cover all compensation the agent is to receive, the contract conditions being covered by a standard form of agreement, which would be necessary in order to prevent extra payments for the purpose of buying business.

"If this were done and all companies were obliged to compensate agents in this way the result would be, in my opinion, a decided reduction in losses due to the moral hazard, the burden of which has to be borne by the honest insurer, a gradual improvement in building conditions as well as fire-fighting facilities and an early and marked improvement in physical or fire-breeding conditions. I also think there would be an improvement in the class of men acting as agents, the ignorant and unreliable being forced out. If I am right, the fire waste would be reduced, competition would force the rates paid to insurance companies down, and the public would benefit, first, from a lessened fire waste, and, second, from lower rates.

"If it were in my power to control such matters, not as an insurance man, but as a citizen having knowl-

edge of the subject and desiring to serve the public, I would

"First—Have every rate made by the application of a detailed schedule (modeled after the Universal Mercantile Schedule) that penalized dangerous conditions and gave credit for unusual safeguards.

"Second—Make every company conduct its business on the profit-sharing basis under proper restrictions.

"Third—Have every fire investigated, holding the property owner to a strict accountability and the agent writing the insurance, also, if it developed that he had wilfully granted overinsurance.

"I believe that valued policy laws are against public policy, but if they must be enacted, I submit that any payment made in excess of the actual market value of a piece of property should go to the State and not to the individual."

THE ROYAL TO WRITE OCEAN MARINE INSURANCE.

A deposit of \$200,000 has been made with the New York State Insurance Department by the Royal Insurance Company of Liverpool, for the purpose of complying with the law regulating the right to insure ocean marine risks. Superintendent Hotchkiss has approved the Royal's application for authority to write, and the application is now before the Attorney General. The Royal plans to begin issuing ocean marine policies in the early fall. The Royal controls the British and Foreign Marine Insurance Company, and the American and Foreign Marine Insurance Company. The Queen Insurance Company will also write ocean marine shortly, thus providing four marine policies.

INCORPORATED 1833.

British America Assurance Company

HEAD OFFICE, TORONTO, CANADA

UNITED STATES BRANCH.

JANUARY 1, 1910.

Assets	\$1,556,740.94
Liabilities	902,438.61
Surplus	\$ 654,302.33

Hon. GEORGE A. COX, President.
JOHN HOSKIN } Vice-Presidents.
W. R. BROCK }
W. B. MEIKLE, General Mgr.

THE HOME LIFE INSURANCE COMPANY OF AMERICA

Incorporated 1899.



General Agents and District Managers who can produce ordinary business can secure "Ground Floor" contracts with **GUARANTEED RE-NEWALS** and an assignment of territory limited only by capacity to produce agency organization and business. Send for Sample Policy. **IT IS ONE YOU CAN SELL.** New business, \$1,500,000—January 1-June 30, 1910.

Address:

G. M. NETTLESHIP,
General Manager,

JOHN LANGHAM, Jr., President.
JOSEPH L. DURKIN, Secretary.
EDWARD P. MADDEN, Treas.

416-18-20 Walnut St., : PHILADELPHIA, PA.

PRESIDENT LOTT TALKS.

(Continued from Page 3.)

pressure in tunnels or foundation work, for the reason that it is a necessary concomitant of that work that workers will be overcome by the conditions and dangers of their work, yet 'it is almost unthinkable that the Legislature should enact laws prohibiting such work.' The commission maintained that because the Legislature had refrained from exercising its power to prohibit such work was not a valid reason why it should not 'prescribe that any employer who carries on such dangerous work shall pay for the loss of limbs and lives of the workers who are of necessity sacrificed to it.'

Dangerous Employments.

"The Legislature accepted the recommendations of the commission and passed a 'compulsory workmen's compensation law, relating to certain dangerous employments,' which provides that:

"If, in the course of any of the employments above described, personal injury by accident arising out of and in the course of the employment after this article takes effect is caused to any workman employed therein, in whole or in part, or the damage or injury caused thereby is in whole or in part contributed to by (a) A necessary risk or danger of the employment or one inherent in the nature thereof; or (b) Failure of the employer of such workman or any of his or its officers, agents or employes to exercise due care, or to comply with any law affecting such employment; then such employer shall, subject as hereinafter mentioned, be liable to pay compensation at the rates set out in section 219a of this title; provided that the employer shall not be liable in respect of any injury which does not disable the workman for a period of at least two weeks from earning full wages at the work at which he was employed, and provided that the employer shall not be liable in respect of any injury to the workman which is caused in whole or in part by the serious and wilful misconduct of the workman.'

"To preserve its constitutionality the law provides that:

"The right of action for damages caused by any such injury, at common law or under any statute in force on January 1, 1910, shall not be affected by this article, and every existing right of action for negligence or to recover damages for injuries resulting in death is continued, and nothing in this article shall be construed as

limiting such right of action, but in case the injured workman, or in the event of his death his executor or administrator, shall avail himself of this article, either by accepting any compensation hereunder in accordance with section 219a hereof or by beginning proceedings therefor in any manner on account of any such injury, he shall be barred from recovery in and deemed thereby to have released every other action at common law or under any statute on account of the same injury after this article takes effect. In case after such injury the workman, or in the event of his death his executor or administrator, shall commence any action at common law or under any statute other than this article against the employer therefor he shall be barred from all benefit of this article in regard thereto.'

"This provision was necessary because the Constitution of the State of New York says that the right of action now existing to recover damages for injuries resulting in death shall never be abrogated; the trial by jury in all cases in which it has heretofore been used shall remain inviolate forever; but a jury trial may be waived by the parties in civil cases in the manner to be prescribed by law. Of these constitutional provisions the commission said:

"We regard it as settled that the Legislature has power, if it so chooses, to enact laws changing or abrogating the common law on employers' liability, or the Employers' Liability Act, or any other statutes in regard thereto, and in particular (a) laws limiting or abrogating the fellow-servant defense; (b) laws limiting or abrogating the defense of contributory negligence, or changing the burden of proof thereof; (c) laws limiting or changing the doctrine of assumption of risk and of violation of law by the employer; (d) laws permitting employer and employee to contract out of the liability of the employer on prescribed terms; (e) laws creating an elective system of compensation, to take the place of the present system of negligence, applicable to such employers and employes as accept it.'

Workmen's Compensation.

"The Legislature adopted the views of the commission, and in addition to passing a compulsory workmen's compensation law for dangerous employments, it amended the general employers' liability law so that on and after September 1 the employer becomes liable 'when personal injury is caused to an employee who is himself in the exercise of due care and diligence at the time—by reason of any defect in the condition of the plant,

or any part thereof, which defect had not been discovered or remedied owing to the negligence of the employer or any employee intrusted by the employer with the duty of seeing that the plant was in proper condition; or by reason of the negligence of any person intrusted with authority to intrusted with any superintendence; or by reason of the negligence of any person intrusted with authority to direct, control or command any employee in the performance of the duty of such employee. The necessary risks of the employee shall only be those inherent in the nature of the employment after the employer has exercised due care in providing for the safety of his employees and has complied with all the laws affecting or regulating his trade or business for the 'greater' safety of his employees. In an action for damages arising from personal injury, 'owing to any cause, including open and visible defects, for which the employer would be liable but for the hitherto available defense of assumption of risk by the employee, the fact that the employee continued in the same place and course of employment after the discovery by such employee, or after he had been informed of the danger of personal injury therefrom shall not be, as matter of fact or as matter of law, an assumption of risk of injury therefrom, but an employee, or his legal representative, shall not be entitled under this article to any right of compensation or remedy against the employer in any case where such employee knew of the defect or negligence which caused the injury and failed, within a reasonable time, to give, or cause to be given, information thereof to the employer, or to some person superior to himself in the service of the employer, or who had intrusted to him some superintendence, unless it shall appear on the trial that such defect or negligence was known to such employer, or superior person, prior to such injuries to the employee; or unless such defect could have been discovered by such employee by reasonable and proper care, tests or inspection.' On the trial of any action for damages, contributory negligence of the injured employee shall be a defense 'to be so pleaded and proved by the' employer.

Defenses Cut Out.

"It will be seen that September 1 will bring with it the doing away, to all intents and purposes, with several important defenses which the law has always accorded employers when sued by an employee for damages arising from an accident. Hitherto if the accident was caused by a fellow servant

(by another employe of the employer) the employer was not liable. The new law says that if the accident is caused by any employe intrusted with any superintendence or by any employe intrusted with any authority to direct, control or command any employe, then the employer is liable to the injured employe for such damages as a court and jury may decide. Formerly the injured employe had to prove that he was not at fault—that he was free from contributory negligence. On and after September 1 the employer must plead and prove that the injured employe was negligent, else he cannot use that as a defense. Until the new law was passed, it was always held that when a person sought and secured employment he assumed within reasonable bounds the natural dangers to personal injury which went with his employment. Many employers will feel that the changed conditions which come with the new law impose a hardship on them.

"However, the trend of the times is toward the doctrine of 'compensation' as distinguished from 'damages' for the injured workman, and truly the new laws are but the first fruits in this country of a doctrine which has secured a firm footing in many countries and which is growing apace here, several States having commissions actively engaged in drafting bills to be presented to their legislatures.

"The result is that on and after September 1 a workman who sustains an accidental disabling bodily injury while at work in this State in certain employments will be entitled to accept the 'compensation' fixed by the Compulsory Workmen's Compensation Law for such injury, or he may disregard the new law and bring suit under the law as it existed before the enactment of the new law. He may choose the old law or the new law.

"And the employments named in the Workmen's Compulsory Compensation Law will be increased by each succeeding Legislature until all employments are embraced within the law. The insistence of those workmen and voters in employments not now covered by the new law, that their employment is also 'especially dangerous' and should receive the same protection as is afforded other employments, cannot be ignored by our lawmakers. Some employments will come ahead of others, but finally all will be included. Indeed the report of the commission reads:

"In the last ten years the conclusion has been slowly but surely generating in the public mind that present conditions as to employers' liability are intolerable. We are firmly of opinion that the time has come for the

A GREAT SIX MONTHS

We closed the first half of 1910 with a rousing increase in new business over our record for the first half of highly prosperous 1909.

In policies and dividends we have what the public wants. In literature and canvassing aids we have what the agent wants. And back of all is a reputation gained from 59 years of activity as a Massachusetts Company.

If you are a genuine producer, a *delivering* producer, and wish to join our forces, address

GEORGE D. LANG,
Superintendent of Agencies

Massachusetts Mutual Life Insurance Company,
Springfield, Mass.

Incorporated 1851

THE American Credit-Indemnity Co. OF NEW YORK.

CREDIT INSURANCE ONLY.

Insures Wholesalers and Manufacturers against Excessive Annual Loss through the Insolvency of their Customers.

We can always use a few high-grade solicitors.

ST. LOUIS, MO.

NEW YORK, N. Y.

Offices in All Principal Cities.

A. B. TREAT, General Agent,
302 Broadway, : : : : : New York.

OLDEST
IN
AMERICA

STRONGEST
IN THE
WORLD

THE MUTUAL LIFE Insurance Company of New York

Mutual Life Agents Make Most Money
Because Mutual Life Policies Sell Most Freely

For terms to producing agents, address

GEORGE T. DEXTER

2nd Vice-President

34 Nassau Street

New York, N. Y.

enactment of laws on this subject which shall be at least the first step to a satisfactory solution of the difficulties of our present system.

"And each Legislature will make amendments to the law That is inevitable. So we shall have annual changes on our labor laws for many years to come. Perhaps it would be more correct to say that from now on for many years we shall have 'one year' laws on the subject of employers' liability. Wise is the man who can accurately forecast what the ultimate result will be.

"The effect on employers in this State will be that accidental bodily injuries to their workmen will cost them more than formerly, whether such employers insure or carry their own risks. The cost to those employers who come within the scope of the Compulsory Workmen's Liability Law will be vastly increased, while the cost to all employers will be greatly increased by reason of the amendments to the Employers' Liability Law moreover, the Compulsory Workmen's Compensation Law will prove more far-reaching than the lawmakers probably intended, for the wording of the law is sufficiently loose and elastic to permit of a very wide application. There is hardly an industry which is sure to be exempt from the application of the law under some conditions and circumstances, but to enumerate such conditions and circumstances would require many columns of newspaper space.

"The courts will probably decide that both the new laws are within the police power of the State and constitutional, although they may put a narrow construction upon them to justify such conclusions.

Position of Underwriters.

"The position of casualty insurance companies issuing employers' liability policies protecting the insured against claims and suits of any damages to employees arising from accidental bodily injuries to such employees will be to carry present policies to maturity, in most cases, without an increased premium rate, because the Compulsory Workmen's Compensation Law is not covered by the employers' liability policies now in use and the amendment to the Employers' Liability Law simply increases the hazard which was assumed by the insurance companies when existing policies were issued. Since Governor Hughes signed these two acts every casualty insurance company doing business in this State has been active in compiling data having a bearing on the question of rates for policies going into effect after August 31, and for adding

THE FIDELITY MUTUAL LIFE INSURANCE COMPANY OF PHILADELPHIA Has some excellent Agency Positions

FOR INFORMATION APPLY TO
ALEXANDER McKNIGHT, Vice-President
L. G. FOUSE, President.

Liability Accident
Boiler Disability
Plate Glass Fly Wheel
Automobile Liability and Defence
Employers' Compensation
Insurance



**Casualty Company
of America**

HOME OFFICE KUHN-LOEB BUILDING
52-54 WILLIAM STREET NEW YORK

HOME ENDORSEMENT

— G A V E —

CONFIDENCE ABROAD

New Insurance Applied for upon which Premiums have been Paid
in cash during the first Six Months of 1910 is in Excess of New In-
surance Paid for in cash during the Entire Twelve Months of 1909.

THE ABOVE IS THE RECORD OF THE
PITTSBURGH LIFE AND TRUST CO.

W. C. BALDWIN, President.

The First Company Licensed in the State of New York after
the Enactment of the Armstrong Laws

A FEW GENERAL AGENCY DISTRICTS OPEN

New York Insurance Stocks.

FIRE COMPANIES.

	Capital.	Approx. Annual Div.	When Payable.	Bid Price P.C.	Asked Price P.C.
City of New York.....	\$500,000	10	Q	...	205
Commonwealth	500,000	10	J&J	326	...
Continental	2,000,000	40	"	925	950
Empire City	200,000	8	"	125	...
Fidelity-Phenix	2,500,000	V	V	260	270
German Alliance.....	400,000	15	J&J	275	300
German American.....	1,500,000	30	"	560	570
Germania (\$50).....	1,000,000	18	"	285	295
Glens Falls (\$10).....	200,000	30	"	1525	...
Globe & Rutgers.....	400,000	40	Q	475	...
Hanover (\$50).....	1,000,000	10	J&J	190	205
Home	3,000,000	30	"	680	695
Nassau (\$50).....	200,000	10	"	165	175
Niagara (\$50).....	1,000,000	20	"	300	305
North River (\$25).....	350,000	10	A&O	155	165
Pacific (\$25).....	200,000	6	J&J	135	145
Peter Cooper (\$20)....	150,000	6	"	90	105
Stuyvesant	400,000	10	"	155	160
United States (\$25)....	250,000	V	V	60	70
Westchester (\$10).....	400,000	35	F&A	455	...
Wilmsburgh City (\$50).	250,000	20	J&J	380	400

LIFE COMPANIES

	Securities. Outstanding.	Per Cent.	Period.	Bid.	Asked.
Aetna Life	\$2,000,000	12	Q	650	...
Connecticut General....	150,000	8	S	225	...
Equitable	100,000	7	A	4000	...
Germania .....	.....	..		210	225
Hartford Life	500,000	8	S	100	...
Home	125,000	12	M&N	275	...
Manhattan Life	100,000	16	O&F	400	425
Metropolitan (25).....	13,951,890	7	S	155	...
Prudential (50).....	2,000,000	10	Q	550	650
Travellers Hartford....	1,000,025	25	Q	900	925
U. S. Life (30).....	264,000	7	J&J	90	105

CASUALTY COMPANIES.

	Securities. Outstanding.	Per Cent.	Period.	Bid.	Asked.
Aetna Indemnity (\$50)..	\$374,931	..	...	...	200
Casualty Co. of Amer...	500,000	6	...	120	150
Fidelity & Casualty....	1,000,000	15	...	450	500
Hartd Stm. Boil. (\$50).	1,000,000	12	S	245	...
Metropolitan Casualty..	200,000	10	J&J	185	...
N. Y. Plate Glass (\$50).	200,000	10	"	300	...
U. S. Casualty.....	400,000	10	S	215	230

V—No information.

Q—Quarterly.

the compulsory compensation coverage to those policies heretofore issued and which will remain in force after that date. There has been a free exchange of this data between companies and numerous conferences of company officials. Most companies will have their new rates ready within a day or two. Insurance companies are now notifying their policyholders that present policies do not cover liability under the compulsory compensation feature and offering to add such

coverage, at adequate premium rates, upon application.

"I do not speak of the 'Alternative Compensation Plan' of these laws, because I think the cumbersome method of its use will prevent its adoption by employers, and the increased benefits to employees under the other sections of the new laws will render it undesirable to employees—and it can only be made operative by the written agreement of the employer and the employee."

A General Agency is open
in the State of

PENNSYLVANIA

For one of the best Old Line
Companies in America

Write "B," care of this paper

RECTOR 2817

ESTABLISHED 1864

E. S. BAILEY

DEALER IN

INSURANCE STOCKS

A SPECIALTY

66 Broadway NEW YORK

THE PROVIDENT LIFE AND TRUST COMPANY OF PHILADELPHIA

Insurance in Force, \$214,509,255.00
(Paid for Basis)

Assets \$70,514,350.45
(Market Value, Dec. 31, 1909)

Contingency Reserve . \$9,207,276.38
(Inclusive of Capital Stock, \$1,000,000.)

The Provident has been particularly distinguished for the development of a highly trained force of agents. The systematic instruction which its agents receive has resulted in their being recognized as representatives of exceptional knowledge of the business and of marked efficiency.

Bob's Remarks.

THE latest announced formation, under the recent New York State laws, approved by Superintendent Hotchkiss of the Insurance Department, is that of the United States Underwriters. This is a strong aggregation of assets amounting to more than four million dollars. The composition consists of four companies—North River, Nassau, Empire City and United States insurance companies. It is needless to state that the firm of Crum & Forster, at 95 William street, are the general agents.

The United States Underwriters have, by reason of authority from the State, commenced writing business in the metropolitan district and elsewhere. Because of this, some remarks have been made in local underwriting circles as to the eligibility of this group of assets to do business with certified brokers when it was not a member of the New York Fire Insurance Exchange. It will be remembered that the hand book of the Exchange, under date of April, 1903, quoted the Philadelphia Underwriters as being members at that time. Also that the Pittsburgh Underwriters, with over six million dollars of combined assets and composed of five strong companies, each of which is a regular member of the exchange, is not permitted to join the New York Fire Insurance Exchange because of so-called double representation in the metropolitan district, or vote in the exchange. As this is a vital point and the "street" is somewhat "talky" about the general status of "combination underwriters," I desire to dwell briefly on the subject. It is asserted that, under the rules, nothing but a regular incorporated fire insurance company can be eligible to membership in the exchange. Exception was made in the case of the New York Underwriters Agency owned and controlled by the Hartford. On the other hand, attention is called to the fact that, not only is the new United States Underwriters represented by Crum & Forster as general agents,, but the companies composing the aggregation are in the office of this firm. In other words, there are four individual contracts spread out on one piece of paper. As to double representation or vote, that is a matter for further consideration. Parallel cases might be cited regarding the English-American Underwrit-

ers, Republic Underwriters, Globe Underwriters and so forth.

Within the past few weeks large lines have been placed on that very desirable class of merchandise—raw silk. One of the chief and most popular warehouses where these goods have been stored is in Spring street, Manhattan, at 212 and 214. It is estimated that between twelve and fifteen million dollars worth of raw silk is stored in this building—one large brokerage firm alone placing more than a million. The rate is a trifle under twenty cents.

One broker has suggested the "Eastern Union" as a good name for any new fire insurance company which might be formed.

Announcement is made that the Manufacturers and Traders Insurance Company of Minneapolis, Minn., has been duly chartered and licensed by that State. The authorized capital is \$500,000, of which \$100,000 has been subscribed. Its writings are to be confined strictly to risks equipped by automatic sprinklers. All communications are to be addressed to William Wright, general agent, Eastern Department, 257 Broadway, New York.

The Hudson Inspection Bureau, with offices in the Union building, Jersey City, and of which Thomas P. Hohlweck is the proprietor, appears to be making satisfactory progress. The bulletins are issued three times a week and furnished to subscribers (only) for their sole use and information, inspection reports, including advisory estimates of hazards involved.

To illustrate how some risks, located outside of exchange territory, are handled by aggressive New York brokers under high pressure, I quote an instance. Property situated in upper part of New York State—insurance over \$200,000—local tariff less than 30 cents per annum. At tariff rate the agents would have allowed the New York broker 15 per cent. But he was looking after the interest of his client and placed the entire line at less than 50 cents for three years in New York head offices, and accepted 10 per cent. commission.

BOB.

The Preferred
ACCIDENT INSURANCE COMPANY
of New York

SUPERIOR POLICIES

KIMBALL C. ATWOOD, President.
290-292 Broadway, New York.

New England Mutual Life

Insurance Company

BOSTON, : : : MASS.
chartered 1835

Assets, January 1, 1910...\$51,316,543.00
Liabilities 47,050,672.15

Surplus \$4,265,870.85

Sixty-six years of honorable dealing with its policyholders has placed the **NEW ENGLAND MUTUAL LIFE INSURANCE COMPANY** in the front rank of Life Insurance Companies of the Country.

ALFRED D. FOSTER, President.
D. F. APPEL, Vice-President.
J. A. BARBEY, Secretary.
WM. F. DAVIS, Assistant Sec'y.
J. G. WILDMAN, Assist. Sec'y.

EDWARD W. ALLEN, Manager,
220 Broadway, New York.
LATHROPE, BALDWIN, Manager.
141 Broadway, New York.
CHARLES H. STRAUSS, Gen. Ag't.
200 Fifth Ave., New York.

FOUNDED 1792

118th ANNUAL STATEMENT INSURANCE COMPANY OF NORTH AMERICA. OF PHILADELPHIA, PA.

ASSETS.

	January 1, 1910.
Real Estate	\$ 364,410.00
First Mortgages on Real Estate	373,803.43
Philadelphia, New York, Boston and other City and State Loans	1,134,390.00
Pennsylvania, Philadelphia and Erie, Lehigh Valley and other Companies' Bonds and Stocks	8,909,150.32
Cash in Bank and Bankers' hands	1,134,635.88
Notes Receivable and Unsettled Marine Premiums....	347,440.60
Net Cash Fire Premiums in course of Transmission....	1,060,510.62
Accrued Interest, and all other property	52,160.57
Total Assets	\$13,385,501.56

LIABILITIES.

Capital Stock	\$ 3,000,000.00
Reserve for Re-Insurance ..	6,813,862.47
Reserve for Losses	877,250.00
All other Liabilities	104,982.45
Surplus over all Liabilities..	2,589,406.64
.....	\$13,385,501.56

Surplus to Policyholders.....\$5,589,406.64
Increase in Reinsurance Reserve 349,934.71
Increase in Net Surplus..... 838,500.98
Increase in Assets..... 1,371,438.93
Eugene L. Ellison.....President
Benjamin Rush.....Vice-President
T. Howard Wright.....Secretary
Henry W. Farnum.....Assistant Secretary
John O. PlattAssistant Secretary
Agencies in all Prominent Cities & Towns.

The Northwestern Mutual Life Insurance Co. of Milwaukee

GEO. C. MARKHAM, President
A. S. HATHAWAY, Secretary



New Business Paid-For

1905	.	.	.	.	.	\$ 90,334,038
1906	.	.	.	.	.	93,563,452
1907	.	.	.	.	.	102,233,634
1908	.	.	.	.	.	109,685,428
1909	.	.	.	.	.	113,716,188

Each year larger than any in the previous
history of the Company:

Commenced Business 1858

INSURANCE MEN will note the significant increase in The Northwestern's new business during the past five years.

IMPORTANT FACTS relating to this business are shown by the following percentages:

	Expenses	Mortality	Interest
1905	12.15	67	4.73
1906	11.76	59	4.72
1907	11.81	58	4.76
1908	10.76	59	4.84
1909	10.63	54	4.85

It is capable of easy demonstration that The Northwestern is the best Company to insure in.

See The Northwestern's new (1910) policy contract with its Dividend Options, Paid-up and Endowment Options, Options of Settlement and the Premium Loan Features.

Issues Partnership and Corporation Insurance.

For further information or an Agency, address

H. F. NORRIS,
Superintendent of Agencies.

SAFETY FUND INSURANCE

NIAGARA*

Fire Insurance Company

—OF—

NEW YORK

OFFICE:

46 CEDAR STREET, CITY.

HARTFORD LIFE

INSURANCE COMPANY,
OF CONN.

1909 Policies are Participating, or Non-participating, with Lower Rates and Values based on FULL RESERVE.

For Right Contracts,
Address, Second Vice-President.
Home Office, HARTFORD, CONN.

CLAIMS PAID OVER \$11,300,000. CASH CAPITAL \$500,000,000. RESERVE & SURPLUS POLICY HOLDERS OVER \$3,500,000.

All forms of Accident, Sickness, Industrial and Liability Insurance

THE STANDARD

Accident Insurance Co.

OF

Detroit, Michigan.

Lem W. Bowen, Pres. E. A. Leonard, Sec.

Metropolitan Department,
C. A. TIMEWELL, Manager,
92 William St. New York City

FIRST EDITION HALF GONE!

Survivorship Annuity Tables

Net Premiums, Mean and Terminal Reserves

**American Experience Table,
LIFE OF NOMINATOR**

**Danish Survivorship Annuitants' Table,
LIFE OF ANNUITANT**

And 3½ Per Cent. Interest

BY
MILES M. DAWSON,
Consulting Actuary

SEND ALL ORDERS TO

The Chronicle Co. (Ltd.)

No 90 William St.

NEW YORK

The Chronicle

1866

Published by THE CHRONICLE COMPANY, Ltd., 90 William St., New York City.

1910

VOLUME LXXXVI.

New York, August 25, 1910.

NUMBER 8

Employers' Liability Insurance Abroad



By Miles M. Dawson



Chapter I. "Norway"

LIVERPOOL & LONDON & GLOBE

NEW YORK OFFICE, 45 WILLIAM STREET.

H. W. EATON, *Manager*
G. W. HOYT, *Deputy Manager*.
B. KREMER, Jr., and T. A. WEED, *Agency Supts*

NEW ENGLAND STATES, NEW YORK, NEW JERSEY,
PENNSYLVANIA, MARYLAND, DELAWARE,
DISTRICT OF COLUMBIA, VIRGINIA,
WEST VIRGINIA, NORTH CAROLINA,
SOUTH CAROLINA, OHIO,
INDIANA, KENTUCKY,
TENNESSEE.

NEW ORLEANS OFFICE, COR. CARONDELET & COMMON STS.

CLARENCE F. LOW, *Manager*
J. G. PEPPER, *Asst. Mgr.*
THOS. H. ANDERSON, *Deputy Asst. Mgr.*

LOUISIANA,
MISSISSIPPI,
ALABAMA,
OKLAHOMA,
FLORIDA,
ARKANSAS,
TEXAS,
GEORGIA.

SAN FRANCISCO OFFICE, 444 CALIFORNIA ST.

CHARLES D. HAVEN, *Manager*.
C. MASON KINNE, *Asst. Manager*.
JOHN W. GUNN, *Deputy Asst. Mgr*

CALIFORNIA, NEVADA,
ALASKA, OREGON,
WASHINGTON,
ARIZONA,
IDAHO.

ILLINOIS,
MICHIGAN, IOWA,
WISCONSIN, MINNESOTA,
MISSOURI, KANSAS, NEBRASKA,
COLORADO, N. DAKOTA, S. DAKOTA,
MONTANA, UTAH, WYOMING.
NEW MEXICO.

CHICAGO OFFICE, 205 LA SALLE STREET.

W. S. WARREN, *Manager*.
GEO. H. MOORE, *Assistant Manager*
HUGH R. LOUDON, *Deputy Asst. Mgr.*

INSURANCE COMPANY

ESTABLISHED 1836. ENTERED U. S. 1848.

The statement of the condition of the United States Branch on the 1st day of January, 1910, in accordance with the Laws of the State of New York, is as follows:

ASSETS	\$13,885,802.88
LIABILITIES	8,766,622.58
SURPLUS	\$5,119,180.30

As an illustration of the Company's practice in maintaining its assets in the United States in years of excessive loss, the following figures may interest policyholders:

Year.	Assets at January 1.	Income	Expenditure.	Excess of Expenditure.
1871	\$3,054,361	\$3,163,901	\$5,122,653	\$1,958,752
1872	3,640,450	3,733,101	4,484,999	751,898
1873	4,165,290			

Thus showing excess of expenditure in the two years of \$2,710,650
And increase of assets in the same time of 1,110,929

Progress of the United States Branch: Net Fire Premiums: 1848, \$4,519; 1858, \$471,998; 1868, \$1,739,620; 1878, \$2,422,126; 1888, \$3,928,010; 1898, \$4,979,422; 1908, \$7,427,617.63.

LOSSES.—The amount paid in the satisfaction of fire losses in the United States to the beginning of the present year was over \$119,461,623.72. This large sum, in conjunction with the growth of the company's business, evinces the confidence of the public and the faithfulness with which the Company's losses are adjusted and settled.

The Chronicle

VOLUME LXXXVI

NEW YORK, THURSDAY, AUGUST 25, 1910.

NUMBER 8

PUBLISHED EVERY THURSDAY BY
THE CHRONICLE COMPANY, Limited.
No. 90 WILLIAM ST., NEW YORK.
Phone "567 John." Cable Address, "Chronogram," New York.

Subscription Price:
Three Dollars a Year. Single Copies, Twenty-five Cents.
Postage Prepaid in the United States and Canada.

MILES M. DAWSON, President.
R. B. Dawson, Treas. A. C. Harwick, V.-P. A. L. Dern, Sec'y.
Emil Schwab, Manager New England Department,
200 Devonshire Street, Boston, Mass.

All communications should be addressed to and remittances
should be made to The Chronicle Company, Limited.
Entered at the Post Office, New York, N. Y., as Second Class
Mail Matter.

MASSACHUSETTS ON LIFE AND MISCELLANEOUS INSURANCE.

Commissioner Hardison of the State Department Tells Why the Change in the Life Situation
During the Past Five Years Has Been Gratifying—He Commends
Tendency to Classify Life Hazards.

BOSTON, Aug. 25.—The text of Part II of the fifty-fifth annual report of the Massachusetts Insurance Department, covering life and the "miscellaneous" insurances, was made public to-day. Insurance Commissioner Hardison, as is his wont, presents well-pondered considerations relating to these branches of underwriting, from which the following extracts are taken:

"One of the marked changes in the laws relating to insurance made by the Legislature of the present year was the enactment of the statute providing standard provisions for health and accident policies. This act goes into effect on January 1, 1911, and is substantially like the law enacted in New York the present year. This act is the result of work done by the Insurance Commissioners of the various States, who, seeing that policies issued by accident companies were in many respects unsatisfactory, determined to draft a bill and offer it for consideration to the Legislatures of their several States. It is expected that many other States besides New York and Massachusetts will enact this bill into law, and thus give practical uniform legislation on this question in a very large proportion of the States. This will be in the interest of the companies, as well as the policyholders, and is simply a step in the direction of uniform legislation, which should be followed, and doubtless will be followed, by other attempts on the part of the Insurance Commissioners to

pave the way for harmonizing the essential provisions of the insurance laws of the various States as far as practicable.

"Other changes in the law permit insurance against loss from the death of domestic animals and the furnishing of veterinary service on a paid-up capital of \$100,000, and grant to steam boiler insurance companies the right to insure against loss of use and occupancy caused by the explosion of steam boilers and flywheels.

Certain Classes of Reserves.

"Reserves as now looked upon in insurance circles have a wider significance than formerly, or before liability, surety and credit insurance began to be written. Reserves and unearned premiums were then practically synonymous terms. Now, besides the premium reserve, we hear of loss reserves—that is, funds held for undetermined losses upon which the contingency has occurred which entitles the insured to indemnity, the amount of which remains to be determined. In the three classes of insurance above noted loss reserves of this character have to be held in large amounts. In only one class, however, does our statute establish a rule for computing such reserves. Yet while it does establish a method of doing it for liability companies, there is a general belief, shared by the Insurance Commissioner, that this reserve, although it greatly increased the amounts held by the companies prior to its going into effect, is not large enough to protect properly

the interests which are depending upon it. Settlements under this class of policies are sometimes delayed for ten years or more, so that there are companies which cannot to-day give a completed experience on liability policies issued in the year 1900. Greatly to their credit the companies doing this class of business are eager to have new laws enacted which shall provide for the setting aside of adequate reserves, and a committee of managers of these companies, representing practically all of them, is engaged in an exhaustive investigation to determine from the past experience of the companies what reserves should be carried to adequately protect their policyholders. The Insurance Commissioners also have taken up the same question through a committee, and later there will be a conference with the committee of the companies to compare notes and come to conclusions. Quite likely a bill will be drawn up for the consideration of the Commissioners at their next convention, and if it passes muster then it will doubtless be presented to the Legislatures of the various States for their consideration and judgment.

The Life Insurance Situation.

"The change in the life insurance situation during the last five years has been very gratifying. Then there was excitement, uncertainty, fear and distrust. To-day the companies then out of favor are proceeding in their work

(Continued on Page 8.)

Employers' Liability Insurance in Norway

By Miles M. Dawson

Copyright, 1910, by Miles M. Dawson.



CHRISTIANIA, Aug. 3.—Norway is the one country in Europe which has compulsory insurance of employes in a State insurance department; that is, it is the only European country in which "State insurance," as the term is understood in the United States, monopolizes the field. The system in Luxembourg is nearest to it; after that little country, Austria, and next, with a long remove, Germany, where the system is really not State insurance at all, but only compulsory mutual insurance. Switzerland, however, is about to do likewise.

In Norway, every employer must insure—no, that is not the correct statement nor would it even be correct to say that every employer is insured; the correct statement is that *every employe is insured*, and his employer must pay the premium—in Rigsforsikrings anstalten (the State Insurance Office).

The expenses are low, but not lower than under the German system. Since the inauguration of the Rigsforsikrings Anstalt in 1894, they have averaged 12 per cent and in 1909 they were 10½ per cent of the premiums. Further reductions are not probable; the expense rate has been nearly stationary for several years past. In 1909 the home office expenses of all kinds were 5.8 per cent and the cost of field supervision, collections and adjustments was 4.7 per cent.

The management is absolutely bureaucratic. The Director is the highest in authority, and all matters, wherever arising, come to him for final decision, subject to revision by an "Appeal Commission," if asked for. Thus he fixes all benefits for partial disability, as advised by his physicians, and also decides whether the Anstalt is liable or not. He may at will refer any doubtful question to the courts, or, if a question of construction of the law is involved, the courts may take original jurisdiction. Otherwise there is no appeal to the courts; but all findings and decisions of the director may be revised by the Appellate Commission, consisting of seven men—i. e., three, a lawyer, a doctor and an engineer, all appointed by the Government, and two employers and two workmen, elected by the Storting, or Parliament.

The validity of a claim and the amount for which it should be allowed are determined as follows: The local supervisor is notified by the employer within three days after the accident. Facts concerning the employment and the nature and extent of the injury, if not fatal, or the number and ages of surviving dependents in case of death, must be given by the employer. The supervisor also requires the physician to make a detailed report, and he himself makes inquiries—preferably by telephone in order to save travelling expenses—which he embodies in a report. These go to the office in Christiania and are passed upon by the head physicians, who estimate the degree of impairment; by the other officials, who compute the wages upon which indemnity is based, and finally by the Director.

At present the employer directly pays for medical care up to the end of the fourth week, and the Anstalt is liable only beyond the fourth week. Its indemnity is 60 per cent of the wages (or of the impairment of earning), payable monthly.

After July 1, 1911, sickness insurance, covering medical care and indemnity for the first four weeks in event of accident, as well as medical care and indemnity for sick-

nesses of all durations will be supplied through mutual sickness insurance associations, to which workmen must belong. These will be supported by contributions of employers, of employes and of the Kingdom. They will be supervised but not managed by the Anstalt; the management is by trustees, partly elected by contributing employers, partly elected by the employes who are members and partly appointed by authorities.

The premium rates for the accident insurance are fixed up for three years at a time and cannot be changed during that time. They are the same for industries of the same class, no discrimination being made for want of care, unsafe conditions or defective machinery. But they are based upon previous experience, which is made public also. New rates took effect January 1, 1909; another revision, which will be the most thorough ever made, will be completed in time for 1912.

The Director, Mr. Thorwald Strom, who, by the bye, was an engineer on the Panama Canal under De Lesseps, and who also completed the railway to Bergen for the Norwegian Government when the Italian contractors gave it up, says that it would be better if the Anstalt could vary the rates (say one-half per cent of the payroll, up or down), as the hazard of individual establishments requires, and so could punish and thus prevent want of care, absence of preventive precautions and the like. This would doubtless tend to reduce the rates.

In order to do so, however, it would be desirable to place factory inspection under the Anstalt, which the Government does not yet favor. At present, the district supervisors of the Anstalt notify the inspection department, as well as the Anstalt, of each accident. The inspectors also collect information, but not for the Anstalt. So there is a certain amount of duplication and a somewhat larger expense; the Director also thinks the work would be better done, both for his department and as regards inspections, if these trained inspectors were also the Anstalt's local supervisors.

Employers complain a good deal of the rates being high, but these complaints are subsiding somewhat, it is said. The insurance is on the "claim reserve" basis; that is, whenever a pension is allowed, a reserve equal to its present value is set up. This method, of course, called for employers paying much larger premiums than would have covered merely the current outlay, as is the case under the German system, for instance. But now the difference is not so great.

Under the claim-reserve method reserves of about \$3,000,000 have accumulated, which is not small for a country with but 4,000,000 inhabitants. Originally and until December 31, 1907, the present values were computed by the invalid-life tables, derived from the Austrian experience. This proved, however, to exhibit nearly three times the mortality actually experienced. Consequently, the reserves were recalculated as of that date (and since then are calculated) by the Norwegian population mortality table (males) for all pensions actually fixed, and by the Austrian table only while benefits are being paid after the fourth week, while it is yet regarded as uncertain whether the injured workman will recover, die or be permanently invalidated, either totally or partially. On this basis the required reserves were found to be 12,102,510 kroner (about \$3,200,000), instead of 10,-

026,433 kroner (about \$2,700,000). This indicated a deficit of k556,135, instead of a surplus of k1,519,941. This deficiency has already been much reduced and is regarded as negligible.

Previously and on the old basis a deficiency of k900,000 existed. Parliament voted to make it good, but only k750,000 proved to be required. Though these conditions do not show that absolutely adequate premiums have always been paid, they approximate that desirable standard much more nearly, for instance, than in Austria which adopted a similar plan almost ten years earlier.

Much less than one per cent of the claims reach the courts, but about 22 per cent of the determinations by the Director are appealed to the Appellate Commission. This large percentage is ascribed to the fact that appeal is free; but doubtless it is also due to the circumstance that the original verdict is so completely bureaucratic, in arriving at which the workman and his associates have no part. In fact, the workman makes no claim, files no statement, offers no proof. All is done for him, which is not altogether satisfactory for him, though there is no serious complaint in that regard.

The premium income is about 2,000,000 kroners (\$540,-

000) per annum. About 30,000 employers contribute, but this includes fishermen and timber men, lately brought under the law. Only about 12,000 other employers are embraced by the law. The premium is based on the payroll of the previous year; half is paid in advance and half after six months. At the end of the year an additional amount is asked for or a rebate is made, as the case may be, to adjust the premium to the actual payroll of the year.

Except as to fishermen, the collection is through the Anstalt's supervisors, the amount to be collected being based upon the result of an examination of the payrolls by travelling accountants of the Anstalt. These premiums are turned over to the Anstalt directly. If not paid promptly the State enforces payment by selling the employer's property precisely as for failure to pay other taxes. Of course, the premiums are of the nature of taxes, and in this mode of enforcing payment of the same the similarity appears. The premiums to be paid by fishermen are a given amount per man and are collected precisely as other taxes—i. e., through the regular tax collectors. They are then turned over to the Anstalt. In each case a small percentage is paid for collection.

Seen and Heard in the West.



CHICAGO, August 24.—One of the entertainments the Chicago agents have planned for the National Association of Local Agents is an afternoon at the Underwriters' laboratories. Every intelligent fire insurance agent in the country has heard of the laboratories, and many of them have had a curiosity to visit them. In making up the programme of the convention the Chicago agents propose that the agents be taken to the laboratories, where the management has agreed to give some tests of sprinklers, wire glass and perhaps other extinguishers and retardants with which the agents are familiar. That this would be of great educational value, as well as of interest, nobody will doubt. Furthermore, it may help impress some of the agents who have not yet given the subject the consideration to which it is entitled with the importance of the fire protection movement.

Recently a Western manager was calling attention to the very great progress made by the Globe & Rutgers, as shown by the figures. His own company is orthodox; it is one of the companies rated by the National Association of Local Agents as "co-operating," and it has expressed no intention of withdrawing from that class. Nevertheless, the manager was impressed with the apparent success of the leading non-co-operating company, and was inclined to the belief that its success

was in some degree due to the fact that it was not obligated to avoid overhead writing.

This is a question to which some managers have given considerable thought. They see more business going constantly out of the hands of their local agents to the large city brokers, who give better service than very many of the local agents do. If the brokers see fit to let the agents write this business at their terms, and the agents see fit to accept those terms, these agency companies stand a chance of getting a share of it; but, if the agents and brokers do not come to terms, the brokers simply place the business in companies that will write it, which often means that the agency companies lose out in favor of non-agency companies. If this process continues it will be a question with companies whether they can better cater to the agents or the brokers. Apparently the only way the movement can be stopped is by agents giving enough study to schedule rating and fire protection to enable them to meet the brokers on even terms of service and hold their business against them.

The announcement that Franklin H. Wentworth, Secretary of the National Fire Protection Association, will be one of the speakers at the Northwest meeting in Chicago in October will be received with pleasure by those who are watching the development of the programme and who know Mr. Wentworth's abilities.

He left a deep impression upon those who came in contact with him at the meeting of the National Fire Protection Association in Chicago last Spring. The subject of fire prevention is now so prominent in Western field circles that the selection of Mr. Wentworth as a speaker at a field men's meeting was most appropriate.

Prof. A. W. Whitney, of the University of California, actuarial adviser to the New York committee which is to investigate insurance, spent part of last week and the early part of this week in Chicago, in consultation with fire insurance men and others who might be able to give him information that would be of value to the investigators. He had sessions with A. F. Dean, the rating expert and deep student of the business in other aspects; with O. B. Ryon, attorney of the Illinois commission which has been investigating the subject in this State, and with some representatives of the assured who have given the subject study.

The Republican primary campaign in Michigan which is a very hot one, has some interest for fire insurance men from the fact that Charles S. Osborn, of Sault Ste. Marie, one of the leading candidates for the gubernatorial nomination, has declared himself in favor of a good fire marshal law for the State. Partly on this account the Soo local agents have endorsed his candidacy, and field men are reported to be taking a hand.

A considerable element in Michigan has been desirous of a fire marshal law for some time, but it is very difficult to get in that State, as it is impossible to fasten the cost of it directly upon the fire insurance companies, as has been done in other Western States. The constitution of Michigan provides that all moneys received from insurance companies in excess of the expenses of the Insurance Department shall go to the public school fund. When an attempt was made to amend this provision the school teachers defeated it. Apparently, then, the people of Michigan must pay for their fire marshal directly or the constitution must be circumvented by having the Insurance Department assume the fire marshal's duties and tax the companies enough more to cover the additional expense.

About two years ago the local agents undertook to get the office of fire marshal created, the expense to be paid from the revenue derived from a graded license tax on agents. This measure never became a law. Evidently the friendly attitude of the high powers will be necessary, if Michigan is to have a fire marshal.

The Equitable Life of Iowa Agency Association held its second annual meeting in Chicago last week. Over forty general and district agents were present, besides a number of home office people, agents and others. It was a somewhat unusual meeting, partly because it was possible to get started at 9 o'clock in the morning and run till 6 at night, with only a couple of hours or less for luncheon, and partly because of the evident eagerness of those present to learn something. The general agents of the

Equitable of Iowa are men who take their business seriously, and they did not visit Chicago for a lark.

The whole aim of the meeting seemed to be to increase the efficiency of each as an individual producer. The papers by the agents themselves related almost exclusively to the discussion of those traits of mind or character which influence the success or failure of an agent, and to such questions as meeting fraternal and non-participating competition and keeping business on the books. Questions of agency development and management, field organization and office management received almost no attention. The papers by the home office representatives treated of advertising, home office rules, dividends and comparison of the mutual and stock plans of management. The only outsider who addressed the regular meeting spoke on salesmanship.

At the banquet which the company tendered the agents at the close of the meeting one of the leading speakers was Dr. W. A. Evans, Health Commissioner of Chicago, whose work has caused health officers from one end of the country to the other to ask, "How do you do it?" One feature of Dr. Evans's speech was of particular interest to life insurance men in that he advocated their taking an attitude toward the public health similar to that of fire insurance companies on municipal fire protection. When a fire department runs down a city, outgrows its pumping and distributing system or the water works department is badly handled, the fire insurance companies are heard from with demands for improvement, coupled with threats of advanced rates. Dr. Evans main-

tains that conditions conducive of epidemics and of heavy mortality should receive the same sort of attention from the life insurance companies and their representatives.

Throughout the Middle West there is a noticeable tendency among liability insurance men toward greater co-operation. One of the first moves in this direction was the reaching of understandings in several cities as to automobile liability insurance. Automobiles being rated by classes and not individually, it was easier to secure agreements or understandings than in the general field of liability insurance, where most large risks are rated considerably on their individual character or experience.

The passage of the Norris law in Ohio, abrogating most of the old defenses of the employer and requiring a radical advance in liability rates has furnished the occasion for agents to call a halt on the cut-rate tactics which have prevailed. Reports from that State are to the effect that agents generally agree that the only proper policy for them to pursue when they get the new rates is to adhere to them strictly.

In Minnesota, where previous attempts at local co-operation have been made, there is now a movement for a State organization. Observant general agents elsewhere in the West are impressed with the fact that the situation in New York has forced the companies to co-operate in a way they had believed impossible to bring about, and this encourages them in the belief that this harmony will to some extent penetrate to the distant portions of the field.

Need of Negro Mortality Tables.

AT THE annual convention of the National Negro Business League in this city last week G. W. Powell, of Durham, N. C., read a paper on "Industrial Insurance Among Negroes." He told of the disadvantages of this branch of the insurance business, citing the case of one agent who had made 120 calls to collect \$5. On the other hand, he said, figures would show that the disadvantages did not offset the solid benefits. According to the report of the Insurance Commissioner of North Carolina for 1909 \$114,737.58 was paid to beneficiaries by negro insurance companies of the States; a balance of \$112,274.91 remained. Negro companies in Virginia, North Carolina and South Carolina em-

ployed more than 3,000 men and women. Industrial insurance in North Carolina, he said, might be regarded as a stepping stone to larger fields of insurance.

Negro companies had to work without the benefit of mortality tables, those applying to the white race alone being available. Within the next few years negro mortality tables would be compiled.

"In any event," he said, "we hope that the coming years will see such a change in sanitary conditions and general mode of life among negroes that the white tables will apply to our people as well."

E. F. Johnson, of Richmond, Va., spoke on health and accident insurance. He praised the law passed a

few years ago which required insurance companies to deposit \$10,000 with the State Treasurer. At first it seemed a hardship and a number of companies were put out of business. This, all had now come to see, was a good thing, as the companies which now exist—four negro and six white—are on a sound financial basis, warranting the confidence of members of the race throughout the State. Insurance companies had suffered, together with other institutions, as a result of the action of the State Legislature in increasing the tax rate to make up State revenues lost as a result of the temperance movement. The gross premiums paid to the ne-

(Continued on Page 6.)

Pacific Coast Casualty and Excise Bonds.

AN APPLICATION has been made on behalf of the Pacific Coast Casualty Company to the New York State Insurance Department for authorization to trans-

act a general casualty insurance business in this State, and the charter of the company is now before the Attorney General for his consideration. General casualty insurance business

in this State covers the power to issue policies applying to excise bonds.

It is said that Superintendent Hotchkiss wished to have some of the company's securities changed so as to agree with the New York requirements, and this was done on Tuesday, the department being advised by telegraph to that effect. The metropolitan agency of the company, according to the home office plans, will be placed with Whilden & Hancock.

The Pacific Coast Casualty purposes to follow the principles of the ten or twelve companies in the combine for writing excise bond business. The manager of this special department, who is now in Albany in the interest of the company, has been instructed to adhere strictly to the State laws and to conservative underwriting, and the character and reputation of the company in its home State accord thoroughly with this instruction.

The second chapter of the series of articles on "Employers' Liability Insurance Abroad," by Miles M. Dawson, was received this morning from Stockholm, Sweden, and will appear in THE CHRONICLE next week.

Clement's Excise Problem.

ELMIRA, N. Y., Aug. 24.—In an address before the annual convention of the New York State Liquor Dealers' Association, which opened here yesterday, State Excise Commissioner Clement delivered an address in which he asserted that liquor sellers must obey the law, because they cannot afford to do otherwise.

"Are the men," he asked, "who demand and approve the Sunday service of liquor and for the benefit of whose appetites liquor dealers are taking chances of being penalized, creating any favorable sentiment? Not at all, and they never will as long as their wants are supplied illegally, but they would be heard from if their wants could not be supplied until the law had been modified and heard from effectively, if it be true, as some claim,

that they represent the majority.

"On the other hand, open disregard of law is continually provoking the non-drinking population of our State into aggressive hostility against the traffic, and so by disregard of law unfavorable public sentiment is continually being manufactured.

"During the fifth year after the organization of the Excise Department penalties were collected by the State in civil actions from excise violators amounting to \$32,594. During the tenth year penalties were collected aggregating \$173,000, and during a little more than ten months of the current year we have collected from the same sources upward of \$380,000. Since 1896 penalties have been collected from individual violators and their bondsmen aggregating more than \$2,330,000."

Thursday Morning Postscripts.

THE tenth annual convention of the Associated Fraternities of America is in session at Atlantic City, having opened on Tuesday. It was formed in Chicago ten years ago to protest against the movement to establish minimum rates of assessment in fraternal societies by compulsory legislation. It was composed at its organization of less than

twenty societies, and those mostly smaller organizations in the Middle West. It has grown until now there are fifty-two societies affiliated with it, with a combined membership of more than 3,000,000, representing protection for widows and orphans approximating \$4,000,000,000 and net assets of \$36,000,000. It declared at the start for adequate rates.

Edwin K. McConkey, Secretary of the Farmers' Insurance Company of York, Pa., and a Senator in the Pennsylvania State Legislature of 1902, died at his home in York yesterday at the age of 46 years. He was prominent in the insurance, banking and other business circles of Western Pennsylvania.

INCORPORATED 1833.

British America
Assurance Company
HEAD OFFICE, TORONTO, CANADA

UNITED STATES BRANCH.
JANUARY 1, 1910.

Assets	\$1,556,740.94
Liabilities	902,438.61
Surplus	\$ 654,302.33

Hon. GEORGE A. COX, President.
JOHN HOSKIN } Vice-Presidents.
W. R. BROCK }
W. B. MEIKLE, General Mgr.

—THE—
FIDELITY MUTUAL LIFE INSURANCE COMPANY
OF PHILADELPHIA
Has some excellent Agency Positions

FOR INFORMATION APPLY TO

ALEXANDER McKNIGHT, Vice-President
L. G. FOUSE, President.

NEGRO MORTALITY TABLES.*(Continued from Page 4.)*

gro companies, he said, aggregated more than half a million dollars.

C. C. Spaulding, of Durham, N. C., also spoke on insurance. In 1909, in Durham, two negroes died to every one white man, he said. Inexperience of negro men in insurance was another evil. Until recently white companies had not employed negroes as agents. "My company collected about \$800 eleven years ago. Last year we collected more than \$200,000. That is a remarkable showing, but it was against the odds of which I have spoken. With more healthful conditions, with mortality tables applying to negroes there would be a boundless future for us to face."

Dr. W. A. Attaway, of Greenville, Miss., spoke on mutual benefit insurance in his State. The business, he said, had been helped by the fraternal orders whose insurance features had educated the negro people and paved the way for the organization of regular insurance companies. Thomas T. Jackson, of Pittsburg, told of the working of fraternal insurance among negroes in Pennsylvania.

E. S. Peters, of Mobile, Ala., continued the insurance discussion. Then some one asked why negro mortality was greater than that of the white. C. C. Spaulding said that the environment in which they lived, their ignorance and lack of sanitary conditions were responsible.

"In some territories in which we operate," he said, "there are no negro physicians, and the white doctors are so busy that they do not find time to attend to sick negroes until it is too late to save them."

A speaker said that the main cause of excessive mortality among negroes was due to overeating, also to eating badly cooked food. "We should marry women who know how to prepare our food properly. We should learn to wear proper clothing and to have our homes properly ventilated. Then, provided we go to bed early and rise with the chickens (laughter) we will be as robust as our white brothers."

By a four-fifths vote in the lower house of the Texas Legislature, the report of the majority of the Free Conference Committee on the insurance rate bills was rejected, and the special session is through with their consideration. Gov. Sanders has already called for another special session to go over the whole matter.

CORRESPONDENCE COURSES IN ACTUARIAL SCIENCE.

Persons living a distance from New York will be received as correspondence students in the courses of actuarial science and practice, given at the New York University School of Commerce, which will begin the first week of October. In addition to instruction in actuarial science, the School of Commerce curriculum includes evening courses in fire insurance, real estate, corporation finance, investments, business organization and business correspondence. The courses in actuarial science are given under the direction of Miles M. Dawson, Fellow by examination of the Actuarial Society of America and the Institute of Actuaries of Great Britain, and of Henry Moir, ex-Vice-President of the Actuarial Society of America, Fellow by examination of the Institute of Actuaries of Great Britain and the Faculty of Actuaries of Edinburgh, Scotland.

In regard to further information as to these courses, inquiries should be addressed to The Secretary, School of Commerce, Accounts and Finance, Washington Square East, New York City.

OKLAHOMA'S TURN NOW.

Oklahoma seems to be the next State to draw the attention of insurance companies to matters pertaining to its legislative attitude toward insurance. A new corporation license tax was imposed at the special session of the Legislature this year. While the tax became payable on August 1, it was discovered that comparatively few corporations were aware of its requirements. Consequently the State Corporation Commission has announced that it will not prosecute for delinquency before October 1.

All corporations other than public service corporations, trust companies, banks and building and loan associations must pay an annual license tax

of 50 cents per \$1,000 of capital stock for State companies and \$2 for foreign companies.

A fine of \$100 a day is provided for each day after the tax is due, with expulsion from the State if the fine is not paid. This will impose a heavy additional tax upon the insurance companies, a company with a million dollars of stock being required to pay \$2,000 in annual taxes.

This is in addition to the other heavy taxes imposed by the State of Oklahoma, which are 2 per cent on the net premiums, in addition to \$3 for each agent's license and occupation taxes imposed by numerous municipalities ranging from \$5 to \$25 per agent.

FIRE CHIEFS CONVENE.

More than 250 chiefs of fire departments from every important city in this country, from Canada, and even from Honolulu, with women guests and friends, are in attendance this week at the thirty-eighth annual convention of the International Association of Fire Engineers in Syracuse.

One session was devoted to discussing the practical use of the automobile as a fire fighting apparatus by Chief Charles S. Allen, of Trenton, N. J., and Chief Frank D. Reynolds, of Augusta, Ga.

Insurance representatives brought the attendance over the 400 mark.

WESTERN ASSURANCE Co.

**HEAD OFFICE,
TORONTO, - - CANADA.**

Incorporated 1851.

Hon. GEORGE A. COX.....President
W. R. BROCK and JOHN
HOSKIN, K. C. LL. D., Vice-Presidents
W. B. MEIKLE.....General Manager

United States Statement, Jan. 1, 1910.

Assets\$2,377,303.37
Surplus in United States..... 839,268.07

A GREAT SIX MONTHS

We closed the first half of 1910 with a rousing increase in new business over our record for the first half of highly prosperous 1909.

In policies and dividends we have what the public wants. In literature and canvassing aids we have what the agent wants. And back of all is a reputation gained from 59 years of activity as a Massachusetts Company.

If you are a genuine producer, a *delivering* producer, and wish to join our forces, address

GEORGE D. LANG,
Superintendent of Agencies
Massachusetts Mutual Life Insurance Company,
Springfield, Mass.

Incorporated 1851

National Fraternal Congress in Detroit.

THE twenty-fourth annual meeting of the National Fraternal Congress in Detroit last week was called to order by President Thomas H. Cannon, with 150 delegates present, the largest representation in the history of the Congress, and the succeeding hour was devoted to the usual addresses of welcome and the response thereto, the welcome to the State being by Governor Fred H. Warner, and that to the city by Comptroller Heineman, acting for Mayor Breitmeyer.

President Cannon in his annual address had this to say of the tentative uniform bill:

“During the past year there have been two important conferences between the Fraternal Committee of the Insurance Commissioners’ Convention and the officers of fraternal societies for the purpose of formulating a uniform fraternal society law. The first of these conferences was held in Chicago and the second in New York. At the first conference a tentative bill was drafted. This bill was the outcome of an exhaustive discussion between the Insurance Commissioners and the society representatives. It was not entirely satisfactory to all concerned and after it was printed and circulated a final conference was had on May 15 in New York for the purpose of overcoming the objections raised and of moulding the bill into more satisfactory shape to all those interested.

"The Insurantee Commissioners' Fraternal Committee takes the posi-

tion that all fraternal societies should be placed upon a safe and solvent basis, and that the societies should be compelled to take such steps in regard to rates of assessments as would place them upon this footing, and that this result should follow by mandatory legislation governing all societies alike. The societies' representatives were informed that this was the purpose of the Insurance Commissioners, and that unless the societies would agree legislation in the nature of a force bill would be pressed by the Insurance Commissioners.

"The outcome of the New York conference was a compromise tendered by some of the representatives of the fraternal societies, which in brief provided that those societies at present not having adequate rates of contribution might be allowed within a reasonable time to progress to a condition of solvency. This compromise is incorporated in Section 23a of the revised tentative bill, which will be before this Congress for discussion and action.

“Your Executive Committee stood firmly for the principles of the National Fraternal Congress, as heretofore enunciated and informed the conference that they had no authority to bind the societies of the Congress. They decided however, to report upon the compromise of the bill to this Congress and are agreed that the revised tentative bill, under the circumstances, is the best that can be done.

"At the conference the representatives of those fraternal societies

which do not measure up to the standard of solvency all proclaimed their desire to reach that standard, but wished to be given reasonable time to reach that goal without being compelled immediately to do so. On the outcome in the various Legislatures of the enactment of this revised tentative bill the action of this Congress with reference to it will have great weight and influence.

"Should the revised tentative bill become the law generally in our States our National Fraternal Congress may then include after a few years all the reputable fraternal societies of the land."

Report on Statistics.

The report of the Committee on Statistics and Good of the Orders was read by Chairman D. P. Markey, and announced a death rate among the forty-three societies reporting for 1909 of 9.81 to the thousand, as against 9.26 for the fifty-five societies reporting in 1908. In the report on mortality by ages the figures of forty-three societies were given, including two of the largest, not now members of this Fraternal Congress. By the inclusion of these the expected deaths (by the Congress table) were shown to have been 36,120, while the actual deaths were 33,324, a ratio of less than 92 per cent.

The inclusion of the figures of these two societies renders it impossible to determine from the report the ratio of

(Continued on Page 13.)

"THE COMPANY WITH THE PYRAMID"

40

**CONSECUTIVE
YEARS**

ASSETS SURPLUS

**OF PYRAMIDAL
PROGRESS**

507,616.00	127,819.23
527,822.59	147,025.44
568,334.20	171,249.04
618,192.96	183,208.52
593,132.37	204,407.96
965,147.93	278,162.65
1,034,578.95	214,565.40
1,101,451.03	219,983.38
1,191,863.33	237,759.15
1,269,088.30	264,744.63
1,505,101.00	264,351.79
1,588,816.66	321,478.81
1,659,157.79	360,138.69
1,839,961.20	400,801.64

2,837,318.76	840,940.17
3,163,880.09	946,783.34

NEW HAMPSHIRE

FIRE INSURANCE CO.

3,779,569.67	1,154,610.10
3,877,646.70	78
3,163,880.09	49
4,061,149.81	46
4,310,636.19	1,257,058.25
4,500,404.12	1,322,878.14
4,861,149.81	1,408,681.54
5,196,017.46	1,510,064.23

TOTAL LIABILITIES \$2,585,953.23
POLICY-HOLDERS SURPLUS \$2,610,064.23

Organized 1850

THE
UNITED STATES
LIFE
INSURANCE COMPANY

ISSUES GUARANTEED CONTRACTS

JOHN P. MUNN, M.D.
(PRESIDENT)

FRANCIS COMBETTEE
CLARENCE H. KELLEY
First Vice President and Trust Co.

WILLIAM H. PORTER
Vice President and Bank

EDWARD TOWNSEND
First Importers & Trustees Nat. Bank

Good men, whether experienced in life insurance or not, may make direct contracts with this company, for a limited territory if desired, and secure for themselves, in addition to first year's commission, a renewal interest insuring an income for the future. Address the Company at its Home Office, No. 277 Broadway, N. Y.

MASS. LIFE REPORT.

(Continued from Page 1.)

peacefully and successfully, having to a great extent, if not fully, won back the confidence and respect of the public. All companies are issuing better contracts than before, for most of the objectionable frills have been eliminated, leaving plain, straightforward agreements for insurance. No longer can an appeal be made to the gambling instinct of humanity by offering deferred dividend policies, presenting estimates of gains twice as large as will ever be realized. The agent must be content with setting forth what the policy is and leave out the extravagant estimates. These better contracts, with the improvement in the financial condition of the companies, the savings from economies, the wiser administration of their affairs are of incalculable public value, for they promote confidence, curb the speculative tendency, lessen litigation and lift the whole business of life insurance up to a higher plane, where it can, without apology or blush, take its place among the other great business enterprises of the country which are improving the social condition of the people and aiding in the advance of civilization. It is the sunshine and calm following the tempest and devastation, the debris of which has been cleared away.

"The question naturally arises whether the tempest was worth the cost and was a real blessing. There can be no doubt as to what the answer of the average man would be, but at the same time others will argue that it was a great wrong to tear up business to its foundations, with the consequent losses to the companies and the loss of insurance to many of the disturbed policy holders who lapsed their policies. The view of the average man is more apt to be right touching questions which have a moral aspect, and the judgment that will be handed down to the future is that, notwithstanding the stress, the good results more than compensate for the loss.

Present Situation Better.

"But whatever the view of the past may be, there are few if any who would care to go back to the old conditions unless it be those who profited by the extravagances. The higher plane of transacting business which has been reached contributes to the peace of mind and physical well being of the officials, as well as to the gain of the insured, and, while the officials still find it necessary to be up

and doing in order to keep their respective companies in a healthful, growing condition, their work is not carried on in the dark, as some of it, by some officials, used to be in the old days. Important questions are considered in the open, in their broader aspects, and with wider knowledge of the surrounding facts and conditions.

As to Future Danger.

"There is little danger that this present satisfactory condition with respect to the financial management of the life insurance business will be impaired so long as there is wide-awake and thorough supervision, and the laws require the publicity which is now given through examinations and the annual reports. The danger, if any, lies in another direction. It is in the matter of contracts. Already there are evidences that some of the companies would like to depart from the plain policies now generally being issued and adopt more complicated forms, which will afford talking points for agents, who will use a "frill" for selling a policy which the "prospect" would not take, were the contract presented as straight insurance. It is in these "frills" that a danger lies, for they afford great opportunities for misrepresentation, just as the old deferred dividend trimming on the policy gave a chance for the agent to fool the public on the real substance of his contract. Already has information come to this department that there have been attempts to sell life insurance policies having a permanent disability appendix by representations that the company pays the premiums when the insured is sick, a very easy representation to make on that kind of a contract. It would seem to be essential, therefore, to guard with great jealousy the admission into contracts of agreements which are capable of being distorted so as to make the ap-

plicant believe that he is to receive a great benefit for practically nothing, or will receive under general conditions what he will be entitled to only in special cases.

Another Notable Departure.

"There is a tendency growing stronger each year to divide applicants for life insurance into classes of varying hazards, according to occupation, family history, personal habits, physical features, such as height and belt measurement, place of residence and the like. Though the applicant may personally appear to be normal in all respects his occupation may be such that a higher rate is demanded. His occupation may be satisfactory and his physical conditions excellent, but his family history be bad, and this will call for an extra premium. His own case may show symptoms which are to the physician signals for caution, and this sub-standard makes a demand for extra cost.

"Thus more and more it is being left to the medical staff of a company to determine what an applicant's premium shall be, rather than deciding simply whether the applicant shall be accepted as at least a good average risk or be rejected. This requires the very highest grade of professional skill and judgment as well as unimpeachable integrity."

HARTFORD LIFE

INSURANCE COMPANY, OF CONN.

1909 Policies are Participating, or Non-participating, with Lower Rates and Values based on FULL RESERVE.

For Right Contracts,
Address, Second Vice-President,
Home Office, HARTFORD, CONN.



Insurance Brokers

Place Your SURETY and CASUALTY business in the "EMPIRE."

CAPITAL, - - - - - \$500,000

Business Producers not now under contract wanted for open Territory.

Address Agency Department,
THE EMPIRE STATE SURETY CO.,
84 William Street, New York

In New England.

BOSTON, Aug. 24.—The destructive fire which gutted the brick and stone building of Crimmins & Pierce, wool dealers, on Congress street, on Wednesday of last week, was the fourth of a series which within the time of eight days had caused losses aggregating considerably over \$1,000,000 in that city. The insurance on the building totals \$87,500 and on rents \$16,000; the loss on the building is put at about \$50,000. The insurance on the wool stock amounts to \$562,500, and a damage of \$350,000 is reported, although this may be offset more or less by the handling of the stock by the Underwriters' Salvage Company. For a time it seemed as if the wool district was in peril, but the salt water high pressure system was used for the first time since its installation eighteen years ago, and rendered splendid service in confining the fire to the building of its origin.

On Monday Mayor Fitzgerald sent a communication to the City Council relative to rebuilding the Fire Department repair shop and replacing the apparatus destroyed in the lumber district fire. He also asked the consideration of the Council for an extension of the high pressure water service system and the auxiliary fire alarm system, recommended by him week before last. The Mayor also inclosed suggestions from Mr. Everett, Building Commissioner, for improvements in the building laws to the end of bettering the city's protection against fire.

Massachusetts Mutual Agents.

The Agents' Association of the Massachusetts Mutual Life gathered at the home office in Springfield last Friday morning for its nineteenth annual meeting. President F. W. Rogers, of the association, was in the

chair, and President William W. McClench, of the company, welcomed the agents. The morning session was devoted to the reading and discussion of a variety of papers relating to the business. In the afternoon a meeting of general agents and managers was held, and there was an informal reception at President McClench's house in the evening. Another meeting of the association took place on Saturday morning, at which Osear B. Ireland, Second Vice-President and Actuary of the company, addressed the meeting on the relationship of the actuarial department to that of the field force. It was voted to hold the 1911 convention of the association again in Springfield. These officers of the association were elected for the ensuing year: President, Charles B. Richardson, of Richmond, Va.; Vice-Presidents, A. W. Bray, of Newark, N. J., and John J. Ahearn, of Minneapolis; Secretary, J. Putnam Stevens, of Portland, Me. Executive Committee—E. L. Sutton, Springfield; Miss Georgia Emery, Detroit, Mich.; John H. Smith, Nashville, Tenn.; E. B. Hamlin, Wilkesbarre, Pa.; John L. McFecley, Pittsburg, Pa. In the afternoon the convention came to a close with an outing at Riverside Grove on the Connecticut, including a clambake and field sports.

New England Brevities.

Following the recent amendment of the charter of the Fidelity and Deposit, of Baltimore, that company has been authorized by the Massachusetts Insurance Department to write accident and health, plate glass and burglary insurance in the Commonwealth, in addition to the fidelity and surety lines which it has been transacting there for some time past.

The Massachusetts Bonding and In-

surance Company has declared a semi-annual dividend of \$3 per share, payable on September 1.

An esteemed contemporary states that "Maine's fire losses for July were nearly \$3,000,000 in excess of the same month of 1909." Well, that's going some, even for Maine, but perhaps our E. C. put on a couple more O's.

The North British and Mercantile has appointed Frank W. Brodie its special agent for Connecticut.

Among Boston visitors last week were Vice-President Stevens and forty-odd members of the \$100,000 Club of the Illinois Life.

The Franklin S. Phelps & Co. Agency, of Boston, will move from 35 Waters street to 93 about September 1, when the Massachusetts F. & M. will take their present quarters.

The organization of the Empire Accident Corporation, of Lowell, Mass., intending to do business on the assessment plan, has been authorized by the Massachusetts Insurance Department. A supply of accidents seems assured, for among the incorporators announced we find Angelos J. Diamantopoulos and Demetrios A. Mitsakos, and hath not the poet sung "When Greek Meets Greek, Then Comes the Tug of War?"

EMIL SCHWAB.

W. J. LITTLEJOHN TO RETIRE.

W. J. Littlejohn, manager of the Western Department of the North British and Mercantile Insurance Company, will retire from the fire insurance business on June 30, 1911. The North British will about November 1, 1910, transfer its Western Department in New York. Until June 30, 1911, a permanent office will be maintained in Chicago under Mr. Littlejohn.

1860 50th YEAR 1910

HOME LIFE

Insurance Company of New York.

GEORGE E. IDE, President.

Assets	\$23,626,018.63
Liabilities	21,858,691.52
(Including Deferred Dividend Fund)	
Dividend Endowment Fund	
(Deferred Dividends)	2,119,044.00
Net Surplus	1,767,327.00
Insurance in Force	92,532,583.00

The record for 1909 shows the following GAINS:

Insurance in Force	\$4,164,239.00
Assets	1,917,117.00
Deferred Dividend Reserve	148,581.00
Contingency Reserve (Surplus)	655,149.17

BONDS OF SURETYSHIP.

The Guarantee Company of North America

HEAD OFFICE, MONTREAL

Edward Rawlings, President.

H. E. Rawlings, Asst. Mgr.

Richard B. Scott, Secretary & Treasurer.

It is the Pioneer Company, was established in 1872, and is conducted under a conservative management of over 55 years experience.

It has recouped to employers over \$2,190,000 for losses sustained by the infidelity of employees and has a surplus of \$1,041,423.23 to credit of shareholders and total resources of \$1,919,892.38 for the security of insured.

Branch Offices:

NEW YORK: 111 Broadway.
D. J. Tompkins, Secretary.
BOSTON: 114 Milk Street.
W. A. Hamilton, Agent and Attorney.
CHICAGO: Room 400, The Temple.
J. R. Pruyn, Resident Sec. and Atty.
PHILADELPHIA: 500 Arcade Bldg.
W. H. Jackson, Res. Secretary.
PITTSBURG: 1120 Farmers Bank Bldg.
E. R. Munro, Resident Secretary.
LOUISVILLE: 316 Columbia Bldg.
P. N. Clarke & Co., Agents.

PITTSBURG MERGER, MAYBE.

The stockholders of the National Insurance Company of Pittsburg, at a special meeting on October 17, will vote on a proposition to merge and consolidate with the Ben Franklin Fire Insurance Company of Pittsburg "under and in pursuance of the terms and conditions of a memorandum of agreement executed and delivered by the Board of Directors of that company and the Directors of the Ben Franklin Fire Insurance Company of Pittsburg."

The National Insurance Company has \$500,000 capital, \$462,737 net surplus, \$799,839 reinsurance reserve and total assets of \$1,859,253. The Ben Franklin Insurance Company has \$200,000 capital, \$194,494 net surplus, \$417,265 reinsurance reserve and total assets of \$860,186.

The present metropolitan agents of the National are Whiton & Merges, and the metropolitan representatives of the Ben Franklin are Ward & Crawford.

HERE AND THERE.

Charles H. Eldredge, Chicago resident manager, and John H. Mullin, Georgia State agent of the United States Casualty, were in town on Tuesday.

* * *

Dr. Lee K. Frankel, of the Metropolitan Life sailed on Tuesday to attend the International Congress on Social Insurance at The Hague.

* * *

Vice-President Lewis E. Gordon, of the Hartford Life, who went to Rochester, Minn., about the middle of July, and was operated upon at the sanatorium of the Mayo Brothers, is progressing satisfactorily.

* * *

F. J. Haight, of Indianapolis, has resigned Secretary of the Indiana National Life to become General Manager of the Liberal Life.

**FRENCH FIRE CHIEF
PRAISES OUR FIREMEN.**

Raoul Frere, head of the Fire Department of the City of Paris, is in America on a trip of investigation in regard to our systems of fire fighting. He has spent several days within the last week observing the New York Fire Department, accompanied by Captain Howard Rusch, of Engine No. 18, quartered at 132 West Tenth street, and Fireman Charles Russell, who was detailed as interpreter.

M. Frere asserts that the New York firemen are far ahead of those of London and the larger Continental cities. He spent one night in the West Tenth Street engine house to answer alarms with the apparatus.

An amusing incident occurred when M. Frere slept with the firemen. The first call received came at about 3 o'clock in the morning. The chief had been tucked into Captain Rusch's private bed in a room opening in the main sleeping quarters. A large gong at the head of his bed rang for nearly a minute, while the firemen jumped into their clothes and slid down the pole. When Captain Rusch did not see his guest he rushed into his room and found him fast asleep, with the gong ringing loud enough to awaken the neighbors a block away. He aroused the sleeping chief, but it was too late. The company could not wait for him and had left. The visitor was chagrined and explained that in Paris he always awakened easily. He also explained that his "boudoir bell" was almost as large as our Liberty bell.

In contrasting the New York Fire Department with that of London he remarked that that of the latter city was a farce beside the New York system. He laughed when he referred to the way the London firemen "took their horses across the street to hitch up," and said that the way the New Yorkers got away was wonderful.

ACCIDENT POLICY FRILLS.

The executive committee of the International Association of Accident Underwriters met at the Hotel Ten Eyck in Albany last week. Chairman H. G. B. Alexander had extended invitations to the executives of every accident company doing business in this country. They were generally accepted and as a result there was the best attended session ever held by the committee every prominent company being represented. Superintendent Hotchkiss of the State Insurance Department was introduced and in acknowledging his reception announced that he would extend the time allowed for the submission of policy forms originally fixed for September 1 to October 1. Committees named for the purpose submitted reports proposing these subjects for discussion: "Elimination of 'frills' from accident insurance policies"; "Recommending an extension of the time for the submission of policy forms"; "Requirements of the New York and Massachusetts Insurance Departments under the standard provisions acts for accident and health insurance policies recently enacted in those two States." The "frills" referred to in the first of the foregoing propositions are the auxiliary clauses incorporated in policies for competition purposes, such as provisions for freezing, quarantine, sun stroke, burning and accumulative and children's features.

NEW GENERAL AGENCY.

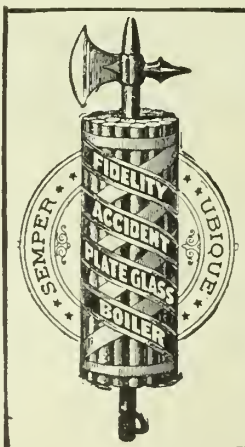
A. H. Letts, Agency Manager at Owosso, Mich., for the Michigan State Life, has formed a partnership with O. B. Haller, district manager at Saginaw for the same company, and they will conduct a general agency for the Michigan State under the firm name of Letts & Haller, with headquarters in the Kirby Building at Saginaw. The agency will have charge of ten counties adjacent to Saginaw.

A General Agency is open
in the State of

PENNSYLVANIA

For one of the best Old Line
Companies in America

Write "B," care of this paper



— THE —
**FIDELITY & CASUALTY
COMPANY**

97 TO 103 CEDAR ST., NEW YORK CITY.

ASSETS - \$9,598,924.02
Cap. & Surplus \$3,564,229.90
LOSSES PAID \$31,636,503.21
to Jan. 1, 1910.

This Company grants Insurances as follows:

Bonds of Suretyship for Persons in Positions of Trust, Fidelity Bonds, Burglary, Plate Glass, Steam Boiler, Fly Wheel, Employers, Public, Teams, Workmen's Collective, Elevator and General Liability; Personal Accident, Health and Physicians' Liability

OFFICERS:

GEORGE F. SEWARD, President.

Robert J. Hillas, V.-P. & Sec'y. Henry Crossley, Ass't Sec'y.
Frank E. Law, 2d Ass't Sec'y. George W. Allen, 3d Ass't Sec'y.

Bardoe's Column.

ALBERT H. MOWBRAY has been appointed Instructor in Insurance at the University of California to serve for the ensuing year in the absence of Prof. Whitney, now in New York with the Legislative Investigating Committee. The work has been arranged so as not to interfere with Mr. Mowbray's practice as consulting actuary.

Announcement of the organization of the Occidental Fire Insurance Company of Albuquerque, N. M., is made by J. H. O'Reilly, Secretary and General Manager of the Occidental Life, of Albuquerque. Other incorporators, in addition to Mr. O'Reilly, are: George Roslington, A. B. McMillen, Solomon Luna and M. W. Flourney, all of Albuquerque. The company is to have a cash capital of \$200,000, with a surplus of equal amount, the shares, at a par value of \$100, to be sold at two for one.

The Executive Committee of the National Association of Local Fire Insurance Agents has voted to admit to the "co-operating lists" the Massachusetts Fire and Marine Insurance Company of Boston and the Scranton Fire Insurance Company of Scranton, Pa., these companies having subscribed to the territorial and expiration principles of the National Association.

The "Philadelphia, Pennsylvania and Delaware Insurance Directory" for 1910 has been issued by J. H. C. Whiting, of Philadelphia. It contains lists of companies, company officers, agents, brokers and solicitors, and abstracts of the Pennsylvania and Delaware insurance laws and tables of taxes paid in the two States, as well as a considerable volume of miscellane-

ous information of a valuable character.

"The Preferred Perambulator," 18th year, No. 109, Summer 1910, is the latest edition of what is described as an instructive carryall for agents of the Preferred Accident Insurance Company, published periodically by Wilfrid C. Potter, Secretary. The new issue contains poetry, with an accidental touch, as well as advice to agents and a list of the recent death losses paid by the Preferred.

Arthur F. Boles, of San Francisco, former manager of the Army and Navy Department of the Prudential Insurance Company for the Pacific Coast, has returned to the service of the Prudential. He has been appointed superintendent of agents and will be associated with O. O. Orr, manager of the company's ordinary department for Northern California.

Local agents at Salt Lake City are looking forward to a slump in insurance in mercantile stocks this Fall, as both wholesale and retail merchants have been buying sparingly. Utah farm and range products are beginning to move at good prices, however, and the merchants are beginning to feel a little more like reaching out than they did two months ago.

Of the \$10,000,000 property loss occasioned by fire at the Brussels exposition more than \$2,000,000 was covered at Lloyds, London, and the British fire offices have net losses of from \$15,000 to \$50,000, while Belgian and French companies have large lines.

The Maryland Casualty has deposited \$225,000 with the Dominion Government, and has received a license

to transact in Canada three additional lines—plate glass, burglary and fidelity and surety.

The twenty-third annual convention of the International Association of Accident Underwriters will be held at Mount Washington Hotel, Bretton Woods, N. H., from Sept. 20 to 23.

Secretary Gilbert Congdon, of the Empire State Surety Company, has returned from his Western trip. Mr. Congdon has been away five weeks, spending most of his time on the Pacific Coast.

E. H. Palmer, of Antigo, was elected President of the Wisconsin Association of Local Fire Insurance Agents at its annual meeting in Milwaukee. George Y. Wilkinson, of Milwaukee, was elected Secretary and Treasurer.

S. W. Cornwell, now with the Southeastern Underwriters' Association at Atlanta, becomes head of the engineering department of Fred S. James & Co. on September 1.

OBITUARY.

B. H. Abrams.

B. H. Abrams, State Agent of the Liverpool and London and Globe Insurance Company for Alabama, Georgia and Florida, died in Atlanta last Thursday. He was one of the most widely known of Southern field men, and had been connected with the company for several years.

William O'Connor.

William O'Connor, uncle of Bishop O'Connor, of Newark, died at Saratoga Springs, N. Y., last Saturday. He was a Civil War veteran and had been a resident of Newark for sixty years, where he had been in the contracting business. He was one of the organizers of the Hibernian Fire Insurance Company, which was liquidated in 1884.

SAFETY FUND INSURANCE

NIAGARA

Fire Insurance Company

—OF—

NEW YORK

OFFICE:

46 CEDAR STREET, CITY.

THE HOME LIFE INSURANCE COMPANY OF AMERICA

Incorporated 1899.



General Agents and District Managers who can produce ordinary business can secure "Ground Floor" contracts with **GUARANTEED RENEWALS** and an assignment of territory limited only by capacity to produce agency organization and business. Send for Sample Policy. **IT IS ONE YOU CAN SELL.** New business, \$1,500,000—January 1-June 30, 1910.

Address:

G. M. NETTLESHIP,
General Manager,

JOHN LANGHAM, Jr., President.
JOSEPH L. DURKIN, Secretary.
EDWARD P. MADDEN, Treas.

416-18-20 Walnut St., : PHILADELPHIA, PA.

FRATERNAL CONGRESS.

(Continued from Page 7.)

expected to actual deaths among the forty-three societies now members of the Congress; but as the two others are among the largest in the country, and have a death rate of but about 70 to 75 per cent of the tabular, it is a fair presumption that the actual mortality rate among the forty-three is well up to the table, if not slightly over it.

The report dealt especially with two matters as follows:

First, the increased strength financially of these associations compared with what it was ten years ago. In 1899 there were forty-seven societies in the Congress, with a benefit membership at the close of the year of 2,493,854. They had protection in force at that time amounting to \$4,021,869,200, and they had money in their benefit fund at the close of the year amounting to \$9,165,057. The forty-three societies represented in this Congress had a membership at the close of last year of 2,547,003, and protection in force amounting to \$3,094,116,819.22, and the balance in the benefit funds at the close of the year was \$6,295,778.82; in other words, while the present membership is larger and the protection less by over \$1,000,000, the funds in the treasury to safeguard this is six and a half times as great as it was ten years ago. This

clearly indicates the growing tendency on the part of these associations to get right financially; in other words, to make their contributions approximate the equivalent of their promised benefits, and while it is not contended that there is a sufficient amount in the treasury of all these societies to do this, they have greatly increased their ability to perform and carry out their contracts during this period of time.

On the other hand, we wish to call your attention to the matter of the expense of doing the business. Ten years ago the forty-seven societies represented in the Congress at that time spent for general expenses \$3,926,820, while last year the forty-three societies represented in this Congress spent \$5,148,798. Here, you will notice, is a large increase in the expense of management, and this can be traced back to what has been termed the growing tendency toward too much commercialism and too little fraternalism. The business has been placed too largely on a commercial basis, the influence of the local bodies as solicitors and agents in the recruiting of the business of the association has not maintained its former power, too little work is being done by the individual members, and as a result too much work is being done by the general management—that is, too much for the good and welfare of the system. The element of co-operation is lacking to-day in large measure as compared with ten years ago, even in those societies that are doing the most in the way of increasing membership. The situation, in the judgment of your committee, is the most serious one confronting us to-day, and has a natural relationship to the other serious conditions affecting us—namely, that of the unequal and unfair competition resulting from lack of substantial uniformity in the matter of contributions to the benefits promised.

The report also put emphasis upon the necessity as well as the justice of adequate rates.

Commissioner Folk Talks.

Commissioner Folk, of the Tennessee Insurance Department, who was chairman of the Committee on Fraternal Insurance of the National Convention of Insurance Commissioners, talked about some of the problems

confronting fraternal insurance. He said in part:

The most serious of these problems with which the fraternal system has to deal is that of having rates of contribution so adjusted that each member's payments will be in accordance with the benefits he is promised and the risk assumed for him by his society. Allied to that is the problem presented by the necessity for taking such forethought of the future that members living to an advanced age may suffer no injustice and no unwarranted disappointment. A third problem is involved in cases where level rates are collected and a member pays in more than the current cost during his younger years. It is essential to soundness that such excess be maintained as a trust fund for the purpose of meeting the deficiency between his payments and the current cost of his risk in his older years. Another problem, and one probably most difficult of solution, is that presented by societies having members who for years have been upon an inadequate contribution basis. It has been met by some societies when readjusting, by the creation of liens against the certificates. Another way of meeting it is by conversion of whole life inadequate certificates into term certificates for such length of time as the contribution rate will justify. I am not prepared to say what

201ST YEAR.

SUN Insurance Office OF LONDON.

FOUNDED 1710.

UNITED STATES BRANCH:

54 PINE STREET, NEW YORK.

WESTERN DEPARTMENT:

171 LA SALLE ST., CHICAGO.

PACIFIC DEPARTMENT:

Sansome & Sacramento Sts.,
SAN FRANCISCO, CAL.AGENTS WANTED
AT UNREPRESENTED POINTS.

OUR

Course of Insurance Education.

Department for Furnishing
Prospects.

New "Model Policy"

Will Plough the Field and Assure
the Harvest for Good Agents.

Phoenix Mutual Life

INSURANCE COMPANY,
Hartford, Conn.

Write Home Office.

OUR BOND—YOUR SECURITY.

T. J. FALVEY,
President.JOHN T. BURNETT,
Sec'y & Treasurer.Massachusetts
Bonding and
Insurance Co.Organized under
the Laws of the
Commonwealth of
Massachusetts.

Home Office, 77-81 State Street, Boston.

Capital\$500,000.00
Surplus\$250,000.00SURETY BONDS and BURGLARY and
THEFT INSURANCE.LEADING FIRE COMPANY
OF THE WORLD

[of Liverpool,

England.]

IT PAYS THE AGENT

To represent the best company. There are many excellent standard life insurance companies. Which is the best? In stability, progressiveness, liberal contracts to agents and low cost to policy-holders no company surpasses

The Union Central Life
Insurance Co. of Cincinnati.Assets, \$74,523,966.28
Liabilities, \$72,324,302.92Good openings are occurring from
time to time. AddressJESSE R. CLARK, President.
ALLAN WATERS, Sup't of Agents.

method is best. What would be desirable for one society might not suit the condition of another. But on the wise and proper determination as to this and the other problems I have mentioned, and others of kindred nature, depends the future of our fraternal system.

No man or institution can continually borrow against the future without reaching some time a day of reckoning. Those of our societies which are pursuing this course of borrowing from the future should be made to see the necessity of ceasing such imposts before the hour comes when the reckoning will be disastrous.

If nothing should be done looking toward the advancement of the fraternal system to a more staple basis, the years might not be many before

some untoward circumstance might occur that would lash the public into a storm and bring it into the field "with its axe." But I can see no reason, with the sentiment now prevailing in this Congress and among fraternal leaders generally, why the Commissioners and the fraternalists cannot find a common ground on which they can stand. I think I state the position of the Commissioners fairly when I say they are willing to go far in making a compromise if something can be agreed upon which will represent a distinct and definite step toward the goal of ultimate soundness and scientific stability in fraternal insurance.

Much of the convention time was devoted to a discussion of a tentative uniform bill prepared by the Insurance Commissioners. The strongest fight was on Section 5, sub-section 2, which permits orders that accumulate the full whole life reserve to pay withdrawal values. This was attacked as "non-fraternal," and in the course of the discussion George D. Eldridge, who drafted the sub-section in the words in which it appears in the tentative bill, was invited to address the Congress on the matter of surrender equities. While the first attitude of the Congress toward the provision was distinctly adverse, the final vote retained the provision with scarcely a dissent.

The Congress struck out in two sections the right given the Insurance Commissioners to proceed for the closing of an order on the ground that in the opinion of the Commissioner the order "is not carrying out its contracts in good faith."

The Congress then adopted the bill, which includes a section providing for valuations.

Commissioner Hartigan's Address.

The other important address of the convention was delivered by Commissioner John A. Hartigan of the Minnesota Insurance Department, on the subject of expenses of fraternal beneficiary societies as follows:

It is a privilege to address you, representing, as you do, the fraternal beneficiary societies that stand for what is best in fraternal protection, for adequate rates, without which your system cannot endure, for honest treatment of members and for the elimination of fraudulent and deceptive schemes and practices. I speak not as an outsider, but as one who for nearly twenty-five years has been a member of these societies and has taken an active interest in them.

A fraternal beneficiary society has two distinct functions—the first, to unite fraternally its members to the end that each may be furnished, according to his needs, aid, consolation, assistance, sympathy and friendship. While the individual is aided in these ways, the community benefits from this cultivation of the altruistic spirit. These societies preach and practice the doctrine of the brotherhood of

man, and both individual and community are benefited.

The second function is to provide substantial benefits for the dependents of the member upon his death.

The first function may be exercised without the second, but in our American fraternal beneficiary societies the two are combined. With the first we have little to do. Each man can easily decide for himself whether he is receiving value for what he gives, either in direct aid or benefit to himself or through the satisfaction of doing good to others.

The second function, that of furnishing specific benefits to the dependents of members, is life insurance. The appeal of fraternal societies to the public has been that they provide this insurance at the lowest possible cost. Let us consider for a moment whether it is being so furnished, and, if not, in what items the expenses are excessive and consequently open to reduction.

The older secret societies limited their material aid to the needs of the dependent, and the contributions were in proportion to the means of the contributors. Contributions were voluntary. No fixed sums were ever promised or provided. The whole transaction was upon the sole basis of fraternity. He who had gave to him who had not. No salaries were paid, or, if paid at all, the amount was a negligible one. Each member took his turn in discharging the duties of the different offices and thus contributed his share to the general welfare. The general thought was "What can I give?" not "What can I get?"

Death benefits of considerable amount, paid from the graded contributions, call for entirely different financial and business methods, but the change need not extend further.

The fraternal societies were started in this country in the early 70's as a protest against the high cost of legal reserve insurance. The originators of these societies knew that by eliminating the cost of new business they could make a saving to their members; they also believed the mortality cost could be kept at a low figure on account of the constant and rapid growth of the societies.

I need not take any of your time to demolish the "new blood" theory. Every one is familiar at the present time with fixed mortality cost and realizes that this cost must be the same in every company or association, provided the risks have been selected with equal care. The money collected by an association of any kind doing a life insurance business is paid out for two purposes—death benefits and expenses. As the death benefits are fixed by the laws of mortality, the only place where economy can be practiced is in the matter of expenses. Many of the fraternalists have conducted their affairs in such a manner as to make substantial savings to their members. Others have shown a wasteful extravagance in their expenditures, the outlay on this account not being justified either by conditions or by results obtained. Total expense must increase with size, but the ratio of expense to income should steadily decrease. We find, however, that this ratio has increased and in a surprising degree.

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS is unsurpassed for net low cost and care of interests of all members.

THE PENN MUTUAL LIFE INSURANCE COMPANY OF PHILADELPHIA

On January 1, 1909, rates were reduced and values increased to full 3% reserve.

Germania Fire INSURANCE CO.,

NEW YORK.

ORGANIZED 1859.

Cash Capital.....\$1,000,000.00
Assets\$6,562,329.14
Net Surplus.....\$2,008,419.02
Surplus for Policyholders,\$3,008,419.02

HEAD OFFICE:

Cor. William and Cedar Streets.

The Connecticut Mutual

That means the best life insurance to have and the best to sell. If you can sell life insurance, you can sell more of it for the CONNECTICUT MUTUAL.

Men of Character and Ability are invited to apply.

Conn. Mutual Life Ins. Co.,
Hartford, Conn.

Please mention this paper.

In the year 1893 thirty-nine fraternal organizations reported to the New York Insurance Department. Their receipts were \$22,778,763, and the disbursements for expenses were \$1,224,247, being 5.27 per cent of the receipts. In 1908, fifteen years later, seventy societies reporting to the same department had total receipts of \$73,438,636, and expenses of \$7,867,999, or 10 $\frac{2}{3}$ per cent of the receipts.

You will note that while the business was 3 $\frac{1}{4}$ times larger, the expenses were seven times greater. In other words, the expenses had increased twice as fast as the business.

In the latter year there was paid to organizers alone by these societies \$1,514,560, an amount considerably in

excess of the total expenses in 1893.

During the year 1909 the receipts of sixty-five fraternal organizations reporting to the Minnesota Insurance Department were \$72,442,736, and the disbursements for expenses \$8,651,016, practically 12 per cent. During the same year the expenses of thirty-three legal reserve life insurance companies reporting to the same department were 15.74 per cent of the total income.

The increase of expenses in fraternal societies is due principally to two causes. First, the adoption of the deputy system, and second, to the multiplication of salaried officers. In other words, to a commercializing of the fraternal system. The fraternal system was built up on the cornerstone of low expense. New members were brought in by those who were already members; salaried officers were few and the salaries were small; the incentive to work was the inspiration and call of true fraternity. With the multiplication of societies and the consequent struggle for new members came a gradual change in methods. Paid deputies were substituted for the voluntary workers; the number of salaried officers was increased, generally as the result of a need for more men to supervise a rapidly increasing business; in some few cases perhaps as a means to strengthen the hold of the officers on the control of the society, and in others in response to the unfraternal and selfish demand for a participation in the loaves and fishes. The deputy system is a serious handicap to the ultimate success of the fraternal society. It increases the cost of securing new business; it discourages and effectively stops the efforts of those who formerly secured new members without any financial reward; it results in the adoption of many unfit for admission from a physical, social and fraternal standpoint. The high pressure methods used at times by the deputies bring in a class who, unfit for membership, stay but a short time and produce nothing but a high lapse ratio.

I do not mean that deputies should not be employed for the institution of new lodges. This is generally necessary, but the lodge once instituted should grow through the efforts and work of its own members. There is no surer way of preventing growth in this, the natural and legitimate way, than by providing deputies. The waste of money and effort possible in the use of the deputy system is shown by the following figures showing the net gain made by several societies and the expense for organizers:

Society No. 1—Expense for organizers during 1909, \$67,500; net gain, 17 members; cost for each member gained, \$4,000.

Society No. 2—Expense for organizers, \$82,000; net gain, 3,000 members; cost for each member gained, \$27.

Society No. 3—Expense for organizers, \$50,000; net gain, 7,000 members; cost for each member gained, \$7.

Society No. 4—Expense for organizers, \$41,000; net gain, 16,500 members; cost for each member gained, \$2.50.

Society No. 5—Expense for or-

ganizers, \$4,000; net gain, 2,000 members; cost for each member gained, \$2.

Society No. 6—Expense for organizers, \$150; net gain, 6,000 members.

A study of these figures is illuminating and instructive. They are taken from the sworn reports of fraternal societies reporting to Minnesota.

The salaries paid to officers show as great divergence as do the figures quoted above. To illustrate:

Society A—Income, \$184,000; salaries, \$13,000; 7 $\frac{1}{2}$ per cent of income.

Society B—Income, \$500,000; salaries, \$16,000, 3 $\frac{1}{2}$ per cent of income.

Society C—Income, \$500,000; salaries, \$4,000, $\frac{3}{4}$ of 1 per cent of income.

Society D—Income, \$600,000; salaries, \$4,500, $\frac{3}{4}$ of 1 per cent of income.

Second Group.

Society E—Income, \$1,100,000; salaries, \$38,000; 3 $\frac{1}{2}$ per cent of income.

Society F—Income, \$1,500,000; salaries, \$8,000, $\frac{1}{2}$ of 1 per cent of income.

I shall not attempt to justify the bases I have adopted for comparisons, but I may say that I know of no better limit to expenses than that fixed by income. Even fraternal societies should cut their garment according to their cloth.

It must be evident from the above figures that growth is not dependent upon the amount paid to organizers, nor is efficiency of management to be measured by the number of officers and the amount paid in salaries. It might almost be argued that the greater the sum paid for deputy work the less the vitality shown by the society, and that officers' ability is in inverse ratio to their number and the sum paid them. The strength, vitality and efficiency of a fraternal society must be measured by other standards. Every dollar collected by these societies from their members must be put to its legitimate use. Upon this use rests the future of many dependents. Even the smallest extravagance may mean to some one the difference between independence and poverty.

No fraternal society will gain success unless its membership is cohesive and the forces that bind it together must be those of unselfishness. This unselfishness must permeate the order and must extend even to the governing body and to the highest officers. Unless a man has something to give to his order he does not belong in it, and this is true whether he be a humble member or an exalted officer.

Gentlemen, I am no prophet, but I see a time of trial coming for these associations; a time when every effort must be put forth to preserve them, a time for which preparation must be made; every weakness must be eliminated, there must be a return to the economical methods of the past by those who have deviated from them.

(Continued on Page 15.)

The Columbian National Life INSURANCE COMPANY OF BOSTON, MASS.

LIFE, ACCIDENT AND HEALTH
INSURANCE.

The Only Massachusetts
Non-Participating Company

The New Columbian Policies are
excelled in Clearness and Liberality.

Good Contracts and Territory for
Good Producers.

ARTHUR E. CHILDS, President.

COMMERCIAL - UNION ASSURANCE CO., (LIMITED) OF LONDON.

OFFICE;

Cor. Pine & William Sts.
NEW YORK.

Life Ins. Co. of Virginia Home Office, Richmond, Virginia.

J. G. WALKER, President.
T. W. PEMBERTON, 1st Vice-President.
W. L. T. ROGERSON, 2d Vice-President.
E. D. HARRIS, Secretary.

The OLDEST Southern Life Insurance
Company.
The LARGEST and STRONGEST South-
ern Life Insurance Company.
The PIONEER Southern Industrial Life
Insurance Company.

Its policies are clear and definite in
their provisions and their values are ab-
solutely guaranteed.

Assets Dec. 31, 1909..... \$5,372,691.99
Liabilities Dec. 31, 1909..... 4,312,405.32
Insurance In Force Dec. 31,
1909..... 68,337,613.00
Total Payments to Policy-
holders since Organization 9,820,412.40

New York Insurance Stocks.

FIRE COMPANIES.

	Capital.	Approx. Annual Div.	When Payable.	Bid Price P.C.	Asked Price P.C.
City of New York.....	\$500,000	10	Q	...	205
Commonwealth	500,000	10	J&J	326	...
Continental	2,000,000	40	"	925	950
Empire City	200,000	8	"	125	...
Fidelity-Phenix	2,500,000	V	V	265	275
German Alliance.....	400,000	15	J&J	275	300
German American.....	1,500,000	30	"	560	570
Germania (\$50).....	1,000,000	18	"	285	295
Glens Falls (\$10).....	200,000	30	"	1525	...
Globe & Rutgers.....	400,000	40	Q	475	...
Hanover (\$50).....	1,000,000	10	J&J	200	210
Home	3,000,000	30	"	680	695
Nassau (\$50).....	200,000	10	"	165	175
Niagara (\$50).....	1,000,000	20	"	300	305
North River (\$25).....	350,000	10	A&O	155	165
Pacific (\$25).....	200,000	6	J&J	135	145
Peter Cooper (\$20)....	150,000	6	"	90	105
Stuyvesant	400,000	10	"	155	160
United States (\$25)....	250,000	V	V	60	70
Westchester (\$10).....	400,000	35	F&A	455	...
Wilmsburgh City (\$50).	250,000	20	J&J	380	400

LIFE COMPANIES

		Per Cent.	Period.	Bid.	Asked.
Aetna Life	\$2,000,000	15	Q	650	...
Connecticut General.....	500,000	8	J&J	225	...
Equitable	100,000	7	A	4000	...
Germania (\$50)	200,000	12	J&J	210	225
Hartford Life	500,000	10	"	100	...
Home	125,000	12	M&N	275	...
Manhattan Life	100,000	26	O&F	400	425
Metropolitan (\$25)	2,000,000	7	M&N	155	...
Prudential (\$50)	2,000,000	10	Q	550	650
Travellers' Hartford....	2,000,000	20	Q	900	925
United States Life.....	264,000	7	J&J	90	125

CASUALTY COMPANIES.

Securities.					
Outstanding.		Per Cent.	Period.	Bid.	Asked.
Aetna Indemnity (\$25)...	\$350,000	V	V	...	200
Fidelity & Casualty....	1,000,000	18	J&J	450	500
Hartf'd Steam Boiler...	1,000,000	10	"	245	...
Metropolitan Casualty...	200,000	10	J&J	165	...
N. Y. Plate Glass (\$50).	200,000	16	"	500	...
United States Casualty..	500,000	10	Q	215	250
Casualty Co. of Amer..	500,000	6	J&J	120	150

V—No information.

Q—Quarterly.

A—Annually.

FRATERNAL CONGRESS.

(Continued from Page 14.)

The fraternal, with their millions of members and their billions of liabilities, are not the problem of any one man or of any one group of men. It is a problem that is national in its scope, but it is particularly your problem, representing, as you do, the governing bodies of these great societies. It is your duty to see that the members are informed of the true conditions and to work for such improvements, be they legislative or other-

wise, as will preserve, fortify and perpetuate this great institution.

The Congress elected the following officers: President, John J. Hynes, of Buffalo, of the Catholic Mutual Benefit Association; Vice-President, D. P. Markey, of Port Huron, Mich., of the Maccabees of the World, and Secretary, C. A. Gower, of Lansing, Mich.

Mackinac was designated as the place for the next annual meeting of the Congress.

Have You Reached Your Salary Limit



If you believe you can do better in another line, Life Insurance selling offers you a great opportunity.

Write us about an agency.

THE PRUDENTIAL

Insurance Company of America.

Incorporated as a Stock Company by the State of New Jersey.

John F. DRYDEN, President. Home Office, NEWARK, N. J.

RECTOR 2817

ESTABLISHED 1864

E. S. BAILEY

DEALER IN

INSURANCE STOCKS

A SPECIALTY

66 Broadway NEW YORK

THE PROVIDENT

LIFE AND TRUST COMPANY
OF PHILADELPHIA

Insurance in Force, \$214,509,255.00
(Paid for Basis)

Assets \$70,514,350.45
(Market Value, Dec. 31, 1909)

Contingency Reserve . \$9,207,276.38
(Inclusive of Capital Stock, \$1,000,000.)

The Provident has been particularly distinguished for the development of a highly trained force of agents. The systematic instruction which its agents receive has resulted in their being recognized as representatives of exceptional knowledge of the business and of marked efficiency.

Bob's Remarks.

ONE of the most important, as well as really hard working, committees of the New York Board of Fire Underwriters is that of the Fire Patrol. Few officials or agents who have not served on that committee realize or appreciate the vast amount of work, time and thought that is intimately and constantly associated with the duties of the Fire Patrol Committee. For a busy local underwriter to be a member of this division of the board's labors is not only a distinct tax upon his time and energies, but in a measure unfits him for that proper attention to his office matters which is justly due. Hence the resignation announced of Howard Hampton, metropolitan manager of the Hartford and one of the very active local underwriters, was in line with what was expected.

After September 9 the old fire badges will be out of business. The new ones, limited to about 1,000, will be issued to a few only. Years ago the old badges were obtainable at \$2.50 each, afterward \$5, then \$10, now \$50. Public adjusters may not have so easy a time getting clients while a fire is under way as heretofore.

In well known underwriting and political circles it is rather strongly hinted that the standardization of all kinds of insurance contracts is very much in the air.

Brokers report that many of the surplus line offices are "trimming" their lines, even on sprinkled risks in Manhattan and Brooklyn.

Returns from the Fire Insurance Salvage Corps of Brooklyn have been handed in to companies. The figures represent premiums written by companies and agencies for the six months ending June 30, 1910. Hereafter we append a comparative statement for the corresponding period of 1909:

	1909.	1910.
Local companies.	\$913,256	\$899,615
Foreign	732,872	720,424
Agency	944,408	1,045,674
Total	\$2,590,536	\$2,665,713

Difference in phraseology as to time limit on bills for unpaid premiums is the subject of no little comment by brokers. Some companies quote the entire wording of the handbook rule,

some an abbreviated copy of the same and others a short phrase like "Premium due 10th prox." It would seem that some universal sentence should be adopted by all offices.

September promises to be somewhat lively and interesting in the insurance world, if the special legislative committee gets down to active business in its investigations.

Brokers who control insurance on book and publishing concerns state that trade expects a fairly large volume of business for the holidays, and their clients are making preparations for a big season with naturally increased fire insurance.

Montague street, the chief insurance, banking and mortgage district in Brooklyn, reports very dull business for the last two months as to fire insurance interests. Agents state that renewals are hard to keep and new business is absolutely dead. One office reported a falling off of 20 per cent in premiums for the month of July as compared with the corresponding period last year.

The revival very soon of the old Greenwich Fire Insurance Company, with the veteran and popular Mason A. Stone as President, under the good offices of Jameson & Frelinghuysen, will be a welcome addition to the local and agency market. Its impaired capital, following stock market reductions in security values, has been fully made up.

BOB.

INSURANCE BRADSTREET JUST ISSUED BY BEST.

The fifth annual edition of "Best's Life Insurance Reports," dealing with all legal reserve companies, transacting business in the United States and Canada, and fraternal societies and assessment associations operating in the United States, has just appeared from the press. The preface includes precise definitions of legal reserve, gross premium reserve, net level premium reserve, full preliminary term reserve, modified preliminary term reserve, and select and ultimate reserves. Special reserve systems of several States are also described, and forms of life insurance policies are outlined. Such matters as dividends, gain and loss exhibit, policy conditions and mortality and expense ratios are defined.

SPECIAL OPPORTUNITIES offered now in Southern States to Representatives of

CITIZENS NATIONAL LIFE INSURANCE CO.

W. H. GREGORY,
President.

"The Leading Fire Insurance Company of America."



WM. B. CLARK, President.
W. H. KING, Vice-President.
HENRY E. REES, Secretary.
Assistant Secretaries,
A. N. WILLIAMS, E. S. ALLEN,
E. J. SLOAN, GUY E. BEARDSLEY.

FEDERAL LIFE INSURANCE COMPANY CHICAGO

SAAC MILLER HAMILTON, ; ; President

Admitted assets.....	\$2,447,499.17
Capital stock.....	177,300.00
Surplus apportioned and unapportioned	77,510.61
Excess security to policy holders	254,810.61
1909 insurance in force increased over.....	\$6,300,000.00
Surplus increased over....	100,000.00

HIGH-GRADE MANAGERS AND AGENTS WANTED.
ATTRACTIVE POLICIES.
DESIRABLE CONTRACTS.
WILL ENTER NEW TERRITORY.

Address,
CHARLES M. TURNER,
General Manager,
Marquette Building, CHICAGO, ILL.



SUPERIOR POLICIES
KIMBALL C. ATWOOD, President
290-292 Broadway, New York.

New England Mutual Life

Insurance Company

BOSTON, : : : : MASS.
chartered 1835

Assets, January 1, 1910..\$51,316,543.00
 Liabilities 47,050,672.15

Surplus \$4,265,870.85

Sixty-six years of honorable dealing with its policyholders has placed the **NEW ENGLAND MUTUAL LIFE INSURANCE COMPANY** in the front rank of Life Insurance Companies of the Country.

ALFRED D. FOSTER, President.
D. F. APPEL, Vice-President.
J. A. BARBEY, Secretary.
WM. F. DAVIS, Assistant Sec'y.
J. G. WILDMAN, Assist. Sec'y.

EDWARD W. ALLEN, Manager.
 224 Broadway, New York.
LATHROPE E. BALDWIN, Manager.
 141 Broadway, New York.
CHARLES H. STRAUSS, Gen. Ag't.
 200 Fifth Ave., New York.

FOUNDED 1792

118th ANNUAL STATEMENT

INSURANCE COMPANY OF
NORTH AMERICA.
OF PHILADELPHIA, PA.

ASSETS.

January 1, 1910.
 Real Estate\$ 364,410.00
 First Mortgages on Real Estate 373,806.43
 Philadelphia, New York, Boston and other City and State Loans 1,134,390.09
 Pennsylvania, Philadelphia and Erie, Lehigh Valley and other Companies' Bonds and Stocks 8,909,150.32
 Cash in Bank and Bankers' hands 1,134,635.33
 Notes Receivable and Unsettled Marine Premiums.... 347,440.69
 Net Cash Fire Premiums in course of Transmission.... 1,069,510.62
 Accrued Interest, and all other property 52,160.57

Total Assets\$13,385,501.56

LIABILITIES.

Capital Stock\$ 3,000,000.00
 Reserve for Re-Insurance .. 6,813,862.47
 Reserve for Losses 877,250.00
 All other Liabilities 104,982.45
 Surplus over all Liabilities.. 2,589,406.64

\$13,385,501.56

Surplus to Policyholders.....\$5,589,406.64
 Increase in Reinsurance Reserve 349,934.71
 Increase in Net Surplus..... 838,500.98
 Increase in Assets..... 1,371,438.93

Eugene L. Ellison.....President
Benjamin Rush.....Vice-President
T. Howard Wright.....Secretary
Henry W. Farnum.....Assistant Secretary
John O. Platt.....Assistant Secretary

Agencies in all Prominent Cities & Towns.

Hanover Fire

INSURANCE
COMPANY
of New York



Agencies
in all the Principal Places
in the United States.

THE BANKERS LIFE ASSOCIATION

DES MOINES, IOWA.

ERNEST E. CLARK, President.

Exceptional Record During twenty-nine years for

LOW RATE OF MORTALITY
ECONOMY OF MANAGEMENT
PROMPT PAYMENT OF CLAIMS
SECURITY OF ITS FUNDS

and satisfactory results for its policyholders.

THE American Credit-Indemnity Co. OF NEW YORK.

CREDIT INSURANCE ONLY.

Insures Wholesalers and Manufacturers against Excessive Annual Loss through the Insolvency of their Customers.

We can always use a few high-grade solicitors.

ST. LOUIS, MO.

NEW YORK, N. Y.

Offices in All Principal Cities.

A. B. TREAT, General Agent,

302 Broadway, : : : : : New York.

OLDEST
IN
AMERICA

STRONGEST
IN THE
WORLD

THE MUTUAL LIFE Insurance Company of New York

Mutual Life Agents Make Most Money
Because Mutual Life Policies Sell Most Freely

For terms to producing agents, address

GEORGE T. DEXTER

2nd Vice-President

34 Nassau Street

New York, N. Y.

BEGINNING THIS WEEK!

A SERIES OF ARTICLES FROM
FOREIGN COUNTRIES
ON

**Employers' Liability Insurance
Abroad.**

By

MILES M. DAWSON

Now in Europe on a Government Mission.

Send orders for copies of issues
containing this series to

The Chronicle Co. (Ltd.)

90 WILLIAM ST.
NEW YORK.

The Chronicle

1866

Published by THE CHRONICLE COMPANY, Ltd., 90 William St., New York City.

1910

VOLUME LXXXVI.

New York, September 1, 1910.

NUMBER 9



Photo Copyright, Fa-h

J. PIERPONT MORGAN

Survivorship Annuity Tables

Net Premiums, Mean and Terminal Reserves

American Experience Table,
LIFE OF NOMINATOR

Danish Survivorship Annuitants' Table,
LIFE OF ANNUITANT

And $3\frac{1}{2}$ Per Cent. Interest

BY
MILES M. DAWSON,
Consulting Actuary

SEND ALL ORDERS TO

The Chronicle Co. (Ltd.)

No. 90 William St.

NEW YORK

The Chronicle

VOLUME LXXXVI

NEW YORK, THURSDAY, SEPTEMBER 1, 1910.

NUMBER 9

PUBLISHED EVERY THURSDAY BY
THE CHRONICLE COMPANY, Limited.
No. 90 WILLIAM ST., NEW YORK.
Phone "567 John." Cable Address, "Chronogram," New York.

Subscription Price:
Three Dollars a Year. Single Copies, Twenty-five Cents.
Postage Prepaid in the United States and Canada.

MILES M. DAWSON, President.
R. B. Dawson, Treas. A. C. Harwick, V.-P. A. L. Dern, Sec'y.
Emil Schwab, Manager New England Department,
200 Devonshire Street, Boston, Mass.

All communications should be addressed to and remittances should be made to The Chronicle Company, Limited.
Entered at the Post Office, New York, N. Y., as Second Class Mail Matter.

National Fire Hazard Tests in Chicago.



AN address delivered last Friday at the annual convention of the International Association of Fire Engineers at Syracuse, William H. Merrill discussed the object of tests at the Underwriters Laboratories in Chicago. The salient part of his address follows:

"Underwriters' Laboratories (Inc.), as many of you know, is an institution operating under the direction of the National Board of Fire Underwriters. Its principal offices and testing station are located in Chicago. It has branch offices for the conduct of its business in thirty-two other cities in the United States and Canada. The Chicago plant occupies a three-story and basement building of fireproof construction, containing something over 20,000 square feet of floor space, with a frontage of 116 feet. Yard space is provided for huts and large testing furnaces.

"The main building in Chicago is, perhaps, the best example in America of absolutely fireproof construction furnished with fireproof finish and equipment. It has been designed as a model to show a practical solution of many of the problems raised by the enormous and disproportionate loss by fire in the United States. Brick, terra cotta, concrete, stone, steel and

iron are exclusively used in the structural features. The window frames and sash are of metal, with wired glass; the doors are of metal; the desks and filing cases in the main office are of steel, and even some of the picture frames are of the same material. No wood or other combustible material is used in any portion of the finish or equipment. In addition, the plant is equipped with automatic sprinklers, and the lighting and heating hazards are safeguarded with every known precaution applicable to their installation in buildings of frame construction. From this description you will realize that in this case the underwriters have gone to the extreme in adopting in their own property all of the measures they are known

to recommend in the property of others. Forty-five persons are employed in the Chicago plant, which has a value of approximately \$100,000.

"The business of this institution is the examination and testing of appliances, devices, systems and materials having a bearing on the fire hazard. These include appliances designed to aid in extinguishing fires such as automatic sprinklers, pumps, hand fire appliances, hose, hydrants, nozzles, valves, etc.; materials and devices designed to retard the spread of fire, such as structural methods and materials, fire doors and shutters, fire windows, etc., and machines and fittings which may be instrumental in causing a fire, such as gas and oil appliances, electrical fittings,

chemicals and the various machines and appurtenances used in lighting and heating.

"Up to the present time the Laboratories have examined and issued reports on over 5,000 different subjects or appliances, each report representing from one to a dozen series of investigations and experiments.

"Summaries of the Laboratories' reports are promulgated on printed cards filed according to classifications, and cabinets containing these cards are maintained at the offices of the principal Boards of Underwriters

and Inspection Bureaus in the United States, at many of the general offices of insurance companies, by some insurance firms, certain municipal departments and at the local offices of the Laboratories in large cities. Much of the information is also freely distributed by means of lists of approved and permitted devices promulgated by the National Board of Fire Underwriters, and the results of the work in many classes of appliances are furnished directly to building owners, architects, users and all other persons interested, by means of the Laboratories labelling system, under which goods are inspected at factories by



UNDERWRITERS' LABORATORIES IN CHICAGO.

(Continued on Page 10.)

Employers' Liability Insurance in Sweden

By Miles M. Dawson

Copyright, 1910, by Miles M. Dawson.



STOCKHOLM, Aug. 9.—The insurance arrangements for providing for the liability of employers under the present Workmen's Compensation law of Sweden are in many regards peculiar. The law requires the payment of one crown (27 cents) a day to each employe who becomes totally and permanently disabled by accident in the course of his employment, the payment to continue from the fourteenth week throughout the lifetime of the injured person; likewise the payment of a reduced amount if the disablement is permanent but not total, or a lump sum if the impairment of the earning power is less than 15 per cent; and a pension for the widow during her widowhood and orphans during their minority in event of the death of an employe, caused by accident in the course of his employment. The employer is himself directly responsible and is not compelled to insure. Neither is he relieved from liability if he does insure, unless he insures with the State; otherwise, in case the company fails, he will be held.

There is a State institution, known as the Riksforsäkrings Anstalt, which has power to insure employers against their legal liability or to insure employers and employes so as to cover more than the legal liability, to determine the degree of impairment when the parties (not having insurance in the Anstalt) desire it or the courts request it, and to sell annuities to insurance companies or employers, covering indemnities for which they are liable. The Anstalt employs agents and pays commissions. It adjusts all claims against itself and many of the claims against employers or other insurance companies. Its adjustment is final except as to a legal question regarding the construction of the statute as, for instance, whether the employment is covered by the statute or whether the injury was received in the course of the employment within the meaning of the law.

In competition, the Anstalt has the following advantages: All of its expenses, of whatever character, are paid by the State out of funds other than the premiums. Insurance with it alone relieves from liability. Its adjustments are final and not subject to review; and, unless a private company is at least as liberal in every adjustment, unfavorable comparison is sure to be made, for the Anstalt's scale of allowances is in the hands of all its agents.

Its agents also are everywhere and every postmaster or other public officer who comes into contact with employers or employes, "roots" for it. Most of them, including local physicians—all of whose certificates as to disability are accepted by it and paid for by it—have a small financial interest in recommending it. The adjustments are usually made directly upon the physicians' certificates and without other investigation—a thing which is safe (if indeed it is safe) only because thirteen weeks of disablement must elapse before anything is payable and because even thereafter the indemnity is so small. This implicit confidence enhances the importance of local physicians and of government functionaries and makes for the popularity with them, of this method of insurance. Convenience also favors it, for all collections and payments are made through the postoffices, the postmaster receiving a small remuneration in both cases.

The Riksforsäkrings Anstalt has, accordingly, been successful. It now has in force over half of the total insurance and gains both in volume and in percentage every year. It has also paid its way, with a small but substantial margin, after putting up reserves estimated to be ample. Whether the reserves are, in fact, ample remains to be considered. For disabled persons, the value of the annuities is computed by the Actuaries' Table; no investigation as to their adequacy has yet been made. The experience in Norway, however, where the average longevity, as shown by population statistics, is not quite so great as in Sweden, indicates that their adequacy may be doubtful; and the same thing is indicated by the possibilities as to initial selection against the Anstalt, by employers and insurance companies which purchase annuities from it at the published rates, to cover the payments due from them, when the injuries are not such as to shorten life and do not purchase such annuities when the injured are likely to succumb soon.

The Anstalt pays 6 per cent commission to agents, which is, accordingly, also the rate of commission paid by stock and general mutual companies. "Inter-insurance" companies—i. e., associations of large employers—pay neither commissions nor collection fees. Any one of these methods of insurance or none of them may be used. Frequently, whether in the Anstalt or in a company, the insurance gives larger benefits than the law provides or pays for the earlier weeks (barring always, however, the

A PENN MUTUAL PREMIUM, less a
PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS is unsurpassed for net low cost and care of interests of all members.

**THE PENN MUTUAL
LIFE INSURANCE COMPANY
OF PHILADELPHIA**

On January 1, 1909, rates were reduced and values increased to full 3% reserve.

Royal Exchange Assurance
OF LONDON.

Incorporated by Royal Charter A.D. 1720.

UNITED STATES OFFICE:
92 William Street * * * New York City
UBERTO C. CROSBY, General Manager.
RICHARD D. HARVEY, Assistant General Manager.

first three days) which the law does not require, in which case the extra premium may be paid by the employer or by the employees or both.

The total expenses, so far as they can be traced, of the State insurance are about 19 per cent of the net premiums, equivalent to about 16 per cent of the total cost, including expenses. This covers adjustments for other companies and for uninsured employers; but it does not cover all the incidental expenses of the government, because it is not possible to trace them all. The private companies use nearly 20 per cent of the premiums—which, though gross, must of course have been as low as the Anstalt's premiums, which are net—and the general mutual companies about as large a percentage, but computed on lower premiums. The "inter-insurance" associations of employers are conducted at a lower rate of expenses, estimated to average about 12 per cent.

In order to compete with the Riksförsäkrings Anstalt each of these institutions must furnish insurance at rates as low as (or lower than) those of the Anstalt though the latter does not charge anything for expenses. This looks to be impossible; and, indeed, it has been a steadily losing game, so far as volume of insurance is concerned, the Anstalt steadily gaining and the others steadily losing. Yet, so far these companies and associations have kept in the field. This is explained variously, according to the class of company.

Thus the largest stock company has done a steadily diminishing business, but at a profit. This has been due to its superior statistics, enabling it to underbid for the best risks, and also to its greater care in adjustment—which, however, has something of a boomerang effect. But it has no hope of maintaining its business permanently; and, indeed, by purchasing annuities from the Anstalt, is prepared to close its books any year.

It finds the Anstalt the "most unfair" or at least most

unpleasant competitor; but the "inter-insurance" mutual associations the most deadly, because of their lower expense and better prevention. Its management attributes the great reduction in expenses—from nearly 40 per cent to 20 per cent of the premiums—to the Anstalt and also believes the annuity purchase scheme a good one; it is also of the opinion that, if the State had kept out of insurance, but had provided for State adjustment of claims and for all companies purchasing annuities from the State, it would have been better. It is acknowledged, however, that compulsory "inter-insurance" in mutual associations of employers would have been best of all.

The general mutual companies have kept in the field, chiefly by maintaining lower reserves than either the stock companies or the Anstalt. They are finding it necessary to increase them. Their method is usually to insure at about Anstalt rates and return dividends representing the savings.

The "inter-insurance" mutual associations of employers have actually gained ground. This is attributed to "no commissions," "low expenses," "careful adjustments" and "more thorough measures of prevention," chiefly. In some cases, however, they are carrying no reserves or very small reserves, claiming that they are merely individual employers who "carry their own risks," though they do so mutually.

It is expected that the next move will be to make insurance compulsory, whether with free choice of companies, as at present, or in the Anstalt only, is not yet clear.

The third chapter in the series of articles on "Employers' Liability Insurance Abroad," by Miles M. Dawson, has been received from Copenhagen. It is entitled "Denmark's Peculiar Accident Insurance System," and will appear in THE CHRONICLE next week.

Illinois Commission at Work on Employers' Liability.

STAFF CORRESPONDENCE THE CHRONICLE.

CHICAGO, Aug. 31.—The Employers Liability Commission of Illinois held hearings in this city on Wednesday and Thursday of last week, at which a number of men presented their views on the proposed workmen's compensation plan which the commission has worked out. The Illinois Commission consists of six employers and six employees, and it has decided that no bill shall be reported to the Governor which has not received the approval of a majority of each side of the commission. The plan proposed as the basis of argument contemplates a workmen's compensation act applicable to all establishments where more than five employees are employed. The scale of compensation is somewhat similar to that provided in the Wainwright act in New York. It is provided that in case of injury to a workman, if the employer shall refuse to him the compensation provided in the act and compel him to sue, the employer shall lose his present defenses of fellow

servant and assumed risk and the contributory negligence rule shall be changed. If, however, the employee shall refuse compensation and shall sue, the employer retains all his present defenses under the common law and statutes.

There was a large attendance at the hearings and a considerable number took part in the discussions. As a rule, the employers and corporation attorneys who spoke were in favor of the principle of compensation, and appeared fairly satisfied with the tentative measure as the best that can be secured under the Constitution of Illinois. Several prominent leaders of organized labor in Chicago took a different view, however. For years the labor organizations have been seeking without success the abrogation of the fellow servant and assumed risk rules and the modification of the doctrine of contributory negligence. While the labor representatives do not express opposition to the principle of compensation, some of them are opposed to the tentative plan. They want the employers' liability changed first, and

will consider compensation afterward. It is questioned by some whether the labor leaders really represent the views of the body of organized laboring men of the city in this position. At hearings in other cities in the State labor representatives generally approved the tentative plan, and certain railroad employees who appeared at the Chicago hearing spoke favorably of it also. The labor members of the commission apparently are trying to learn the real sentiments of the labor organization men on this point and are likely to be guided by them. If they conclude that the leaders who spoke represent the true sentiments of their organizations they may refuse to approve the compensation plan and demand two bills, one depriving the employer of his main defenses and the other providing for compensation. As it does not appear likely that the employer members of the commission will agree to such a programme the result may be a disagreement and the presentation to the Governor of a report of the commission's work, but no recommendation for a bill. If, on the

other hand, the labor members conclude that the rank and file of organized labor throughout the State is favorable to the compensation plan, they probably will approve the tentative bill, with possibly some modifications, and a compensation measure be recommended to the Legislature by a majority of each side.

The one point in the proposed plan which probably called forth the most opposition, some of it from those who favor compensation, is the provision limiting the scope of the act to employers employing over five workmen. This would exclude from com-

pensation benefits a great body of workmen employed by small carpentry contractors, master painters and others, and this is regarded by many as unfair and unjustifiable. The commission, however, is not determined to have the limit of five fixed. It used this limit because it has been used in mining acts which have stood the tests of the courts. A question in the minds of the commission has been whether the naming of no limit would not create opposition to the bill from those who employ domestic servants, and from farmers, who generally employ fewer than five hands.

now dying off so fast as they did fifteen years ago, on account of improved tenement house conditions, improved milk and water supplies, and improved knowledge in the control of epidemics. These improvements have been brought about by a diversity of public health activities—much of them being wasted because of lack of organization, and all health activities handicapped by lack of scientific research and experiments and lack of proper statistical information.

"Finding that such practical results can be obtained even under existing conditions—results so vital to the people's welfare—the insurance companies are advocating that the Government take up the organizations and co-ordination of public health service. It has been possible for the Department of Agriculture, through efficient organization, to do so much for animals and plants, improving their health and giving them longer life, and the insurance companies are eager to have the human health activities of the country similarly organized.

"Practically all of the companies represented in the Association of Life Insurance Presidents are giving their moral support to the movement for the prolongation of human life. In addition to this, a great many of them are doing practical educative work. Measured by number of policies in force, the association companies cover 78 per cent of the field of American companies, having 21,700,000 policies out of a total of about 28,000,000. The association companies engaging in individual work along health betterment lines have 73 per cent of the total number of policies in force, or 20,500,000.

"There is a group of fire companies having policies aggregating 20,150,000 that make special efforts to stimulate their policyholders to activity in personal and public hygiene.

"There is another group of companies in the association which goes beyond the body of policyholders in its health promotion activities. They advise impaired applicants for insurance as to their physical condition and make suggestions to aid them. There are four companies in this group. Two of them, in the East, have a total of 86,000 policies. Another is a flourishing Middle West company that has about 150,000 policies. The fourth is a young and conservative Southern company with 7,200 policies.

"One of the Connecticut companies has published suggestions as to health reform in its magazine to agents. Two other companies, one of Massachusetts and the other of California, are considering active work in the future."

In New South Wales.

A WORKMEN'S Compensation bill was introduced in the Legislative Assembly in Sydney, New South Wales, on July 13, by the Premier, Mr. Wade. It was read and put on the calendar for second reading. As submitted to Parliament the bill is much on the lines of similar measures in other parts of the Empire. The following are some of its principal features: Workmen employed by the Crown are to be included, as well as those in private employ. An employer is held to be a person who habitually employs at least four persons in his trade or business, and the term employer includes firms, companies and corporations. The term workman is not to include any person whose employment is of a casual nature. The mining industry, being already provided for, is excluded from this bill.

When any industry has its own non-compulsory compensation or insurance scheme it may by consent be accepted in lieu of the provisions of the bill. Where death results from injury, the provision is to be three years' wages, with a minimum of £200 and a maximum of £400. Where total or partial incapacity results from injury the maximum is to be £100. Special provision is made for those under twenty-one and over sixty years of

age and for infirm workers.

When injury results from negligence of employer, the workman is to retain his rights at law independently of this legislation, but not in addition to it. Should he fail independently of the provisions of the proposed act he forfeits his right to subsequently claim under it. The court may, however, with the plaintiff's consent, assess the amount otherwise recoverable under the act and deduct therefrom the costs caused by the plaintiff bringing the action, instead of proceeding under the Workmen's Compensation act.

Employers are not to be liable for injuries which do not disable the workman from earning full wages for two weeks, or when an injury is directly attributable to serious or wilful misconduct of the workman. When litigation is necessary and the claim is for more than £30, proceedings shall be taken in the district court, but if for not more than £30 proceedings shall be taken before a stipendiary.

As there is every likelihood that the bill will have a rapid passage through its various stages in Parliament, accident underwriters are getting ready for the rush of business which is bound to come as a result of the increased liabilities to be placed on the shoulders of employers.

To Improve the National Health.

THE Committee of One Hundred on National Health in its August Bulletin, just issued, has a number of things to say in regard to the work of insurance companies, advocating Federal organization of human health activities, together with a statement of what life insurance companies themselves are doing to im-

prove health. What the Bulletin says follows:

"During the last fifteen years life insurance companies have not only been able to return money to their policyholders, but have been able to add to the amount of insurance given for the same premium. This is because people at younger ages are not

New Liability Laws in Force To-day.

THE new Employers' Liability and Workmen's Compensation laws of this State became effective to-day. In regard to the effect of these laws upon liability rates the "New York Times" published an editorial on Monday, in the course of which the opinion was expressed that "if the new laws effect the purpose of their framers the rates (for insurance) will eventually go lower than ever."

In regard to this point of the editorial Dr. R. S. Keelor, Vice-President of the Empire State Surety Company, said:

"I infer that this statement has reference to the assumed fact that workmen's compensation laws will make it unnecessary for employes to sue for damages under the liability law, and that as a matter of fact they will not sue under such law, and thus the cost of liability insurance will diminish. Every one connected with the business of liability insurance will be highly pleased if such result is attained, but I doubt whether any one so connected expects any such result. Suits for damages under the Employers' Liability law continue in England, notwithstanding the liberal provisions

of their Workmen's Compensation law, more than 3,000 liability suits having been heard by the English courts in one year. For reasons which have to do with social conditions such suits will continue here, notwithstanding the existence of workmen's compensation laws, but in larger proportion than in England, and under such circumstances rates for liability insurance cannot be reduced.

"Workmen will not, as a rule, favor the voluntary compensation plan, for the reason that it takes away the right to sue for damages under the employers' liability law. The workman wants to retain this right, because in a considerable number of cases he can collect larger damages under the voluntary compensation plan, and, on the other hand, the employer will not, as a rule favor the voluntary compensation plan because it calls for too much red tape to make it effective."

Frank E. Law, Assistant Secretary, and actuary of the Fidelity and Casualty Company, has this to say as to the high expense ratio of the liability companies, in the course of a letter to the editor of the "Times":

"Much criticism of the companies and of their high expense ratio is due

to a misapprehension. First of all it should be recognized that the business is a retail one. One policy is sold at a time, and then not at a company's own place of business, but at the place of business of another. Second, the companies have been under a heavy expense because they have to seek business. Employers did not seek them. Third, the companies must defend employers against suits to enforce claims not recognized by the law and suits to collect damages far in excess of what will be allowed by the courts. It is the fighting of what are held under the law as unjust claims that makes so much litigation and so much expense. The waste is due to the system instituted by the community, and not to the companies. It would be far better to cut off entirely from employes any rights of action under the common law and employers' liability statutes and give in lieu thereof adequate benefits under a workmen's compensation law. Such an arrangement would probably put a stop almost completely to litigation and the great waste consequent upon it. But there are constitutional difficulties that probably could not be overcome."

J. P. Morgan and the Equitable.

PRACTICALLY the entire life underwriting world is giving thought to the return of J. Pierpont Morgan to his banking house desk this month. The reason for this thought at the present time consists in what Mr. Morgan will choose to do in regard to the trusteeship of the controlling interest of 502 shares of the capital stock of the Equitable Life Assurance Society.

The old voting trust agreement, which was drawn for the period of five years, was dated June 15, 1905, and under its terms the trustees were the late Grover Cleveland, Morgan J. O'Brien and George Westinghouse. Efforts to forecast Mr. Morgan's decision have been fruitless in that the forecasters had their labor for their pains. Now, like the rest of life underwriters, they are restraining their interest until next month.

Under the old agreement the party of the first part, who then was Thomas F. Ryan, transferred to the trustees 502 shares of the capital for purpose of vesting in the trustees the right to vote thereon for the five-

year term and upon the conditions stated in the agreement. The trustees were exclusively authorized to exercise the voting power of the stock held under the agreement for the election of directors of the society. Of the entire directors of the society twenty-eight were policyholders selected by or on behalf of the policyholders and twenty-four were lawfully eligible persons selected by the trustees in their sole discretion. This old agreement was recommended by Messrs. O'Brien and Westinghouse to Mr. Morgan for continuance, and his reply was little more than an acknowledgment of the receipt of their recommendations and their expression of their willingness to serve again as trustees.

NEW ENGLAND BREVITIES.

Morris O'Keefe was arraigned in court in the Brighton district of Boston on Monday and held in \$15,000 on charges of having within a month set six fires in the Brighton section. One of these fires did \$25,000 damage on Thursday night to the stable and

contents belonging to A. J. Furbish. The accused, formerly a stableman in Mr. Furbish's employ, had been discharged by him.

* * *

The destruction by fire of James Walker & Co.'s saw and box factory at Basin Mills in Orono, Me., with over \$100,000 loss and \$90,000 insurance involved, after the plant had been run for sixty years, is an object lesson to the short sighted mortals who face claims of immunity or demands for lower rates because their particular property has escaped for so long.

* * *

The New England Insurance Exchange at its August meeting adopted the rules regarding wireless telegraph outfits recommended by the Executive Committee at the July meeting. Messrs. S. E. Barton, George Neiley and John J. Downey were appointed a committee to prepare a tribute to the late George P. Field.

* * *

At last Tuesday's meeting of the Boston Board of Fire Underwriters Harris H. Whitney was elected Vice-President to succeed the late Gustavus C. Holt.

Associated Fraternities at Atlantic City.

AT THE tenth annual meeting of the Associated Fraternities of America in Atlantic City last week President Donovan devoted much of his address to the bill drafted by the Fraternal Insurance Committee of Insurance Commissioners. Mr. Donovan said in part:

Some recent decisions of the courts of last resort in the States of New York, Iowa and Wisconsin occasioned the fraternal managers considerable alarm at the time they were rendered, but after a more careful examination of them, and consequent better knowledge of the facts, I think it is generally conceded, or should be, that these decisions were due largely to faulty wording in the constitution, laws and certificates of membership of the societies affected by the decisions.

When the older societies formulated their laws there were but few decisions of the higher courts construing the law applicable to fraternalists as distinguished from legal reserve corporations. Now, however, the courts of last resort in nearly all the States have passed upon such questions more than once, and I am decidedly of the opinion that our principal trouble, and our best remedy therefor, as well as for the correction of many other evils with which we are afflicted, lies within ourselves, and that in applying this remedy we will find in this, as in everything else in life, that an ounce of prevention is worth a pound of cure, and that a revision of our own faulty laws and certificate contracts, so as to bring them within the language of the more recent rulings and decisions of the courts as applied to such contracts, is better than to undertake to secure a reversal of their decisions after they are made; and in accordance with this belief I would recommend that this matter be fully discussed at this meeting and a committee appointed consisting of three members, learned in the law and having experience in fraternal litigation, whose duty it shall be to procure and inspect copies of the laws and certificate contracts of the various fraternal orders, and suggest such revision of them as will in their judgment tend to avoid trouble of a similar character in the future.

I have had both occasion and opportunity during the year to come in very close touch with this important commission, and am simply astounded at the stupendousness of the undertaking and the amount of work and effort that is being expended by the commission, both individually and collectively, to make the important work undertaken by them creditable alike to themselves, to the Associated Fraternities and the fraternal interests it is intended to benefit, and I hope that the encouragement necessary to the successful consummation of their great work will be given the commission, not only by the Associated Fraternities, but by the fraternal orders generally, irrespective of their affilia-

tions, and that the societies which have not yet submitted their experience and data for the use of the commission will do so at an early date, so that the final completion of the work may not be delayed.

The fact is generally recognized, I think, that there is no uniform system of record keeping and accounting employed by the fraternal beneficiary associations. Appreciating this fact, a committee on system and accounts was appointed at the Omaha convention last year, under a resolution offered by Major C. W. Hawes, the chief duty and province of which was to inquire and investigate the systems of record keeping and accounting in use by the various fraternal societies and life insurance companies, and report their findings and recommendations to the association at this meeting.

That this committee has been unable to accomplish the results desired and expected is a matter of keen regret, as it must be apparent to all who have given this subject any consideration that the present system of record keeping and accounting in use by the various fraternal societies is entirely inadequate to their needs. And as the changed and prospective changing conditions confronting the societies will soon, if it does not already, make scientific actuarial accounting not only a requirement but an actual necessity, and as the adoption of a correct uniform system of record keeping and accounting by the fraternal societies will unquestionably mean the adoption in time of like methods by the life insurance world generally, it behooves the fraternal societies, if they desire to be abreast of the times and be originators instead of imitators, to get busy. And with a view to the greater economy, efficiency and expediting of this important work, I would recommend that the committee appointed under Major Hawes' resolution of last year be reduced from seven to five members, to be selected from the present committee. As a correct uniform system of accounting, as well as a correct uniform report blank, must necessarily be a prime consideration in the determination of a correct uniform bill, and as both of these matters require the exercise of similar knowledge, experience and research, and the further fact that members of this committee have already had some valuable experiences in this line, it might be well to intrust both of these matters to this committee, clothing them with sufficient authority to enable them to confer and work in conjunction with the National Fraternal Congress and Insurance Commissioners' Committee on Uniform Blanks, to the end that the results of their early joint action may be available for consideration by the commissioners at their coming annual meeting.

Most of the sessions were taken up with a detailed examination and discussion of the Commissioners' bill. The special committee was continued

with power to represent the Associated Fraternities at the meeting of the Insurance Commissioners at Mobile, where it is hoped that this committee and the corresponding committee of the National Fraternal Congress will be able to agree with the sub-committee of the Insurance Commissioners on the few differences still existing and obtain a feasible bill.

SPECIAL OPPORTUNITIES offered now in Southern States to Representatives of

**CITIZENS
NATIONAL LIFE
INSURANCE
CO.**

W. H. GREGORY,
President.

—THE—
Philadelphia Casualty Co.

WALTER LE MAR TALBOT, Pres't.

Our New Accident Policy Is Perfection.

**It's the Policy Your Client Wants.
It's the Policy That's Easy to Sell.**

**Personal Accident, Health, Liability
Automobile, Plate Glass and
Credit Insurance.**

Agency Correspondence Solicited.

201st YEAR.
**SUN
Insurance Office
OF LONDON.**

FOUNDED 1710.

UNITED STATES BRANCH:
54 PINE STREET, NEW YORK.
WESTERN DEPARTMENT:
171 LA SALLE ST., CHICAGO.
PACIFIC DEPARTMENT:

Sansome & Sacramento Sts.,
SAN FRANCISCO, CAL.

**AGENTS WANTED
AT UNREPRESENTED POINTS**

Gifford Pinchot Blames Congress for the Extent of the Forest Fires.

G IFFORD PINCHOT, head of the National Conservation Association, and under President Roosevelt Chief Forester of the United States, censures Congress for the extent of the forest fires in the Northwest. He blames the members who consistently fought the forestry service appropriations intended to increase the number of rangers, one of whose duties is to look out for fires.

"I am proud," Mr. Pinchot says, "of the splendid work the men of the forest service have been doing against the Western forest fires. Many of them have given their lives to protect the homes of settlers and the forests on which the prosperity of the Western people depend. To my mind their conduct is beyond all praise.

"Forest fires are preventable. It is a good thing for us to remember at this time that nearly or quite all of the loss, suffering and death these fires have caused is wholly unnecessary. A fire in the forest is of the same

kind of a thing as a fire in the city. There is only one way to fight either. The fire department of every city is organized with the prime idea of getting to the fire when it is young. So with forest fires. The time to conquer them is before they grow strong. If a forest is equipped with roads, trails, telephone lines and a reasonable number of men for patrol, there is no more likelihood that great fires will be able to get started than there is that great conflagrations like the Chicago fire will get started in a city with a modern fire department. Under rare circumstances they may, but the chances are against it.

"The forest service has done wonders with its handful of devoted men. It has put out every year many thousands of small fires, any one of which, under favorable conditions, might have developed into a conflagration which 10,000 men could not stop. This year, because of the great drouth, the worst in much of the West for more than twenty years, there were too

many fires and too few rangers.

"The lesson from these forest fires is perfectly clear. When a city suffers from a great fire it does not retrench in its fire department, but strengthens it. That is what the nation must do on the national forests.

"The men in Congress, like Heyburn, Carter and Mondell, who have made light of the efforts of the Forest Service to prepare itself to prevent just such a calamity as this, have in effect been fighting on the side of the fires against the general welfare. If even a small fraction of the loss from the present fires had been expended in additional patrol and preventive equipment, some, or perhaps nearly all, of the loss could have been avoided.

"I believe our people will take this lesson to heart and insist that the settlers and their wives and their children, the lumber men and the miners and the \$2,000,000,000 worth of national property in the national forests shall be adequately protected."

Life Companies in New York Gain \$47,000,000.

A N INCOME of \$691,135,126 was the record of life insurance companies doing business in New York State during the last calendar year. This is shown in the annual report of the State Department of Insurance just issued. Of this sum \$380,868,125 was received by New York State companies, being an increase for all the companies was \$47,995,041. Of the disbursements for the year \$473,799,041, there was paid to policyholders \$344,006,147, and for management, including dividends to

stockholders \$129,792,893.

The assets of all the companies increased during the year \$263,281,470, of which \$130,118,909 were in New York State companies. The gross surplus and special funds amounted to \$173,606,532, the sum of \$75,812,975 being in New York companies. The liabilities, excluding gross surplus and special funds, were \$3,293,868,289, of which \$1,956,065,902 was in New York companies.

During 1909 New York companies issued 342,707 "ordinary" policies, in-

suring \$576,108,902, as against 305,693 policies in 1908, insuring \$504,862,179. Companies of other States issued 352,415 policies in 1909, insuring \$708,133,145, an increase in policies of 65,501 and in insurance of \$103,618,183. There were 10,157 less policies terminated in 1909 than in 1908 while \$42,123,389 less insurance was terminated.

The total number of "ordinary" policies in force on December 31, 1909, was 5,757,447, insuring \$11,110,457,172, an increase in policies over 1908 of 320,440 and in insurance \$556,499,315.

Germania Fire

INSURANCE CO.,

NEW YORK.

ORGANIZED 1859.

Cash Capital.....	\$1,000,000.00
Assets	\$6,562,329.14
Net Surplus.....	\$2,008,419.02
Surplus for Policyholders,	\$3,008,419.02

HEAD OFFICE:

Cor. William and Cedar Streets.

Most agents take a vacation during a part of the Summer months. The agents of the Philadelphia Life, having the advantage of a direct contract with the Company, can generally be placed in territory where they may enjoy a vacation and at the same time have the advantage of writing business and making money.

Write Perry to-day for contract.

The business in force in the State of New York and transacted therein during the last year by all life insurance companies of this and other States, including "industrial" business was: Policies in force 5,515,453, insuring \$2,431,017,825; policies issued 1,001,592, insuring \$372,020,470, an increase in insurance in force of \$157,329,306 over 1908 and an increase in insurance written and paid for of \$63,988,418.

The total receipts of the department for the fiscal year ending September 30, 1909, were \$427,074.40, and the total expenditures were \$226,044.34, an excess of receipts over expenditures of \$201,030.06.

The par value of the securities held on deposit by the department on December 31, 1909, belonging to the various insurance companies required by law to make such deposits, was \$25,942,510.

Speaking of the good showing in these figures, Superintendent of Insurance Hotchkiss said:

"The improvement in the business of life insurance reflected by the returns of the companies for the year 1909 is marked and indicates that this important branch of the insurance business is fast returning to more satisfactory conditions. While there was no abnormal increase in business written during the year, the increase in the business in force was most noticeable. The increase in dividend payments to policyholders during 1909, and in amounts apportioned for dividends on annual and deferred dividend policies, payable during the current year; the large decrease in lapsed policies and the lowering of the general expenses are among the features that go to prove that the year 1909 was not only a favorable one for the companies, but also for the insuring public."

GAVE SHARES TO RAWN FOR 10,000 CAR DOOR ORDER.

CHICAGO, Aug. 31.—The hearing on the charges against Frank B. Harri-man, Charles L. Ewing and John M. Taylor, former Illinois Central Railroad officials, accused of car repair frauds, was resumed on Monday before Judge Bruggemeyer, of the Municipal Court. Theophile Reuther, once a director of the Ostermann Manufacturing Company, one of the repair concerns, charged with drafting from the railroad, declared on the witness stand that he had been told that the late Ira G. Rawn held 8,000 shares of the Ostermann stock. Reuther testified that Ostermann said he gave Rawn the shares in consideration of an order for 10,000 car doors.

Rawn, who had been a high official

of the Illinois Central, was President of the Monon Railroad at the time he was found shot to death at his Summer home in Waukegan, Ill., on July 20. Rawn carried accident insurance policies of a face value of \$110,000, which, with accumulations, amounted to about \$135,000.

THE PITTSBURG MERGER.

The merger of the National of Pittsburgh and the Ben Franklin of Pittsburgh will take the form of the National-Ben Franklin Fire Insurance

Company, with \$1,000,000 capital, about \$1,000,000 surplus and more than \$3,000,000 assets.

The officers of the National-Ben Franklin have been agreed upon as follows: President, Samuel McKnight; Vice-Presidents, Charles F. Stifel and Joseph C. Porter; Chairman of the Board of Directors, John Thompson; Secretary, H. M. Schmitt. Mr. Schmitt has been the underwriter of the National, and he will have charge of the operations of the enlarged company.

THE HOME LIFE INSURANCE COMPANY OF AMERICA

Incorporated 1899.



JOHN LANGHAM, Jr., President.
JOSEPH L. DURKIN, Secretary.
EDWARD P. MADDEN, Treas.

General Agents and District Managers who can produce ordinary business can secure "Ground Floor" contracts with **GUARANTEED RENEWALS** and an assignment of territory limited only by capacity to produce agency organization and business. Send for Sample Policy. **IT IS ONE YOU CAN SELL.** New business, \$1,500,000—January 1-June 30, 1910.

Address:

G. M. NETTLESHIP,
General Manager,

416-18-20 Walnut St., : PHILADELPHIA, PA.



Insurance Brokers

Place Your **SURETY** and **CASUALTY** business in the "EMPIRE."

CAPITAL, - - - - - \$500,000

Business Producers not now under contract wanted for open Territory.

Address Agency Department,
THE EMPIRE STATE SURETY CO.,
84 William Street, New York

A GREAT SIX MONTHS

We closed the first half of 1910 with a rousing increase in new business over our record for the first half of highly prosperous 1909.

In policies and dividends we have what the public wants. In literature and canvassing aids we have what the agent wants. And back of all is a reputation gained from 59 years of activity as a Massachusetts Company.

If you are a genuine producer, a *delivering* producer, and wish to join our forces, address

GEORGE D. LANG,
Superintendent of Agencies
Massachusetts Mutual Life Insurance Company,
Springfield, Mass.

Incorporated 1851

Ohio German President Accused of Fraud.

TOLEDO, Ohio, Aug. 31.—Judge Michael Donnelly, former President of the Ohio German Fire Insurance Company, now under indictment here for transactions growing out of the failure of the company, was accused yesterday of having started the concern, then known as the Anchor Insurance Company, with practically no capital. The charge was made by E. R. Torgler and E. J. Marshal, trustees of the company, in a reply filed in the Henry County Common Pleas Court to the cross petition of D. D. Donovan, assignee of the Citizens' State Bank of Napoleon.

The reply of the trustees asserts that Donnelly and his associates had but \$38,000 of actual money invested as capital in the company when the concern received its charter from the State and began business.

The capital of the Anchor Insurance Company, which was started by Judge Donnelly and F. D. Prentice in 1902, and the name of which was subsequently changed to the Ohio German Fire Insurance Company, was supposed to be \$200,000, with a surplus of \$100,000. This money was all believed to have been paid in by the owners of the stock of the concern, but the trustees affirm that the State Insurance Department was misled by the officers of the company from the first day of the concern's existence.

In order to satisfy the Superintendent of Insurance that the company had the necessary money to begin business fictitious certificates of deposit, the reply alleges, were drawn on the Citizens' State Bank and were taken by Donnelly to the State official. These certificates totalled \$300,000, the amount needed under the law, and were exhibited by Donnelly as assets representing the capital and surplus of the new company seeking

the charter. Donnelly also exhibited certificates from J. D. Groll, cashier of the Citizens' State Bank, certifying that the full amount of \$300,000 was on deposit in the bank in Napoleon.

The trustees made the direct charge that the certificates were issued to enable the Anchor Insurance Company to make a showing, so that the Superintendent of Insurance would permit the concern to start in business.

The fight is being waged in court over the possession of \$102,050.13, the amount of bank balances alleged to be on the books of the bank and in favor of the Ohio German.

Attorney Alexander Smith, representing Assignee Donovan, who is a law partner of Donnelly, presented to the court his statement of the case.

"We will show the court," said Attorney Smith, "first that \$55,000 of this alleged balance was either fictitious credits or proceeds of unauthorized or illegal loans to Donnelly and that the insurance company parted with nothing, and can, therefore, recover nothing. Second, that \$25,000 more of the claim is fictitious and in the form of false credits obtained by the insurance company in 1905, 1906 and 1907. Third, that the insurance company must make good to the bank \$15,000 of North Baltimore and Columbus Grove bonds which were borrowed from the bank on November 4, 1908, when the company was on the verge of being closed up."

Attorney Smith then took up the question of the illegality of the loans made to Donnelly by the Citizens' State Bank and said that the mere fact that the jurist had given his note for \$105,000 to the bank showed that the transaction was fictitious. As to the agency balances amounting to \$55,000, and which had been transferred to the bank by Donnelly in payment for

a loan of equal amount, Attorney Smith said he would prove the insurance company and not the bank realized on them.

As to the Columbus Grove and North Baltimore bonds amounting to \$15,000, it would be shown, Attorney Smith said, that the bank owned these securities. Donnelly came into possession of them by first obtaining a loan on \$15,000 from the bank. Then he gave his note in payment and went out and bought the bonds, putting them up as collateral to secure the note. A short time after he was allowed by Groll to pull down this collateral and take it to Toledo, where he entered it as assets of the Ohio German and exhibited the bonds to the State Insurance examiners.

F. E. M'MULLEN GOES WITH PROVIDENT SAVINGS LIFE.

President Rittenhouse, of the Provident Savings Life announces the appointment of Frank E. McMullen as Second Vice-President and superintendent of agents of that society to take effect to-day. As President for one term of the National Association of Life Underwriters, and as an active member of the important working committees of that body for years, Mr. McMullen has earned a national reputation as a progressive life insurance man. He has for a long time been prominently identified with those whose successful efforts in fighting wrong practices, and in elevating and dignifying the work of field men have attracted wide attention.

Prior to 1902 he was a member of the field force of the Provident Savings. Since that time he has been manager for the Western District of New York for the Aetna Life.

HARTFORD LIFE

INSURANCE COMPANY,
OF CONN.

1909 Policies are Participating, or Non-participating, with Lower Rates and Values based on FULL RESERVE.

For Right Contracts,
Address, Second Vice-President,
Home Office, HARTFORD, CONN.

BONDS OF SURETYSHIP.

The Guarantee Company of North America

HEAD OFFICE, MONTREAL

Edward Rawlings, President.

H. E. Rawlings, Asst. Mgr.

Richard B. Scott, Secretary & Treasurer.

It is the Pioneer Company, was established in 1872, and is conducted under a conservative management of over 55 years experience.

It has recouped to employers over \$2,190,000 for losses sustained by the infidelity of employees and has a surplus of \$1,041,423.23 to credit of shareholders and total resources of \$1,919,892.38 for the security of insured.

Branch Offices:

NEW YORK: 111 Broadway.
D. J. Tompkins, Secretary.
BOSTON: 114 Milk Street.
W. A. Hamilton, Agent and Attorney.
CHICAGO: Room 400, The Temple.
J. R. Pruyn, Resident Sec. and Atty.
PHILADELPHIA: 500 Arcade Bldg.
W. H. Jackson, Res. Secretary.
PITTSBURG: 1120 Farmers Bank Bldg.
E. R. Munro, Resident Secretary.
LOUISVILLE: 316 Columbia Bldg.
P. N. Clarke & Co., Agents.

FIRE HAZARD TESTS.

(Continued from Page 1.)

Laboratories engineers, and stamps or labels attached to such portion of the output as is found constructed in accordance with standard requirements.

"The results of extended tests and examinations of sixteen different brands of fire hose received from fire departments in the Far West, the Central West and the East, show important deficiencies in all, and clearly indicate that, almost without exception, these are of such inferior quality that they should not be accepted for use in a public fire department. While the brands investigated are by no means equally poor in quality, there is hardly a feature relating to the materials employed or the details of manufacture which does not merit criticism with more or less frequency, considering the tests as a whole.

"The tests and examinations of the couplings attached to the hose submitted show that this item is also commonly slighted, not only in regard to the quality of the castings and workmanship, but in the attachment of the couplings to the hose.

"The average weight of the couplings for 2½ inch hose was 5 pounds 6.73 ounces, including the expansion rings, only slightly less than the minimum weight of 5½ pounds specified. The maximum weight for any one set of couplings was 6 pounds 4.7 ounces; minimum, 4 pounds 11.39 ounces. In eight cases the couplings were under weight.

"The castings were not analyzed, but their color indicates that the percentage of copper employed is low in the majority of cases. In nearly all the tail pieces and expansion rings are somewhat shorter than specified in the standard, and in some the metal was not strong enough to resist the strains of expanding the binding rings without rupture. In several cases the corrugations for binding the hose contained sharp projections due to sand left in the moulds, and in one the corrugations were sharp enough to cut the hose fabric.

"It has been claimed that the hose furnished is as good as municipalities are willing to pay for and that the lower grades are sufficiently reliable for smaller cities where the service is not severe. A comparison between the prices paid and the quality of the hose furnished does not seem to bear out the first contention, for the best hose is frequently sold for the lowest prices, and hose of the poorest quality often sells at the highest prices. Then, again, hose of substantially the same

quality and bearing the same distinctive manufacturer's markings sells for prices differing by wider margins than can be accounted for by any difference in locality or legitimate cost of selling.

"It is unfortunately a fact that it has been most distinctively 'American' for municipalities to purchase materials on the representations of interested parties, and to often accept assurances as to their quality without proper investigation as to the facts in the case.

"The Underwriters' Laboratories may be said to be engaged in a somewhat uncommon business. We are endeavoring to tell other people things that are necessary and beneficial for them to know in connection with their business, where it comes in contact with our business. There have been a great many institutions and organizations and societies which have endeavored to do this in one field or another, and they have been successful or otherwise exactly in proportion to the real value to others of the advice they have assumed to give.

"Hundreds of millions of dollars are invested in the stock fire insurance companies doing business in the United States. The liabilities assumed by them under insurance contracts is equivalent to a large percentage of the aggregate property values of the country. This important direct financial interest in the efficiency of the Laboratories' work is a strong safeguard.

THE ROYAL TO ORGANIZE A CASUALTY COMPANY.

William and Pine Streets are quite busy talking about the announcement that the Royal Insurance Company of Liverpool will organize a casualty insurance company in New York to enter the various States. It will have \$500,000 capital and \$500,000 paid in surplus. Liability, personal accident, health, plate glass, burglary, boiler and all classes of business permitted by the statute will be included in the chartered privileges of the new institution, which will avail itself of the agency plants of the Royal and Queen Insurance Companies.

CHIEF CROKER INSPECTS MOTOR DRIVEN ENGINES.

Chief Croker, of the New York Fire Department, went to Syracuse last week during the session of the Fire Chiefs' Convention, principally for the opportunity to observe motor driven engines and combination wagons. The various makes of engines were lined up beside the canal, and gave exhibitions of the power and volume of water which gasoline engines were able to throw. After the exhibition he said:

"There can be no question but that the motor driven fire apparatus is the coming thing. An automobile engine or wagon can cover the ground much more rapidly than horse apparatus. I have heard some objections to the automobile on the ground that the cranking of the machine will delay a start from a fire house. There is nothing to that, however. A car can be started as quickly as a team can be hitched up. In spite of this, I believe the automobile is still in its infancy, and we must go slow in the matter of bringing it into general fire service."

QUEEN LETTER TO BROKERS

The following circular letter has been sent out to brokers generally by Secretary N. S. Bartow, of the Queen Insurance Company: "The Queen has decided to favorably consider an increase in limits on individual risks by about 50 per cent, such increase, however, not to apply to accommodation lines. We trust that you will be able to avail yourself of these increased facilities, and that you will submit for our consideration any good business which you may have to offer."

MEN OF ENERGY ARE OFFERED WORK OF MOMENT

In desirable localities representing a sixty-year old institution, with modern, liberal, law-conforming policies, and helpful Home office co-operation. Much good territory available. Many opportunities for advantageous positions. Inquire NOW.

UNION MUTUAL LIFE INSURANCE COMPANY PORTLAND, MAINE

FRED E. RICHARDS, President.

Address either:
ALBERT E. AWDE,
Supt., 396 Congress St.,
Portland, Maine.
THORNTON CHASE,
Supt., 405 Exch. Bldg.,
Los Angeles, Cal.

LEADING FIRE COMPANY OF THE WORLD



What La Salle Has to Say About Insurance.

CHICAGO, Aug. 31.—Surpassing in interest everything else in the fire underwriting line in Chicago last week was the announcement of the closing of the Western Department of the North British and Mercantile about November 1. There had not been the least suspicion of such a change, and the announcement was a surprise to everybody. It is said that until Wednesday morning of last week only Manager W. J. Littlejohn, Assistant Manager George H. Bell and two clerks, who were getting out the announcements to be sent to agents, knew of the impending change.

Naturally the wisdom or unwisdom of the move comes in for more or less discussion on the street. The opinion is expressed by some that the company has made a mistake. The North British has been an important factor in the West. There are other good British companies, such as the London Assurance, Royal Exchange, Caledonian, Scottish Union and Norwich Union, which do not maintain Western departments, but neither have they the volume of business nor the influence in the West that the North British has. Why the company should take the course of companies doing only a limited Western business is what these people cannot quite understand.

On the other hand, it is pointed out that the Home of New York, which is the biggest factor in most of the Western States, did the same thing a number of years ago and has continued to grow in the West ever since. It, however, increased the powers and importance of every State agent, until each is almost equivalent to a general agent for a State. If that is the plan the North British purposes to follow its action will be understood

more readily.

In either event there is regret at the passing of the Western Department.

A well-known English company recently decided to divide the large field covered by one of its Western special agents, and, in order to obtain a field man for the territory cut off, inserted advertisements in a couple of Western newspapers. It expected many replies and it was not disappointed. Among those who aspired to become field men was a local agent representing one company as a side line. The company wrote him asking what special qualifications he had for field work, especially what experience he had had in adjusting losses. He replied that he had once adjusted a \$25 loss.

It is considered unfortunate that the meeting of the National Association of Local Agents at Chicago and that of the Western Union at Frontenac come at the same time. The result will be that both agents and managers will be disappointed in not seeing each other while the agents are in Chicago. The Union would have been inclined to change its date, but for the inconvenience that would have been caused the Eastern members. Some of the managers think the National Association made a mistake in choosing as its meeting time the usual date of the Union's annual meeting.

One fire insurance clerk in this city is rapidly concluding that he has run against a real sample of the strenuous life. This clerk asserts that he likes to work, and his record bears out this assertion, but there is a limit to his desires in this direction which he is approaching so rapidly he is likely to run past it without being able to stop.

The agent for whom he works is very energetic and his methods of work are not the kind laid down in books on system. What the clerk complains of is that the "boss" fools around the office most of the day, then goes out and solicits for a time, and about the closing hour comes in with a line of possibly several hundred thousand dollars that must be bound that night. The clerk gets hold of it about the time the offices are closing, and he has to get his binders from the agents at their homes. This keeps him telephoning to various parts of the city and suburbs until midnight or later at times. The clerk asserts that this running a night shift in an insurance office is getting monotonous.

The announcement a few days ago by Commissioner Barry, of Michigan, that the new Franklin Life, stock company, could not do business in his State under the license granted to the old Franklin Life, mutual, was, according to report, the forerunner of an examination if the company desires to continue in Michigan. It is understood that Mr. Barry intends to find out all the details of the process by which the company was changed from a mutual to a stock basis. This action was the cause of considerable comment. While several companies further West have done the same thing

at previous times, the notoriety given the Union Central's stock increase has tended to make these transactions receive more attention.

Just now there are several managers or general agents of small or young life companies in Chicago who are contemplating a change. Some of them have held their present positions only a few months, but in that time they have had the same experi-

The Connecticut Mutual

That means the best life insurance to have and the best to sell. If you can sell life insurance, you can sell more of it for the CONNECTICUT MUTUAL.

Men of Character and Ability are invited to apply.

Conn. Mutual Life Ins. Co.
Hartford, Conn.

Please mention this paper.

THE FRANKFORT	
MARINE, ACCIDENT AND PLATE GLASS INSURANCE CO.	
OF FRANKFORT-ON-THE-MAIN - - - - - GERMANY	
ESTABLISHED 1865.	
United States Department, - - - 100 William Street, New York, N. Y.	
TRUSTEES:	
RICHARD DELAFIELD, Pres. of National Park Bank	
ERNST THALMANN, of Ladenburg, Thalmann & Co.	
STUYVESANT FISH, 52 Wall Street, New York City.	
C. H. FRANKLIN, U. S. Mgr. and Attorney JNO. M. SMITH, Sec. U. S. Branch	
INSURANCES TRANSACTED	
LIABILITY—	Burglary
Employers, General, Vessel Owners,	Workmen's Collective
Public, Landlords, Contingent,	Individual Accident & Health
Teams, Elevator, Druggists & Physicians.	Individual Accident & Health
AGENTS WANTED FOR UNOCCUPIED TERRITORY	

ence as their predecessors with small companies—viz., that it is almost impossible for such a company to get a foothold in Chicago. Even of the companies whose home offices are in Chicago only a few do any considerable business in the city, and those from the outside find it still harder. It has been the frequent experience for several years that young companies entering the city are made the victim of "rounders" and "advance men" until their general agents can stand the strain no longer, or they get loaded with "flyer" business that

eventually has caused them to look upon Chicago with disfavor.

* * *

Announcement from New York that the Royal is about to organize a casualty company excited lively interest among some of the casualty men in Chicago. It is, of course, conceded at once that any company the Royal stands behind is going to be solid and worthy of confidence. The question naturally arises, however, what is the Royal's reason for wanting a casualty company in this country and why have other English companies doing fire

business here shown similar desires. Whether these English companies foresee changes in the laws of the various States which will enable them to do business in all lines, as they do at home, and are preparing for such a change, or whether they see a way of utilizing their big city brokerage connections to get a good volume of casualty insurance at comparatively small expense, or whether they have other reasons, are questions on which casualty men find it interesting to speculate—that is, if one is so disposed.

LA SALLE.

Frank Lock Discusses the Expense Ratio.

FRANK LOCK, manager of the Atlas of London, sees little prospect of reducing materially the expense of fire underwriting at present. In the "Journal of Commerce" he is quoted as saying, among other things, the following:

"The business of fire insurance could be transacted to the best economic advantage, combined with efficient results, by concentration of management, coupled with broad and intelligent co-operation untrammelled in all phases of inspection, ratemaking and adjustment of losses, with possi-

bly some clearing house plan for the free exchange of business direct and by reinsurance. It may be granted that there is not too much capital in the business. Far from it, but the capital is too diffused, thus incurring an enormous economic waste in the multiplication of such items as officials, field men, travelling expenses, rentals and stationery.

"Beyond these again, due to the same and other causes, we find a great army of men doing the work of local agents far beyond the needs of the business, the overplus of whom simply embarrass and hamper the better class of agents who are entitled to be regarded as professional insurance men. The same thing holds good with regard to brokers attracted into the business by high rates of brokerage, as, for instance, in this city of New York, with 8,000 registered brokers. The business would be more efficiently handled to the greater satisfaction of all concerned (except of the eliminated) by one-eighth of that number, who would then be abundantly compensated on a much lower rate of brokerage than is now being paid.

"The life insurance business is mainly handled by a comparatively few large companies, and rightly so if the best results are to be obtained in economy with efficiency. In the countries of the world where the business of fire insurance is done at the lowest cost and at a steady profit, it has been in the hands of a comparatively few companies.

"Another serious item of expense is that of local boards, rating organizations and the various bureaus maintained by the insurance companies, which figure up some 2 per cent upon the premiums as a whole. While there may be numerous cases, and doubtless are, of extravagant administration, duplication of service, etc., yet the character of service rendered is so highly essential and on the whole

is so efficient that even if economized to the utmost there could not be much saved out of the 2 per cent which is so spent, while any crippling of efficiency would be a most serious injury to the interests of the public, which interests are now served by the rating and inspection and educational bureaus to an extent far beyond what is generally suspected or believed. All hope of growing away from calamitous conflagration as well as the eventual reduction of the premium cost hinges upon the methods applied through the various bureaus and associations, and the States which restrict the liberty of these bodies are unwittingly harming that which is of most benefit to their communities.

"To sum up, I see no prospect of a material reduction in the cost of doing business except by methods of concentration and co-operation which are not at all likely to be brought about. Reform waits upon change in public sentiment, which shall repose a certain amount of confidence in those who serve them through fire insurance companies, and this, I imagine, is likely to be quite a slow process to bring about."

DANIEL D. WHITNEY BETTER.

The serious illness of former Mayor Daniel D. Whitney, of Brooklyn, for many years President of the Hamilton Fire Insurance Company, caused much alarm to his many friends. It is reported that, although he is ninety-one years of age, he is much improved and said to be vigorous and active.

The third chapter in the series of articles on "Employers' Liability Insurance Abroad," by Miles M. Dawson, has been received from Copenhagen. It is entitled "Denmark's Peculiar Accident Insurance System," and will appear in THE CHRONICLE next week.

THE PROVIDENT LIFE AND TRUST COMPANY OF PHILADELPHIA

Insurance in Force, \$214,509,255.00
(Paid for Basis)

Assets \$70,514,350.45
(Market Value, Dec. 31, 1909)

Contingency Reserve . \$9,207,276.38
(Inclusive of Capital Stock, \$1,000,000.)

The Provident has been particularly distinguished for the development of a highly trained force of agents. The systematic instruction which its agents receive has resulted in their being recognized as representatives of exceptional knowledge of the business and of marked efficiency.

In New England.

BOSTON, Aug. 31.—Here is the list of recommendations for the betterment of Boston's building laws to the end of diminishing the danger from fire, which Building Commissioner Everett, at the Mayor's request, has submitted to the Common Council. It is a fine programme if it can be carried out and enforced; but the fate of prior attempts in that direction, buffeted by political and particular interests, to some extent justified skepticism:

First—Extend the building limits to embrace areas fast filling up with inflammable structures.

Second—Provide for more frequent fire walls in second and third class buildings.

Third—Limit the areas which may be used for storage of lumber; surround such areas by fire walls, and, if possible, devise some means to prevent live embers flying in case of fire.

Fourth—More general requirement for sprinkler systems.

Fifth—Forbid the maintenance of all signs and other structures of inflammable materials within building limits.

Sixth—On or before 1915 remove all wooden buildings within the building limits.

A Long Fire Alarm Circuit.

How a cool head and prompt availability of the telephone headed off what would have been a disastrous stock barn fire is thus related by

"Telephone Topics":

"A part of the farming districts of Putney, Vt., and Westmoreland, N. H., are divided by the Connecticut River. One day recently a farmer's wife on the Putney side saw flames issuing from a neighbor's house in Westmoreland. Rushing to the telephone, she called the Putney operator, who in turn called the Bellows Falls exchange. The Bellows Falls operator called the Keene (N. H.) exchange, to which are connected the Westmoreland subscribers. The Keene operators immediately notified the Westmoreland subscribers, who hurried to the aid of their neighbor, who, by the way, had no telephone, arriving in time to save the large barn, full of hay, and several hundred head of live stock. The flames in the farmhouse were beyond control. The two farms mentioned are within a mile of each other, but it required a circuit of fifty miles of wire running through three exchanges to warn the nearest neighbor. It is said the burned out Westmoreland farmer now has high regard for the telephone."

Bad Losses from Trivial Causes.

The July bulletin of the Boston Manufacturers' Mutual Fire Association gives the following details of a fire which occurred on July 8 in the Hargraves cotton mill plant at Fall River, Mass., where a serious loss ensued from trivial beginnings:

"At 7:25 A. M. one of the em-

ployes discovered fire on the pendant electric light cord above one of the mule carriages in the mule room, located in the addition to the main mill. Upon an investigation it was found that a short circuit had occurred in the incandescent lamp socket and that the heated metal had started the fire on the cord. The fire dropped upon the mule carriage, badly burning the woodwork and melting the cylinders. The room was quickly filled with smoke, and, although five sprinklers opened promptly and worked effectively, they could not reach the fire inside the carriage, and two hose streams were brought into play and finally extinguished it. The water ran through all the floors and damaged machinery and stock. Loss, \$12,000 to \$15,000."

A sprinkler accident in the same plant on July 27 is thus described:

At 7 P. M. one sprinkler head opened in the mule room of No. 2 mill, the probable cause of which was the failure of the soldered joint. About seven minutes elapsed before the watchman could shut off the water, during which time considerable of the machinery was wet down; also the water leaked through to the floor below. Loss from \$1,200 to \$2,500."

The foregoing incidents reinforce the old lesson that inspection and vigilance save more than they cost.

The Goose Rock House and dependencies at Capt Porpoise, Me., was destroyed by fire on Sunday night; loss about \$30,000, with perhaps \$20,000 insurance. EMIL SCHWAB.

"THE COMPANY WITH THE PYRAMID"

40 CONSECUTIVE YEARS OF PYRAMIDAL PROGRESS

3,779,369.67	1,154,610.10
3,871,944.70	98
3,971,944.70	49
4,071,944.70	1,257,067.05
4,171,944.70	1,257,067.05
4,271,944.70	1,257,067.05
4,371,944.70	1,257,067.05
4,471,944.70	1,257,067.05
4,571,944.70	1,257,067.05
4,671,944.70	1,257,067.05
4,771,944.70	1,257,067.05
4,871,944.70	1,257,067.05
4,971,944.70	1,257,067.05
5,071,944.70	1,257,067.05
5,171,944.70	1,257,067.05
5,271,944.70	1,257,067.05
5,371,944.70	1,257,067.05
5,471,944.70	1,257,067.05
5,571,944.70	1,257,067.05
5,671,944.70	1,257,067.05
5,771,944.70	1,257,067.05
5,871,944.70	1,257,067.05
5,971,944.70	1,257,067.05
6,071,944.70	1,257,067.05
6,171,944.70	1,257,067.05
6,271,944.70	1,257,067.05
6,371,944.70	1,257,067.05
6,471,944.70	1,257,067.05
6,571,944.70	1,257,067.05
6,671,944.70	1,257,067.05
6,771,944.70	1,257,067.05
6,871,944.70	1,257,067.05
6,971,944.70	1,257,067.05
7,071,944.70	1,257,067.05
7,171,944.70	1,257,067.05
7,271,944.70	1,257,067.05
7,371,944.70	1,257,067.05
7,471,944.70	1,257,067.05
7,571,944.70	1,257,067.05
7,671,944.70	1,257,067.05
7,771,944.70	1,257,067.05
7,871,944.70	1,257,067.05
7,971,944.70	1,257,067.05
8,071,944.70	1,257,067.05
8,171,944.70	1,257,067.05
8,271,944.70	1,257,067.05
8,371,944.70	1,257,067.05
8,471,944.70	1,257,067.05
8,571,944.70	1,257,067.05
8,671,944.70	1,257,067.05
8,771,944.70	1,257,067.05
8,871,944.70	1,257,067.05
8,971,944.70	1,257,067.05
9,071,944.70	1,257,067.05
9,171,944.70	1,257,067.05
9,271,944.70	1,257,067.05
9,371,944.70	1,257,067.05
9,471,944.70	1,257,067.05
9,571,944.70	1,257,067.05
9,671,944.70	1,257,067.05
9,771,944.70	1,257,067.05
9,871,944.70	1,257,067.05
9,971,944.70	1,257,067.05
10,071,944.70	1,257,067.05
10,171,944.70	1,257,067.05
10,271,944.70	1,257,067.05
10,371,944.70	1,257,067.05
10,471,944.70	1,257,067.05
10,571,944.70	1,257,067.05
10,671,944.70	1,257,067.05
10,771,944.70	1,257,067.05
10,871,944.70	1,257,067.05
10,971,944.70	1,257,067.05
11,071,944.70	1,257,067.05
11,171,944.70	1,257,067.05
11,271,944.70	1,257,067.05
11,371,944.70	1,257,067.05
11,471,944.70	1,257,067.05
11,571,944.70	1,257,067.05
11,671,944.70	1,257,067.05
11,771,944.70	1,257,067.05
11,871,944.70	1,257,067.05
11,971,944.70	1,257,067.05
12,071,944.70	1,257,067.05
12,171,944.70	1,257,067.05
12,271,944.70	1,257,067.05
12,371,944.70	1,257,067.05
12,471,944.70	1,257,067.05
12,571,944.70	1,257,067.05
12,671,944.70	1,257,067.05
12,771,944.70	1,257,067.05
12,871,944.70	1,257,067.05
12,971,944.70	1,257,067.05
13,071,944.70	1,257,067.05
13,171,944.70	1,257,067.05
13,271,944.70	1,257,067.05
13,371,944.70	1,257,067.05
13,471,944.70	1,257,067.05
13,571,944.70	1,257,067.05
13,671,944.70	1,257,067.05
13,771,944.70	1,257,067.05
13,871,944.70	1,257,067.05
13,971,944.70	1,257,067.05
14,071,944.70	1,257,067.05
14,171,944.70	1,257,067.05
14,271,944.70	1,257,067.05
14,371,944.70	1,257,067.05
14,471,944.70	1,257,067.05
14,571,944.70	1,257,067.05
14,671,944.70	1,257,067.05
14,771,944.70	1,257,067.05
14,871,944.70	1,257,067.05
14,971,944.70	1,257,067.05
15,071,944.70	1,257,067.05
15,171,944.70	1,257,067.05
15,271,944.70	1,257,067.05
15,371,944.70	1,257,067.05
15,471,944.70	1,257,067.05
15,571,944.70	1,257,067.05
15,671,944.70	1,257,067.05
15,771,944.70	1,257,067.05
15,871,944.70	1,257,067.05
15,971,944.70	1,257,067.05
16,071,944.70	1,257,067.05
16,171,944.70	1,257,067.05
16,271,944.70	1,257,067.05
16,371,944.70	1,257,067.05
16,471,944.70	1,257,067.05
16,571,944.70	1,257,067.05
16,671,944.70	1,257,067.05
16,771,944.70	1,257,067.05
16,871,944.70	1,257,067.05
16,971,944.70	1,257,067.05
17,071,944.70	1,257,067.05
17,171,944.70	1,257,067.05
17,271,944.70	1,257,067.05
17,371,944.70	1,257,067.05
17,471,944.70	1,257,067.05
17,571,944.70	1,257,067.05
17,671,944.70	1,257,067.05
17,771,944.70	1,257,067.05
17,871,944.70	1,257,067.05
17,971,944.70	1,257,067.05
18,071,944.70	1,257,067.05
18,171,944.70	1,257,067.05
18,271,944.70	1,257,067.05
18,371,944.70	1,257,067.05
18,471,944.70	1,257,067.05
18,571,944.70	1,257,067.05
18,671,944.70	1,257,067.05
18,771,944.70	1,257,067.05
18,871,944.70	1,257,067.05
18,971,944.70	1,257,067.05
19,071,944.70	1,257,067.05
19,171,944.70	1,257,067.05
19,271,944.70	1,257,067.05
19,371,944.70	1,257,067.05
19,471,944.70	1,257,067.05
19,571,944.70	1,257,067.05
19,671,944.70	1,257,067.05
19,771,944.70	1,257,067.05
19,871,944.70	1,257,067.05
19,971,944.70	1,257,067.05
20,071,944.70	1,257,067.05
20,171,944.70	1,257,067.05
20,271,944.70	1,257,067.05
20,371,944.70	1,257,067.05
20,471,944.70	1,257,067.05
20,571,944.70	1,257,067.05
20,671,944.70	1,257,067.05
20,771,944.70	1,257,067.05
20,871,944.70	1,257,067.05
20,971,944.70	1,257,067.05
21,071,944.70	1,257,067.05
21,171,944.70	1,257,067.05
21,271,944.70	1,257,067.05
21,371,944.70	1,257,067.05
21,471,944.70	1,257,067.05
21,571,944.70	1,257,067.05
21,671,944.70	1,257,067.05
21,771,944.70	1,257,067.05
21,871,944.70	1,257,067.05
21,971,944.70	1,257,067.05
22,071,944.70	1,257,067.05
22,171,944.70	1,257,067.05
22,271,944.70	1,257,067.05
22,371,944.70	1,257,067.05
22,471,944.70	1,257,067.05
22,571,944.70	1,257,067.05
22,671,944.70	1,257,067.05
22,771,944.70	1,257,067.05
22,871,944.70	1,257,067.05
22,971,944.70	1,257,067.05
23,071,944.70	1,257,067.05
23,171,944.70	1,257,067.05
23,271,944.70	1,257,067.05
23,371,944.70	1,257,067.05
23,471,944.70	1,257,067.05
23,571,944.70	1,257,067.05
23,671,944.70	1,257,067.05
23,771,944.70	1,257,067.05
23,871,944.70	1,257,067.05
23,971,944.70	1,257,067.05
24,071,944.70	1,257,067.05
24,171,944.70	1,257,067.05
24,271,944.70	1,257,067.05
24,371,944.70	1,257,067.05
24,471,944.70	1,257,067.05
24,571,944.70	1,257,067.05
24,671,944.70	1,257,067.05
24,771,944.70	1,257,067.05
24,871,944.70	1,257,067.05
24,971,944.70	1,257,067.05
25,071,944.70	1,257,067.05
25,171,944.70	1,257,067.05
25,271,944.70	1,257,067.05
25,371,944.70	1,257,067.05
25,471,944.70	1,257,067.05
25,571,944.70	1,257,067.05
25,671,944.70	1,257,067.05
25,771,944.70	1,257,067.05
25,871,944.70	1,257,067.05
25,971,944.70	1,257,067.05
26,071,944.70	1,257,067.05
26,171,944.70	1,257,067.05
26,271,944.70	1,257,067.05
26,371,944.70	1,257,067.05
26,471,944.70	1,257,067.05
26,571,944.70	1,257,067.05
26,671,944.70	1,257,067.05
26,771,944.70	1,257,067.05
26,871,944.70	1,257,067.05
26,971,944.70	1,257,067.05
27,071,944.70	1,257,067.05
27,171,944.70	1,257,067.05
27,271,944.70	1,257,067.05
27,371,944.70	1,257,067.05
27,471,944.70	1,257,067.05
27,571,944.70	1,257,067.05
27,671,944.70	1,257,067.05
27,771,944.70	1,257,067.05
27,871,944.70	1,257,067.05
27,971,944.70	1,257,067.05
28,071,	

Bardoe's Column.

SUPT. HOTCHKISS, of the New York State Insurance Department, has issued a license to the Pacific Coast Casualty Company, of San Francisco, to transact general liability, surety, fidelity, court, contract, plate glass and burglary insurance business in the State of New York. The capital of the Pacific Coast is \$400,000, its surplus about \$300,000, its assets about \$1,000,000, and, under the California law, the liability of its stockholders is unlimited. It is also on the approved list of the United States Government. Whilden & Hancock, its Eastern managers, will represent the company in Northern New Jersey, as well as in the State of New York.

The Pacific Coast Casualty was admitted to membership in the excise bond pool on Tuesday. Most of the excise bonds written in this city come up for renewal as of to-day.

J. S. Clark has resigned as President of the Anchor Fire Insurance Company, of Des Moines, Ia., because of his advanced years. He is succeeded by L. E. Ellis, who has been the Secretary of the company for thirteen years. Vice-President G. A. Holland becomes the new Secretary, and S. G. Moore, the company adjuster, becomes Vice-President. With these changes the control of the company's stock passes to Messrs. Ellis and Holland.

Somewhat similar to the Christmas Eve surprise which President H. G. B. Alexander, of the Continental Casualty Company, gave to all the employees at the home office last year, when checks for one-tenth of their respective December salaries were distributed, a midsummer "Continental" lawn fete was given by him and his associates at the Colonial Club, Grand Boulevard, Chicago, last Saturday evening.

The shareholders of the Midland Insurance Company, of Birmingham, England, will hold a special meeting on September 8 to vote upon propositions to change the name to the Midland and Textile Insurance Company, to remove the head office to London, to increase the capital from £250,000 to £500,000, and to amend the charter of the company so that it may write employers' liability and workmen's compensation insurance.

The Independence Insurance Com-

pany, of Philadelphia, has obtained a Pennsylvania charter, providing for the transaction of a general fire, marine and inland insurance business, with a capital stock of \$200,000. The officers are: President, Henry I. Brown; Vice-President, Everett U. Crosby; Treasurer, Theodore E. Brown; Secretary, Edward B. Creighton.

The Vulcan Fire Insurance Company, of Oakland, Cal., has been incorporated, with a capital of \$500,000, and a surplus of equal amount. The work of disposing of the company's capital stock will be handled by P. S. McQueen and J. O. Galloway.

The Swiss National Insurance Company, of Bale, is making a deposit with the Connecticut State Insurance Department for the purpose of doing a reinsurance business in the United States under the management of E. G. Snow, Jr.

President Talbot, of the Philadelphia Casualty Company, announces the renewal of contracts with Hugo Nettle as manager of the plate glass department, and F. Seymour Giles as manager of the department for New York City.

The Balkan National Insurance Company of Sofia, Bulgaria, plans to enter the United States and to make a deposit of \$200,000 for the purpose of transacting a fire reinsurance business, with William C. Scheide & Co. as United States managers.

Samuel Milch, formerly uptown manager of the Penn Mutual, has been appointed Greater New York representative of the Pittsburg Life and Trust by President W. C. Baldwin.

Thirty-one negroes are the incorporators of the Union Guarantee and Insurance Company of Jackson, Miss., which has just been chartered under the laws of that State.

Announcement is made that the Citizens' Fire Insurance Company, of Charlestown, W. Va., contemplates an increase of capital stock from \$200,000 to \$400,000.

The old building of the Mercantile National Bank, corner of Broadway and Dey Street, is at last being torn down.

Life Ins. Co. of Virginia

Home Office, Richmond, Virginia.

J. G. WALKER, President.
T. W. PEMBERTON, 1st Vice-President.
W. L. T. ROGERSON, 2d Vice-President.
E. D. HARRIS, Secretary.

The OLDEST Southern Life Insurance Company.
The LARGEST and STRONGEST Southern Life Insurance Company.
The PIONEER Southern Industrial Life Insurance Company.

Its policies are clear and definite in their provisions and their values are absolutely guaranteed.

Assets Dec. 31, 1909..... \$5,372,691.99
Liabilities Dec. 31, 1909..... 4,312,405.32
Insurance in Force Dec. 31, 1909..... 68,337,613.00
Total Payments to Policyholders since Organization 9,820,412.40

A first class life underwriter with a successful field record, and an untarnished reputation can secure good open territory by addressing

SECURITY MUTUAL LIFE INSURANCE COMPANY
Binghamton, N. Y.

WESTERN ASSURANCE CO.

HEAD OFFICE,
TORONTO, - - CANADA.

Incorporated 1851.

Hon. GEORGE A. COX.....President
W. R. BROCK and JOHN HOSKIN, K. C. LL. D., Vice-Presidents
W. B. MEIKLE.....General Manager

United States Statement, Jan. 1, 1910.
Assets\$2,377,303.37
Surplus in United States..... 839,268.07

Talk Policies and Contracts.



The Prudential is so well known that you don't have to lose any time introducing it. You can concentrate on the policy.

Write us about an agency.

THE PRUDENTIAL
Insurance Company of America.

Incorporated as a Stock Company by the State of New Jersey.

John F. DRYDEN, Home Office,
President. NEWARK, N. J.

New York Insurance Stocks.

FIRE COMPANIES.

	Capital.	Approx. Annual Div.	When Payable.	Bid Price P.C.	Asked Price P.C.
City of New York.....	\$500,000	10	Q	...	205
Commonwealth	500,000	10	J&J	326	...
Continental	2,000,000	40	"	925	950
Empire City	200,000	8	"	125	...
Fidelity-Phoenix	2,500,000	V	V	265	275
German Alliance.....	400,000	15	J&J	275	300
German American.....	1,500,000	30	"	560	570
Germania (\$50)	1,000,000	18	"	285	295
Glens Falls (\$10).....	200,000	30	"	1525	...
Globe & Rutgers.....	400,000	40	Q	475	...
Hanover (\$50).....	1,000,000	10	J&J	200	210
Home	3,000,000	30	"	680	695
Nassau (\$50).....	200,000	10	"	165	175
Niagara (\$50).....	1,000,000	20	"	300	305
North River (\$25).....	350,000	10	A&O	155	165
Pacific (\$25).....	200,000	6	J&J	135	145
Peter Cooper (\$20)....	150,000	6	"	90	105
Stuyvesant	400,000	10	"	155	160
United States (\$25)....	250,000	V	V	60	70
Westchester (\$10).....	400,000	35	F&A	455	...
Wil'msburch City (\$50).	250,000	20	J&J	380	400

LIFE COMPANIES

		Per Cent. Period.	Bid.	Asked.
Aetna Life	\$2,000,000	15 Q	650	...
Connecticut General....	300,000	8 J&J	225	...
Equitable	100,000	7 A	4000	...
Germania (\$50)	200,000	12 J&J	210	225
Hartford Life	500,000	10 "	100	...
Home	125,000	12 M&N	275	...
Manhattan Life	100,000	26 O&F	400	425
Metropolitan (\$25)	2,000,000	7 M&N	155	...
Prudential (\$50)	2,000,000	10 Q	550	650
Travellers' Hartford....	2,000,000	20 Q	900	925
United States Life.....	264,000	7 J&J	90	125

CASUALTY COMPANIES.

Securities.					
Outstanding.		Per Cent. Period.	Bid.	Asked.	
Aetna Indemnity (\$25) ..	\$350,000	V V	...	200	
Fidelity & Casualty....	1,000,000	18 J&J	450	500	
Hartfd Steam Boiler...	1,000,000	10 "	245	...	
Metropolitan Casualty..	200,000	10 J&J	185	...	
N. Y. Plate Glass (\$50).	200,000	16 "	500	...	
United States Casualty..	500,000	10 Q	215	250	
Casualty Co. of Amer..	500,000	6 J&J	120	150	

V—No information.

Q—Quarterly.

A—Annually.

BUCHANAN A FIREMAN.

An old-timer of Lancaster, Pa., told the story of President James Buchanan as a fire fighter in the old Union Company in that city to a representative of the "United States Review" last week.

"Yes," said the old-timer, "President Buchanan was one of the active members of the Union for many years," and, looking up some data, he found the only President that Pennsylvania had ever turned out was a

member from 1813 to 1836, a period of twenty-three years. "In that time," said he, "he was often called out to fight fires in the then small town of Lancaster, a mile to the east of his home at Wheatland, and it is hardly to be doubted that he often used the same conveyance to bring him in when the alarm was given. When Buchanan got into politics and could no longer maintain active membership he was elected an honorary member, which he continued until his death."

The Columbian National Life INSURANCE COMPANY OF BOSTON, MASS.

LIFE, ACCIDENT AND HEALTH INSURANCE.

The Only Massachusetts
Non-Participating Company

The New Columbian Policies are
Unexcelled in Clearness and Liberality.

Good Contracts and Territory for
Good Producers.

ARTHUR E. CHILDS, President.

RECTOR 2817

ESTABLISHED 1864

E. S. BAILEY

DEALER IN

INSURANCE STOCKS

A SPECIALTY

66 Broadway NEW YORK

FEDERAL LIFE INSURANCE COMPANY CHICAGO

ISAAC MILLER HAMILTON, ; ; President

Admitted assets.....\$2,447,499.17
Capital stock..... 177,300.00
Surplus apportioned and
unapportioned 77,510.61

Excess security to policy
holders 254,810.61
1909 insurance in force in-
creased over.....\$6,300,000.00
Surplus increased over.... 100,000.00

HIGH-GRADE MANAGERS AND AGENTS WANTED.

ATTRACTIVE POLICIES
DESIRABLE CONTRACTS.
WILL ENTER NEW TERRITORY.

Address,

CHARLES M. TURNER,
General Manager.

Marquette Building, CHICAGO, ILL.

The only Company in the World that



**"Insures Lives
and Guards
Them Against
Disease."**

E. E. RITTENHOUSE,
President

AGENTS WANTED

**PROVIDENT SAVINGS LIFE
ASSURANCE SOCIETY,
35 Nassau Street, - New York**

INCORPORATED 1833.

British America

Assurance Company

HEAD OFFICE, TORONTO, CANADA

UNITED STATES BRANCH.

JANUARY 1, 1910.

Assets	\$1,556,740.94
Liabilities	902,438.61
Surplus	\$ 654,302.33

Hon. GEORGE A. COX, President.
JOHN HOSKIN } Vice-Presidents.
W. R. BROCK }
W. B. MEIKLE, General Mgr.

NATIONAL LIFE

Insurance Company,

MONTPELIER, VERMONT.

Established in 1850.
Operating in 37 States.

JOSEPH A. DE BOER, President.

FRED A. HOWLAND, Vice-President
JAMES B. ESTEE, 2nd Vice-President
OSMAN D. CLARK, Secretary
H. M. CUTLER, Treasurer
A. B. BISBEE, Medical Director
C. E. MOULTON, Actuary

This Company held January 1, 1910,
and gained during the past decade:

ASSETS . . .	\$47,490,998.98
GAIN, 107 PER CENT.	
LIABILITIES . . .	\$41,661,130.12
GAIN, 102 PER CENT.	
SURPLUS . . .	\$5,829,868.86
GAIN, 211 PER CENT.	
INSURANCE . . .	\$161,423,115.00
GAIN, 79 PER CENT.	

**Absolute Security and
Economy of
Management**

Bob's Remarks.

THE remodelled and enlarged offices of the Lloyds Plate Glass Insurance Company in its building at No. 61 and 63 William Street, are rapidly approaching completion. When the alterations and full plans of the company are finished, the entire agency plant, together with the supply department, will occupy the southerly half of the first floor and the old office on the corner of Cedar street be rearranged to give more working room.

Annexes for large insurance institutions continue to be formed. Among the latest is that of the Sun Underwriters under the parental guidance of the Sun Fire Office. It is thought that the operations of the Sun Underwriters will be largely confined to business abroad rather than in this country.

A prominent broker stated to me that a large company, noted for its wonderful success within the last few years, with two risks submitted by him—one a dwelling and the other a hard special—declined the former, but entertained the latter. This particular company, by the way, has made money out of "high-priced goods."

From all indications the first public hearing by the investigating committee, whose offices are in the Liberty Tower Building, will be held on September 7 in City Hall. Edwin A. Merritt, Jr., is chairman, and M. Linn Bruce chief counsel.

Former Vice-President John W. Murray, of the German-American Insurance Company, used to have a trite expression regarding the difference between the two general departments of a company: "Agency dailies come to the office already laundered; with local business the laundry work has to be done at the counter."

In order to conduct ocean marine insurance the Royal Exchange has deposited \$200,000 additional with the New York Insurance Department.

Superintendent Potter, of the Illinois Insurance Department, in his report remarks that "it is seriously to be doubted whether the rate-making authority should be taken from the insurance companies and vested in the State, and experiments looking to this end have not, so far, been sufficiently successful to warrant further adoption

of this plan of State relation."

Pursuant to the above the published statement of Manager Lock would seem to be worthy of some weighty thought.

Perhaps the time is not far distant when the United States of America will follow in the footsteps of England in the matter of broadened charters, permitting the transaction of all kinds of insurance. This idea has been strongly presented to the writer within the last few days, in view of the remarkable and progressive additions to writing facilities which have been adopted recently by both American and English companies. Eventually there may be some form of Federal supervision.

Referring again to Mr. Lock's remarks, it appears that there should be a reduction in the number of brokers. In the light of previous efforts to that effect such action looks rather dangerous. When the old Compact of 1888 was founded the number of listed brokers was upward of 3,200. Now, with the strongest local organization ever formed and with the most rigid rules in force, the army of certified brokers foots up about 8,000.

In other words, every time the process of curtailment (as to brokerage membership) was tried it produce more than were ever dreamed of. Boiled down to practical politics, every reputable citizen or firm should be entitled to the opportunity of earning an honest living, whether it be insurance brokerage or any other respectable business and without undue and at times stupid restrictions.

Old Washington Market is passing through a genuine housecleaning. One of the chief features is that of demolishing and removing entirely the outside stands, thus materially improving the fire hazard.

Since the last published list of members in the Suburban Fire Insurance Exchange was issued, under date of March 21, 1910, the following have been added: Insurance Company State of Pennsylvania; Shawnee, of Topeka; Union, of Philadelphia; Cooper, of Dayton, Ohio; German-American, of Pittsburg; Standard, of Hartford, Conn.; English-American Underwriters' Agency, of Liverpool; Monongahela, of Pittsburg; State of Nebraska, of Omaha, and United States Underwriters, of New York.

BOB.

**SUPERIOR POLICIES**

KIMBALL C. ATWOOD, President
290-292 Broadway, New York.

New England Mutual Life

Insurance Company

BOSTON, : : : MASS.

Chartered 1835

Assets, January 1, 1910...\$51,316,543.00
 Liabilities 47,050,672.15

Surplus \$4,265,870.85

Sixty-six years of honorable dealing with its policyholders has placed the **NEW ENGLAND MUTUAL LIFE INSURANCE COMPANY** in the front rank of Life Insurance Companies of the Country.

ALFRED D. FOSTER, President.
D. F. APPEL, Vice-President.
J. A. BARBEY, Secretary.
WM. F. DAVIS, Assistant Sec'y.
J. G. WILDMAN, Assist. Sec'y.

EDWARD W. ALLEN, Manager.
 220 Broadway, New York.
LATHROPE E. BALDWIN, Manager.
 141 Broadway, New York.
CHARLES H. STRAUSS, Gen. Ag't.
 200 Fifth Ave., New York.

FOUNDED 1792

INSURANCE COMPANY OF NORTH AMERICA.

OF PHILADELPHIA, PA.

ASSETS.

Real Estate	January 1, 1910.	\$ 364,410.00
First Mortgages on Real Estate		373,803.48
Philadelphia, New York, Boston and other City and State Loans		1,134,390.00
Pennsylvania, Philadelphia and Erie, Lehigh Valley and other Companies' Bonds and Stocks		8,909,150.32
Cash in Bank and Bankers' hands		1,134,635.88
Notes Receivable and Unsettled Marine Premiums		347,440.69
Net Cash Fire Premiums in course of Transmission		1,069,510.62
Accrued Interest, and all other property		52,160.57
Total Assets		\$13,385,501.56

LIABILITIES.

Capital Stock	\$ 3,000,000.00
Reserve for Re-Insurance ..	6,813,862.47
Reserve for Losses	877,250.00
All other Liabilities	104,982.45
Surplus over all Liabilities ..	2,589,406.64
	\$13,385,501.56

Surplus to Policyholders	\$5,589,406.64
Increase in Reinsurance Reserve	349,934.71
Increase in Net Surplus	838,500.98
Increase in Assets	1,371,438.93

Eugene L. Ellison, President
Benjamin Rush, Vice-President
T. Houag, Wright, Secretary
Henry W. Farnum, Assistant Secretary
John O. Platt, Assistant Secretary

Agencies in all Prominent Cities & Towns.

1860 50th YEAR 1910

HOME LIFE

Insurance Company of New York.

GEORGE E. IDE, President.

Assets	\$23,626,018.63
Liabilities	21,858,691.52
(Including Deferred Dividend Fund)	
Dividend Endowment Fund	
(Deferred Dividends)	2,119,044.00
Net Surplus	1,767,327.09
Insurance in Force	92,532,583.00

The record for 1909 shows the following
GAINS:

Insurance in Force	\$4,164,239.00
Assets	1,917,117.00
Deferred Dividend Reserve ..	148,581.00
Contingency Reserve (Surplus)	655,149.17

COMMERCIAL - UNION

ASSURANCE CO.,

(LIMITED)

OF LONDON.

OFFICE;

Cor. Pine & William Sts.

NEW YORK.

RIGHT NOW ——— WRITE NOW

LIVE ASSETS for LIVE AGENTS

Live, not Life Insurance, is the only necessity of life that has not increased in cost.

It is a great asset for a Live Agent to represent the largest health and accident insurance company in the world, especially at this time with compulsory workmen's insurance imminent and employer's liability insurance becoming costlier every day. Up-to-the-second policies. Most liberal contracts to agents.

CONTINENTAL CASUALTY CO.,

E. G. B. ALEXANDER,
 President.

1208 Michigan Ave. : : Chicago

"Often Copied; Never Equalled."

IT PAYS THE AGENT

To represent the best company. There are many excellent standard life insurance companies. Which is the best? In stability, progressiveness, liberal contracts to agents and low cost to policy-holders no company surpasses

The Union Central Life Insurance Co. of Cincinnati.

Assets, \$74,523,966.28
 Liabilities, \$72,324,302.92

Good openings are occurring from time to time. Address

JESSE R. CLARK, President.
ALLAN WATERS, Sup't of Agents.

"The Leading Fire Insurance Company of America."



WM. B. CLARK, President.
W. H. KING, Vice-President.
HENRY E. REES, Secretary.

Assistant Secretaries,
A. N. WILLIAMS, E. S. ALLEN,
E. J. SLOAN, GUY E. BEARDSLEY.

The Employers' Liability

Assurance Corporation, Ltd.

LIABILITY, STEAM BOILER, ACCIDENT, HEALTH, FIDELITY and BURGLARY INSURANCE.

UNITED STATES BRANCH.

SAMUEL APPLETON, United States Manager,

Employers' Liability Building,
 33 BROAD STREET, BOSTON, MASS.

EDMUND DWIGHT,
 Resident Manager for New York State,
 56 MAIDEN LANE, NEW YORK.

AGENTS WANTED.

NOTEWORTHY ADVANCE.

The BERKSHIRE LIFE Insurance Company.

OF PITTSFIELD, MASSACHUSETTS,

takes an advanced step in the interest of the policyholder by the adoption of the following liberal features in its new policy contract:

Low premium rates.
 Large surrender values.
 Dividends at the end of each policy year.

Thirty-one days of grace in payment of all premiums after the first year.

Paid-up insurance or cash surrender value or extended insurance after two years' premiums have been paid.

Loans for the full cash surrender value.

Policy payable in one sum or in instalments for terms of years.

Policy has no restrictions upon residence or travel and is incontestable after the first policy year, except for non-payment of premiums.

Right of the insured to change the beneficiary.

Liberal re-instatement privileges.

Every effort has been made to make this new policy the very perfection in a life insurance contract.

For further information apply to
JOHN H. ROBINSON, General Agent
FRANK ALLEN, Associate General Agent
 For New York and New Jersey,
 Postal Building,
 253 Broadway, - - - NEW YORK.

COMPARATIVE RESERVE TABLES

By MILES M. DAWSON,
Consulting Actuary.

Containing Mean and Terminal Reserves for the usual forms of policies and by the following standards—

American Experience, Select and Ultimate $3\frac{1}{2}$ per cent.
American Experience, Select and Ultimate 3 per cent.
American Experience, Modified Preliminary Term $3\frac{1}{2}$ per cent.
American Experience, Modified Preliminary Term 3 per cent.
American Experience, Select and Ultimate 4 per cent.
Actuaries', Modified Preliminary Term 4 per cent.
American Experience, Committee of Fifteen, $3\frac{1}{2}$ per cent.
American Experience, Illinois and Tennessee, $3\frac{1}{2}$ per cent.
American Experience, Michigan, $3\frac{1}{2}$ per cent.
American Experience, Wisconsin, $3\frac{1}{2}$ per cent.
American Experience, New Jersey, $3\frac{1}{2}$ per cent.
H^M, Canadian Life Officers' Association, $3\frac{1}{2}$ per cent.
O^[M], Select and Ultimate, $3\frac{1}{2}$ per cent.

This covers all the standards, other than the net level premiums, in this country. Tables showing the first year margins set free by each method of valuation are given.

EDITION ALMOST EXHAUSTED

SAVES TIME AND MONEY

VARIOUS DERIVED TABLES---American Experience 3 and 3 1-2 PER CENT.

By MILES M. DAWSON

Table of Contents.

Single Premiums, Pure Endowment.
Accumulations. Pure Endowment.
Forborne Immediate Annuities.
Accumulated Temporary Insurances.
Accumulated Increasing Insurance.
Single Premiums Endowment Insurance.
Single Premiums Temporary Insurance.
Immediate Temporary Annuities.
Valuation Columns.

SELECT AND ULTIMATE VALUES.

Single Premiums. Whole Life.
Life Annuities.
Terminal Reserves. Life, Limited Payment Endowment.
Mean Reserves. Life, Limited Payment, Endowment.

LOGARITHMS, SEVEN PLACES.

Forborne Immediate Annuities.
Curtate Summations of D Column.
Immediate Temporary Annuities.

Uses.

Computing Annual Term Insurance Premiums:
Divide endowment insurance values by immediate temporary annuities.
Computing Annual Endowment Insurance Premiums:
Divide endowment insurance values by immediate temporary annuities. For these purposes the "select and ultimate" will be most useful.
Computing Annual Pure Endowment Premiums:
Divide pure endowment values by immediate temporary annuities or take reciprocals of forborne immediate annuities.
By these means, the net extra premium for a special guaranty can be quickly and accurately computed.
Computing Annual Semi or Double Endowment Premiums:
Add temporary insurance and pure endowment values for proper amounts and divide by immediate temporary annuity.
Computing Limited Premiums:
Divide the proper single premiums by immediate temporary annuity.
Computing Surrender Values:
Extended Insurance. Find the temporary insurance value next lower than the sum to purchase extension. This gives even number of years. Apply remainder to pay for additional days according to daily differences in the table.
Extended Insurance with Fractional Paid-up Endowment:
Deduct from purchase money, value of insurance for unexpired term; multiply remainder by accumulation, pure endowment, to get amount of endowment.
Computing Terminal Reserves:
Unvarying Benefits. Multiply net premiums by forborne immediate annuity and deduct accumulated temporary insurance.
Return Premium, Full Reserve. Multiply net premium by forborne immediate annuity and deduct accumulated temporary insurance and accumulated increasing insurance, multiplied by gross premiums to be reduced.
Return Premium, Extra Reserve. Multiply net extra premiums by forborne immediate annuity and deduct accumulated increasing insurance, multiplied by gross premiums to be returned.
Warranted Commissions for New Business.
Surrender Values.
Dividends.

SEND ALL ORDERS TO THE CHRONICLE CO. (Ltd.) 90 William Street, New York.

The Chronicle

1866

Published by THE CHRONICLE COMPANY, Ltd., 90 William St., New York City.

1910

VOLUME LXXXVI.

New York, September 8, 1910.

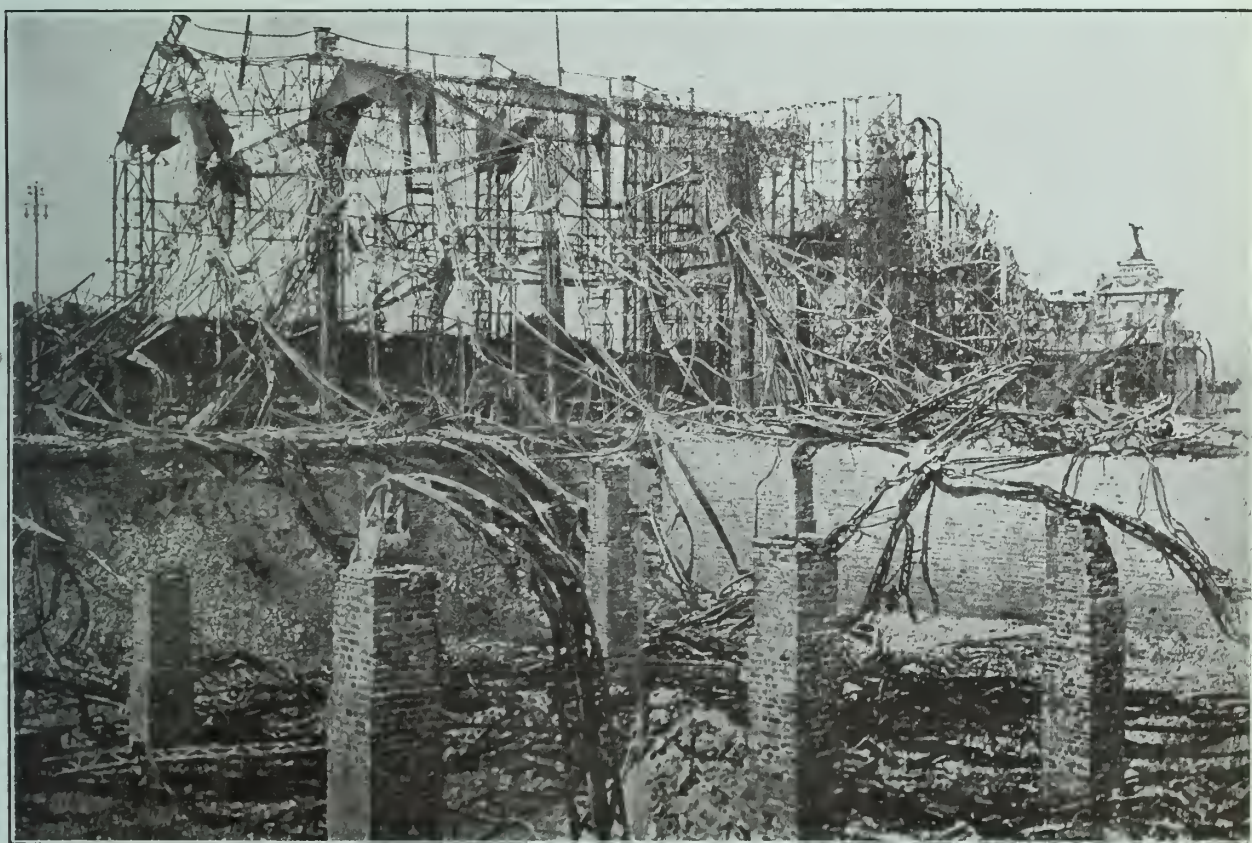
NUMBER 10

Bruce Investigating Committee Starts Work

Roosevelt Preaches Workmen's Compensation

Miles M. Dawson Writes about Denmark

An Ambitious Plan of Hamburg Brokers



ALL THAT IS LEFT OF \$10,000,000

Ruins of the British and Belgian Buildings at the Brussels Exposition

COMPARATIVE RESERVE TABLES

BY

MILES M. DAWSON

Consulting Actuary.

Containing Mean and Terminal Reserves for the
usual forms of policies and by the
following standards:

American Experience, Select and Ultimate $3\frac{1}{2}$ per cent.
American Experience, Select and Ultimate 3 per cent.
American Experience, Modified Preliminary Term $3\frac{1}{2}$ per cent.
American Experience, Modified Preliminary Term 3 per cent.
American Experience, Select and Ultimate 4 per cent.
Actuaries', Modified Preliminary Term 4 per cent.
American Experience, Committee of Fifteen, $3\frac{1}{2}$ per cent.
American Experience, Illinois and Tennessee, $3\frac{1}{2}$ per cent.
American Experience, Michigan, $3\frac{1}{2}$ per cent.
American Experience, Wisconsin, $3\frac{1}{2}$ per cent.
American Experience, New Jersey, $3\frac{1}{2}$ per cent.
H^M, Canadian Life Officers' Association, $3\frac{1}{2}$ per cent.
O^{LM}, Select and Ultimate, $3\frac{1}{2}$ per cent.

THIS covers all the standards, other than the net level
premiums, in use in this country. Tables showing
the first year margins set free by each method of valu-
ation are given.

Send all orders to the Publishers,

The Chronicle Co., Ltd.

No. 90 William St.

NEW YORK

The Chronicle

VOLUME LXXXVI

NEW YORK, THURSDAY, SEPTEMBER 8, 1910.

NUMBER 10

PUBLISHED EVERY THURSDAY BY
THE CHRONICLE COMPANY, Limited.
No. 90 WILLIAM ST., NEW YORK.
Phone "567 John." Cable Address, "Chronogram," New York.

Subscription Price:
Three Dollars a Year. Single Copies, Twenty-five Cents.
Postage Prepaid in the United States and Canada.

MILES M. DAWSON, President.
R. B. Dawson, Treas. A. C. Harwick, V.-P. A. L. Dern, Sec'y.
Emil Schwab, Manager New England Department,
200 Devonshire Street, Boston, Mass.

All communications should be addressed to and remittances should be made to The Chronicle Company, Limited.
Entered at the Post Office, New York, N. Y., as Second Class Mail Matter.

Denmark's Peculiar Accident Insurance System

By Miles M. Dawson

Copyright, 1910, by Miles M. Dawson.



OPENHAGEN, Aug. 11.—About the same time that Great Britain adopted the first workmen's compensation act taking effect in 1897, Denmark also enacted workmen's compensation legislation. These two acts are also noteworthy as the first laws to recognize the principle that the consequences of industrial accidents should fall upon the industry, but at the same time without requiring employers to insure. Previously the countries which had passed laws recognizing that principle had made insurance compulsory.

As in Great Britain, the Danish law makes the employer directly liable for all injuries and deaths due to accidents arising out of and in the course of the employment. Unlike the British law, however, the Danish act wholly absolves the employer from liability in case he insures in an "anerkent"—i. e., licensed Danish company. He may, if he prefers, insure in one which is not licensed; but in that case he remains liable if the company fails.

This does not apply to sailors or farmers, for both of whom insurance is compulsory, but with free choice of companies.

The workmen's compensation law does not cover the first thirteen weeks of disability, and no provision is made by law for covering it. Workmen are expected to provide against it voluntarily by means of sickness insurance, which had reached a great development before compensation legislation was enacted. Many workmen are so insured, and in a good many cases employers voluntarily contribute toward it. Yet many are without such protection. Originally the law provided for paying for these weeks in case the disability lasted longer, but that was found inconvenient and embarrassing and has been abandoned.

Insurance may be in stock companies or in mutual companies. Both are well patronized. The largest mutual has a very large proportion of the total business, but leading stock companies also do a large business. All the companies pay commissions, which range from 10 per cent to 15 per cent. The total expenses are from 25 per cent to 30 per cent in the best stock companies, and somewhat less in the mutuals, notwithstanding that it is said they expend more for prevention and are more successful in encouraging prevention.

This includes the special tax which the government

levies upon the companies to cover the expenses of adjustment of claims by the Arbeidsforsikringsraad, a public bureau which adjusts all claims. It is the peculiar feature of the Danish law that all accidents must be investigated and all claims adjusted by this Raad, which is composed of representatives of employers and employes, with attorneys and physicians. The *modus operandi* is as follows:

The employer is required to send the Raad notice of every accident, together with physician's certificate, if disability results. If covered by the law, the Raad, upon receiving the physician's final certificate—which is sent upon recovery, if the disability is temporary or upon becoming convinced that it is permanent—decides what sum is payable. There is no appeal except upon questions of construction of the law. The employer or the insurance company, if he is insured, must pay the amount so fixed.

All compensation, whether for disability or death, is payable in one sum. There is no requirement that an annuity or pension be paid, either to the workman, if disabled, or to the widow and orphans. In this Denmark differs, in whole or in part, from every other country which has so far enacted workmen's compensation legislation. This is said to be generally satisfactory. Yet it is acknowledged that when the law is revised it is probable that extensive impairment of earning power—perhaps when over 50 per cent—will be compensated by annuity payments and possibly that widows and orphans will be so compensated.

The lump sum system has had the great advantage that neither company managers nor state officers have had the serious problem to solve of providing for solvency, by maintaining a sufficient claim reserve to cover the present values of outstanding annuities. This is the more fortunate in that the "anerkendt," or licensed companies, are really not supervised at all, but merely required to make certain relatively meager financial reports each year.

At first the managers of companies were loud in their protests against the uniform State adjustment of claims, and undoubtedly they still feel that adjustment could be made at less expense and with a larger saving in the indemnities. They are said, however, to have concluded that the system has so far worked very well and has come to stay, and they now merely urge that they be represented in the Raad, but this is not likely to be granted.

Under this system of voluntary insurance, at least 90

per cent of the workmen, it is estimated, are insured. Thus a recent report of the Raad showed that of 2,468 accidents investigated there was insurance in licensed companies in 2,277 cases and in unlicensed companies in 25 cases, making 2,302 insured out of 2,468. Of the remaining 166 no less than 70 were insured by the State, being State employes or fishermen. A few of the largest employers carry their own risk, but most of the workmen who are not covered by insurance are working for men or firms who employ few workmen. The occasional unreliability of the uninsured employer makes it very probable that the law, when revised, will make insurance compulsory.

The Danish system of State adjustment of claims is perhaps more suitable for that snug little country than for any other. Distances are so short there that, at little expense, the physicians of the Raad or the Raad itself may require the claimant to appear in person. In a very

considerable percentage of the cases this is required.

There is little disposition to extend the compensation to cover the first thirteen weeks, but there is a strong sentiment in favor of making sickness insurance, covering also disability due to accident during the first thirteen weeks thereof, obligatory for every wage-earner. If such is attempted doubtless employers will be required to contribute a part of the premiums.

Though Denmark has long had a State life insurance institution, the "Statsanstalt," which is well known to American actuaries because of its survivorship annuitant mortality tables, it has not provided for accident insurance through a State institution, excepting in the cases of State employes and of fishermen. It is also not believed that there is a likelihood that private insurance companies will be displaced by a State insurance system or even that an accident insurance Statsanstalt will be set up to compete.

A Railroad View of Workmen's Compensation

JOSEPH N. REDFERN, Superintendent of the Relief Department of the Chicago, Burlington & Quincy Railroad, which has maintained for many years an insurance department for its employes, has written a statement of the railroad attitude in reference to workmen's compensation for injuries.

He states that after twenty-five years' experience in relief department work he believes payment of lump sums more advisable than payments in instalments.

He argues that railroad employes are of a higher grade of intelligence than the ordinary workingman, and that it is a reflection upon them to hold that they are not capable of handling their own funds and must be

treated as wards of the State.

Mr. Redfern holds that injuries received in the course of employment are not the cause of the greatest amount of hardship and suffering, which arise rather from disability and death received while not engaged at regular work.

The six railroads operating relief departments employ over 400,000 men and pay out annually \$4,000,000 in benefits, over half of which is on account of sickness or injuries received while off duty, and yet railroading is considered one of the most hazardous of occupations. He argues that any practical method prescribed by the State should cover not merely the hazards peculiar to the man's employment, but should furnish stated and

sufficient provisions for those members of society and their dependents who are physically unable to earn a livelihood from any cause not immoral. Mr. Redfern also makes a strong plea for uniformity in the pending workmen's compensation legislation.

The Burlington system operates in eleven States, he asserts, and should not be required to pay greater or less compensation to employes injured in Illinois than to one injured to the same extent and under like circumstances in any other State. To that end he urges the framing of a Federal bill by the commission recently appointed by President Taft, which should serve as a model for the various States, and bring uniformity.

Holiday Rain Insurance

JOHAN L. GRIFFITHS, American Consul General in London, has the following to say in regard to holiday rain insurance:

"Insurance has been made to cover almost every happening in England, such as the death of the sovereign, climatic conditions affecting the success of a pageant, a horse show, an agricultural fair, etc., and now a new form of insurance has been inaugurated which will enable persons whose holidays have been marred by rain to obtain, under certain conditions, monetary compensation.

"Underwriters are prepared to insure against one-tenth of an inch of rain falling on more than two days a week at any towns on the south and east coasts of England between Bournemouth and Scarborough, where the daily rainfall is either officially published or where satisfactory records can be obtained.

"Upon the payment of 7s. 6d. (\$1.82), for which a policy will be issued for seven days, compensation is

agreed to be paid at the rate of 10s. (\$2.43) a day on excess of two wet days; 10s. insures against an excess of four wet days in a fortnight; 12s. 6d. (\$3.04) insures against an excess of six wet days in three weeks, while 15s. (\$3.65) insures against an excess of eight wet days in a period of twenty-eight days. In each of these instances the compensation is 10s. (\$2.43) a day for the days in excess of the prescribed number of wet days. If the insured desires to double the amount in the way of premium he receives double the amount as compensation. If higher compensation is desired a proportionately higher premium will be charged. The underwriters will accept a certificate of the British Rainfall Organization as evidence of rainfall. The policies will provide that the greater portion of the one-tenth of an inch of rain, the quantity which by the terms of the policy will constitute a wet day of twenty-four hours, must fall during the daylight hours."

LAST CITY VETERAN OF CHICAGO FIRE DEAD.

CHICAGO, Sept. 7.—Captain Joseph O'Donohue, said to be the last of the firemen who fought the big fire of 1871 on the city payroll, died on Monday. He was probably the oldest member of the Chicago Fire Department, both in point of age and years of service. He joined the department in 1870 and was in active fire service for twenty-two years. The last eighteen he had spent as chief clerk of the Fire Marshal's office. Mr. O'Donohue was sixty-seven years old. He left a widow and nine children.

OKLAHOMA EXEMPTS INSURANCE COMPANIES.

Milas Lasater, Commissioner of the Oklahoma State Insurance Department, has sent to THE CHRONICLE a copy of the new Corporation License Tax law affecting foreign and domestic corporations. In Section 1 of the act insurance companies, railroad companies, banking or trust companies, building and loan associations and a few other classes of corporations are exempted from the provisions of this law.

NEW YORK INVESTIGATING COMMITTEE STARTS WORK

First Public Hearing in Aldermanic Chamber at City Hall Links Legislators With Wall Street Speculation by Way of Brokerage Firm Whose Special Partner Represented Metropolitan Street Railway at Albany—Louis Bedell Named



IN THE Aldermanic Chamber at City Hall yesterday noon the New York Legislative Investigating Committee began its public hearings. Just before the public inquiry began the committee held an executive session behind closed doors at their offices at 55 Liberty street. Despite the fact that all the committee-men were not disposed to talk after this preliminary meeting, it became known that partisan dissension had been narrowly averted over the manner in which the procedure had been outlined for the hearings. It was said that an hour and a half was employed by the chief counsel, M. Linn Bruce, and the chairman, Assemblyman Merritt, in satisfying all the other members of the committee as to the procedure for the hearings. The only admission obtained as to the developments of the executive session was a statement by one of those present that there had been a lot of "minute questioning, but nothing that could be interpreted as a disagreement."

Speculating Legislators.

At the public session Isidore J. Kresel assisted Judge Bruce in the examination of witnesses. The work of the day was directed to connecting the Albany activities of G. Tracy Rogers when he was President of the State Railway Association with influential members of the Legislature and in linking Mr. Rogers and several influential members of the State Legislature with the New York stock brokerage firm of Ellingwood & Cunningham, in which firm Mr. Rogers was a special partner. The examination of Mr. Rogers was suspended after the connection indicated had been established.

The relation existing between Mr. Rogers's influence upon Albany legislation and the speculative accounts of members of the Legislature with Mr. Rogers's stock brokerage firm was much elucidated through the testimony of a civil engineer, W. W. Cole, now practising his profession in Philadelphia, but during the time inquired into—that is, from 1900 to 1905—a traction man in Elmira and Treasurer of the Street Railway Association of New York.

Mr. Cole somewhat reluctantly revealed that when he became Treasurer of that association he was confronted with a deficit of \$10,000. This deficit, he testified to under a severe examination, resulted from political

contributions made by the association "to both parties," he understood.

The fourth and final witness of the day, Geo. Carpenter, established the most intimate relation between Mr. Rogers's activities in Albany and the speculative accounts of members of the Legislature, more especially the speculations of Louis Bedell, chairman of the Assembly's Committee on Railroads at that time. This witness at present is employed as a bookkeeper in a Nassau street brokerage firm. He was Ellingwood & Cunningham's bookkeeper for five or six years. His examination revealed the close search made by Assistant Counsel Kresel of the literally tons of account books of that defunct firm.

The young bookkeeper witness was reluctant at times to testify, but it appeared that this reluctance arose from his belief that for him to assist, no matter how unwillingly, to expose the secrets of a stock broker's special account would injure him in the estimation of his friends. But Mr. Kresel had a ready reference to every word and figure in the books upon which the witness was examined, and Mr. Bruce was persistent in making the witness testify to the meaning of the tangled web of accounts as it was slowly untangled bit by bit.

Carpenter was on the stand when adjournment was taken for the day, but he had already revealed that Louis Bedell's account with Ellingwood & Cunningham showed a debit in May, 1901, of \$7,775.98 and credits of \$2,375 deposited for Mr. Bedell's accounts by H. H. Vreeland, \$5,000 deposited to Mr. Bedell's account by H. A. Robinson, counsel for the Metropolitan Street Railway Company, and \$125 deposited to Mr. Bedell's account by G. Tracy Rogers.

The stock brokerage firm was also at that time carrying for Mr. Bedell 300 shares of the Electric Vehicle and Transportation Company. This is the Fifth avenue stage company, in the interest of which the Legislature passed a bill when Mr. Bedell was chairman of the Assembly Railway Committee.

Public Hearing Begins.

With the first witness at the public hearing the name of H. H. Vreeland, of the Metropolitan Street Railway Company, was brought into the inquiry. This witness, John Aum, Jr., a bookkeeper in the New Amsterdam National Bank, was asked whether he had made a search for the ledger showing the account of Mr. Vreeland

with the New Amsterdam Bank. He said he had been unable to find the ledger covering the period between January 1 and May 24, 1900.

"That," said Mr. Bruce, "is the very book we want. Go back and make another search."

G. Tracy Rogers, one time traction representative at Albany and a silent member of the brokerage firm of Ellingwood & Cunningham, then took the chair. He said that he lived in Binghamton and was an officer and director of various public service corporations in Binghamton, Elmira and elsewhere. He admitted that he had been a silent partner in Ellingwood & Cunningham. He was Vice-President of the Street Railway Association of the State of New York in 1894, and President in 1895. At that time he was also President of the Binghamton Railroad. In the year 1896-'97 he was again President of the railway association, he said.

Judge Bruce asked the witness to verify the names of his associates in the railway association, year by year, down to the end of his Presidency in 1903.

"The Street Railway Association was formed of the representatives of all the street railway companies of the State," said Mr. Rogers.

"Including New York and Brooklyn?" asked Judge Bruce.

"Yes."

"What were the purposes of the association?"

"For exchanging views, getting together, studying requirements and construction, improvement and betterment."

Judge Bruce elicited the admission

(Continued on Page 10.)

1860 50th YEAR 1910

HOME LIFE

Insurance Company of New York.

GEORGE E. IDE, President.

Assets	\$23,626,018.63
Liabilities	21,858,691.52
(Including Deferred Dividend Fund)	
Dividend Endowment Fund	
(Deferred Dividends)	2,119,044.00
Net Surplus	1,767,327.00
Insurance in Force	92,532,583.00

The record for 1909 shows the following GAINS:

Insurance in Force	\$4,164,239.00
Assets	1,917,117.00
Deferred Dividend Reserve...	148,581.00
Contingency Reserve (Surplus)	655,149.17

Merger in Missouri

A DEAL has just been closed whereby the Guarantee Surety and Casualty Company, of Kansas City is absorbed by the Missouri Fidelity and Casualty Company, of Springfield, Mo. Among the officers, directors and stockholders are about eighty of the more prominent business men of Kansas City, who now become stockholders in the Missouri Fidelity and Casualty.

"All the arrangements are now completed to take over the Kansas City company," said S. E. Austin, general manager of the Springfield company. "By absorbing the Guarantee Surety and Casualty Company we gain eighty new stockholders, all substantial business and professional men of Kansas City; add several thousand dollars in cash to the assets of our company and lay a good foundation for business in Kansas City."

Mr. Austin and W. L. Taylor, Actuary of the Missouri Fidelity and Casualty, went to Kansas City two weeks ago to make a thorough investigation of the Guarantee Surety and to plan the preliminary arrangements for closing the deal.

"The greatest assets of the Missouri Fidelity and Casualty Company to-day is the foundation we have been building for the future," said Mr. Taylor. "There is a great deal of difference between promoting or selling stock and organizing the latter, including not only for the sale of stock, but the establishing of a corporation getting ready to do business."

"When the Springfield begins business it will, of course, be licensed in Missouri first, but we expect to apply

PREFERS CASUALTY FIELD TO COMMISSIONERSHIP.

Frank N. Julian has resigned as Alabama Secretary of State and ex-officio Insurance Commissioner in order to accept the position of general manager of the Alabama Fidelity and Casualty Company, which recently began operations in Montgomery. In an interview on the subject of his resignation, which will take effect on October 5, Mr. Julian remarked that "personal obligations force me to earn more money than the salary of the office, and a proposition was made that I could not afford to decline."

As a matter of fact, two of the appointive places under the Secretary of State receive a larger salary than the head of the department.

Mr. Julian will be succeeded by Cyrus B. Brown, who is at present chief clerk in the department, and was recently chosen Secretary of State in the State election. He has been appointed for the unexpired term of Mr. Julian by Gov. Comer,

at once for admittance to several other States where we are now locating our agencies. All of this work is being done while we are selling our stock.

"A branch office of the company will be opened in Kansas City, and the company will have the co-operation of all the Kansas City stockholders of the company."

Among the directors of the Kansas City company is James A. Reed, Democratic candidate for United States Senator.

THE BANKERS LIFE ASSOCIATION

DES MOINES, IOWA.

ERNEST E. CLARK, President.

Exceptional Record During twenty-nine years for

**LOW RATE OF MORTALITY
ECONOMY OF MANAGEMENT
PROMPT PAYMENT OF CLAIMS
SECURITY OF ITS FUNDS**

and satisfactory results for its policyholders.

Personal and Family Insurance Combined

No trouble to get a hearing with this policy. It's something more than life insurance. Write for booklet and agency terms.

Address

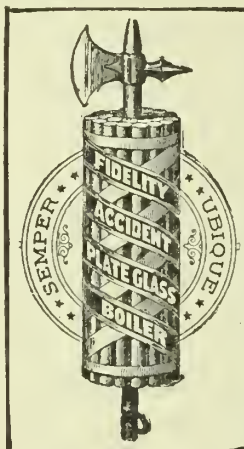
ALEXANDER MCKNIGHT

Vice-President

THE FIDELITY MUTUAL LIFE INSURANCE CO.

L. G. FOUSE, President

OF PHILADELPHIA



THE FIDELITY & CASUALTY COMPANY

97 TO 103 CEDAR ST., NEW YORK CITY.

ASSETS - \$9,598,924.02

Cap. & Surplus \$3,564,229.90

LOSSES PAID \$31,636,503.21 to Jan. 1, 1910.

This Company grants Insurances as follows:

Bonds of Suretyship for Persons in Positions of Trust, Fidelity Bonds, Burglary, Plate Glass, Steam Boiler, Fly Wheel, Employers, Public, Teams, Workmen's Collective, Elevator and General Liability; Personal Accident, Health and Physicians' Liability

OFFICERS:

GEORGE F. SEWARD, President.

Robert J. Hillas, V.-P. & Sec'y. Henry Crossley, Ass't Sec'y. Frank E. Law, 2d Ass't Sec'y. George W. Allen, 3d Ass't Sec'y.

A GREAT SIX MONTHS

We closed the first half of 1910 with a rousing increase in new business over our record for the first half of highly prosperous 1909.

In policies and dividends we have what the public wants. In literature and canvassing aids we have what the agent wants. And back of all is a reputation gained from 59 years of activity as a Massachusetts Company.

If you are a genuine producer, a *delivering* producer, and wish to join our forces, address

GEORGE D. LANG,

Superintendent of Agencies

**Massachusetts Mutual Life Insurance Company,
Springfield, Mass.**

Incorporated 1851

Theodore Roosevelt at Kansas City Preaches Workmen's Compensation

IN HIS speech at Kansas City last Thursday Colonel Roosevelt had the following to say in regard to workmen's compensation:

"More than once we have had to investigate conditions in such businesses as those you have in this city. Always when you have done so the employer has explained to the wage-worker that if the Government was successful in its exercise of control it would result in the cutting down of wages. That isn't so. All we struggled to do was to secure better conditions of employment living among the men actually employed in industry.

"Take such questions as what is called the employers' liability. I do not like that expression, because I think the term should be the compensation of employes for injuries. I feel very strongly that in every industry where there is the slightest risk of life or limb, whether on railways or in any other industry, that in the event of loss of life or injury we should not leave it to lawsuits to determine what shall be done, and least

of all should we allow the whole weight of the burden to fall on the shoulders least able to bear it. If a man is killed in an industry, instead of leaving his widow and children to bear the whole burden, I would have it distributed over the whole industry by making the employer pay a certain amount of compensation.

"It is not fair that a man working on a railway who loses his arm should pay all the penalty by being crippled all of his life while the railway pays nothing. It is not fair that a girl working in a factory which renders her liable to suffer injury shall go on in life maimed and no one else bear the burden for her. The burden should be distributed when a working-man is injured or killed in his employment. There should be no question of responsibility. He should receive compensation for the injury he has suffered, and if he is killed his family should receive such compensation. It should be the duty of the Government to see that he is paid, too. He should not be left to bring a lawsuit.

"There are admirable lawyers, but

not many are found following the profession of 'ambulance chasers.' The lawyer who makes his living by hunting up accidents and by carrying on lawsuits which may be justifiable or unjustifiable is not as a rule one whose interests it is necessary to consider. We should have the compensation act so fixed that the wage-worker's child gets his share, and none of it should go to a man who gets him into the lawsuits in connection with it.

"I do not want to penalize the corporations by making it pay an excessive amount. I want to see that what is paid goes to the injured man and to the injured man's family. Therefore I want to eliminate the lawyer totally from the transaction.

"I am emphatically for progressive legislation as regards the control of the corporation and as regards the adjustment of our relations with the corporation. But, friends, do not forget that no legislation will ever avail unless we have the right type of men and women on whose behalf the legislation is invoked."

Ohio Incendiarism Less

JOHN W. ZUBER, Fire Marshal of the State of Ohio, has some things to say of interest to fire underwriters as follows:

"The first five months of the current year have developed only thirty-five fires in Ohio of undoubted incendiary origin. This average of seven a month, if kept up throughout the year will establish a new low record for this State in fires of this character. The low number is remarkable and fully as gratifying as it is remarkable.

"These figures would indicate for the year a total of only eighty-four incendiary fires, whereas the lowest previous record since the organization of the department was ninety-seven in the year 1905. It was in the early part of that year (1905) that the investigations into the operation of the "Williams County gang" began to bear fruit in the prosecution and conviction of the men who had terrorized that whole neighborhood and caused the destruction of millions of dollars worth of property.

"The reduction of the number of this class of fires from 292 in the first year of the department's operation to the present average of a hundred or less is certainly a remarkable showing. That it is very largely attributable to the activities of this office will scarcely be questioned.

"This reduced number of such fires of course does not by any means represent the number of fires investigated. Very many fires are reported as being incendiary which upon investigation are found to have been accidental or due to some entirely innocent cause. And many others are investigated where there is no suspicion whatever but which must be looked

into in order to determine the cause or origin if possible.

"It has frequently been stated and is capable of demonstration that nearly four-fifths of the fires which occur in this country are due to easily preventable causes. When one remembers that there occur between four and five thousand fires annually in Ohio and that each fire means an average loss of \$1,200, is it not a fearful indictment to say that four-fifths of this loss might easily have been prevented."

Cotton Bills at Lloyds

A GROUP of underwriters at Lloyds, London, have made arrangements with some of the English buyers of American cotton bills for insuring them against any losses they may suffer through the acceptance of spurious bills of lading. This insurance is to take the place of "bank guarantee," and it is believed that the protection thus given the purchaser of bills will meet the requirements of the English bankers.

The American surety companies expected to send agents to all cotton centres in the South for the purpose of supervising the acts of the railroad agents. Lloyds, London, will not do any such thing, and consequently its expenses will be materially lower than

those figured by our surety companies when they outlined their plan for guaranteeing cotton bills.

Following is a sample of the documents issued to firms which take out insurance with Lloyds, London:

LONDON, 1st Sept., 1910.
To Whom It May Concern:
Cotton Season 1910-1911.

Sir:—
This is to certify that the undersigned have effected insurance on cotton to cover any loss Messrs. may sustain through accepting or negotiating forged or fraudulently incorrect bills of lading.

Limit of Loss, One Shipment

£

We are, Sir,

Your Obedient Servant,

Insurance Brokers.

The negotiations between American shippers and the surety companies are still pending.

E. E. CLAPP & COMPANY TAKE NEW BUILDING.

The well known disability agency, E. E. Clapp & Co., which for many years has occupied the buildings at 66 and 66½ Pine Street, where they are now located as managers of the Fidelity and Casualty Company's Accident and Health Department for New York, New Jersey, Massachusetts and Rhode Island, have leased the entire eight story building at 90 William Street. They are arranging to make extensive alterations to the building, remodelling the front, the ground floor and several other floors, and will occupy most of the building for their own use and that of their agents. The insurance district, as all know, has recently been moving up William street. This move of E. E. Clapp & Co. makes it pretty clear that Pine street as an insurance street has seen its busiest day.

E. E. Clapp & Co. have the largest accident and health business of any agency in the world; in fact, there are only four or five companies which have in the whole of America as much as E. E. Clapp & Co. have in their four-State agency. The figures for their business in New York State alone last year showed several hundred thousand dollars more than their increase last year was greater than the combined increases of their four nearest competitors, as shown by the State report.

The firm reports a very substantial further increase for the year so far, and this move into the heart of the new insurance district will still more largely increase its business among the brokers.

E. E. Clapp & Co. are also managers of the metropolitan district for the Burglary and Theft Department of the Fidelity and Casualty, having a volume of business in New York larger than their two nearest competitors, and increasing more last year than both of the latter combined.

No. 90 William street is also the home of THE CHRONICLE.

REPORTS PREJUDICE AGAINST US ABROAD.

William J. Joyce, President of the National Surety Company, who went to Europe several months ago, with a view of establishing branch offices for his company, came back with a very pessimistic view of conditions abroad, so far as they affect surety business.

"The prejudice entertained by foreigners against the insurance companies of America is simply amazing," said Mr. Joyce. "I found it so much so, in fact, that I had to give up my plan to establish insurance agencies on the other side. Of course, the foreign view on conditions here was engendered by the many official investigations which we have had into insurance affairs and the political capital which has been made on this side out of them."

WORKMEN'S COMPENSATION RISKS UNDER NEW LAWS.

Vice-President R. S. Keelor of the Empire State Surety Company, has issued a circular letter to brokers in regard to employers' liability and workmen's compensation insurance, in which he says:

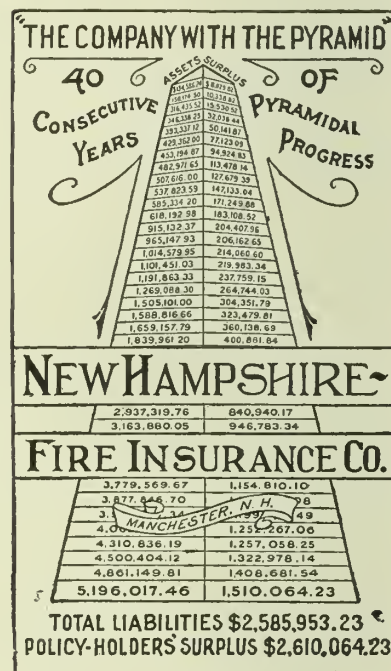
"A better opportunity to increase your income from the sale of liability insurance never existed than is presented right now. Then, too, you have the advantage of an entirely new line—workmen's compensation insurance. The Phillips Employers' Liability law increases the liability of employers anywhere from 100 to 300 per cent. This law was enacted in response to the demands of labor unions, and these same unions will see to it that their members get all they are entitled to when accidents happen. The employer must pay for all of this unless he is insured, and necessarily the insurance will cost him more than liability insurance has heretofore cost.

"But the man who owns property or employs labor has been made subject to an entirely new liability under the Wainwright Compulsory Compensation law, so that one who needs

liability insurance also needs compensation insurance. This new law is so worded that the courts may decide that many accidents not now considered to come within its provisions must be paid for. For instance, the use of electricity for any purpose, even for ringing door bells, or the use or the keeping of anything of an explosive nature may make an employer liable for indemnity not to exceed 1,200 days' wages for death of an employe or not to exceed eight years' half wages for a disabling injury."

PENNSYLVANIA HAS A WOMAN UNDERWRITER.

Mrs. Annie M. McConkey, widow of Edwin K. McConkey, late Secretary-Treasurer of the Farmers' Insurance Company of York, Pa., has been elected his successor. Mrs. McConkey is the only woman who is now holding such a prominent office. She has the benefit of her father's and husband's knowledge of fire insurance.



In New England.

BOSTON, Sept. 7.—The Commission on Compensation for Industrial Accidents, which was created by the last Massachusetts Legislature, is now holding weekly sessions in furtherance of the investigations that devolve upon it and which may result in the revision of the present Massachusetts law governing the amount of indemnity that employers must pay to the employed who are injured in the performance of their work. The far-reaching Wainwright law, recently enacted in New York State, and relating to the same conditions, invests the deliberations of the Massachusetts commission with particular interest. The commission has begun an extended inquiry into the operation of the existing laws relating to its subject matter in the United States and Europe, as a basis for recommendations to be submitted to the Legislature of 1911. The headquarters of the commission is in room 227 in the State House at Boston. The first public hearing is set for September 29 at 7:30 P. M., and is to be followed by other hearings at later dates in Boston, Fall River, Lowell, New Bedford, Pittsfield, Springfield, Worcester, and possibly other cities, if sufficient interest is shown. The commission is composed of James A. Lowell, chairman; Amos T. Saunders, Magnus W. Alexander, Henry Howard and Joseph Parks. Carroll W. Doten, clerk of the commission, has gathered an abundance of particulars to present at the public hearings.

New Fire Apparatus Needed.

Acting Fire Commissioner Carroll, of Boston, wrote to the Mayor on Saturday that the \$110,500 worth of fire apparatus—mainly to replace that destroyed in the lumber wharf fire of August 9—is immediately needed by the department, as follows:

Two first size engines and three second size engines, \$27,500; one water tower, quick raising, \$6,500; two auto chemicals, \$11,000; three

straight horse-drawn chemical engines, \$6,000; three aerial trucks, \$16,500; 10,000 feet of hose, \$9,000; 1,000 feet of chemical hose, \$500; one combination ladder truck, \$2,500; harnesses, \$1,000; machinery, \$10,000; supplies, \$5,000; incidentals, \$10,000; one city truck, \$2,500; one power boat for marine district chief, \$2,500; total, \$110,500.

In answer to an inquiry from the the Finance Commission the Mayor has stated his reasons for thinking the Fire Department worked under difficulties on the night of the lumber fire, as follows: The fire started at an hour when many of the men were at supper, and the acting Fire Commissioner confirmed that view. The Mayor believes that the department should be increased to prepare for such emergencies by a sufficient number of men so that absence on account of vacations, illness or meal-time will not hamper its efficiency.

A Feeling Tribute.

The memorial prepared by a committee of the Boston Board of Fire Underwriters, Frederic C. Hinkley chairman, to the late George P. Field, for three terms President of the board, is a feeling and well-put tribute to the virtues of that excellent man. It tells of his unstinted devotion in promoting the interests of the board, of the leading position he held in fire insurance circles in Boston, of his kindness, helpfulness, sunny disposition and winning personality, and truly states that his life was an exemplification of the saying, "An honest man is the noblest work of God."

New England Casualty Company.

The examination of the New England Casualty Company, as of July 31, 1910, recently completed by the Massachusetts Insurance Department, makes a very satisfactory showing for that organization, the admitted assets being \$256,190, whereof \$200,000 figures as capital and \$37,719 as net surplus. On this basis a policyholders'

surplus of \$237,719 is shown, surely an ample margin of protection. The New England Casualty may be trusted to give a good account of itself under the energetic and efficient guidance of President Corwin McDowell.

New England Brevities.

Among recent visitors to Boston was Dr. Ernest Avellis, of the German Imperial Insurance Supervising Bureau in Berlin. Dr. Avellis is making a study of American methods of insurance supervision and company management, and found much to interest him here. Accomplished insurance-wise, Dr. Avellis is a man of liberal culture in other ways and a prepossessing example of a high-class German gentleman.

* * *

The heat of the recent political campaign in New Hampshire may be gathered by the fact that one of the candidates practically charged his opponent with having connived at the setting of a brush fire to draw away the audience from the hall in which a "rally" in the interests of said candidate was held. EMIL SCHWAB.

THE NATIONAL SURETY PLANS TO ENTER CANADA.

The National Surety Company is preparing to enter the Dominion of Canada for fidelity and surety business. As soon as the necessary formalities can be complete and a suitable manager secured it is proposed to open a branch office, probably in Montreal.

INDUSTRIAL ACCIDENTS.

In a current number of the "Survey" appeared two articles on the general subject of workmen's compensation which show considerable research and are presented in an authoritative manner. The first is entitled "Work Accidents and Employers' Liability," and is written by Crystal Eastman, Secretary of the New York Commission on Employers' Liability and Causes of Industrial Accidents. The other deals with "Standards of Compensation for Sickness, Accident and Death," by Sherman C. Kingsley, of the United Charities of Chicago.

COMMERCIAL - UNION ASSURANCE CO., (LIMITED) OF LONDON.

OFFICE;

Cor. Pine & William Sts.

NEW YORK.

THE HOME LIFE INSURANCE COMPANY OF AMERICA

Incorporated 1899.



JOHN LANGHAM, Jr., President.
JOSEPH L. DURKIN, Secretary.
EDWARD P. MADDEN, Treas.

General Agents and District Managers who can produce ordinary business can secure "Ground Floor" contracts with **GUARANTEED RE-NEWALS** and an assignment of territory limited only by capacity to produce agency organization and business. Send for Sample Policy. **IT IS ONE YOU CAN SELL.** New business, \$1,500,000—January 1-June 30, 1910.

Address:

G. M. NETTLESHIP,
General Manager,

416-18-20 Walnut St., : PHILADELPHIA, PA.

Gossip Along the Great Lakes

CHICAGO, Sept. 7.—The Michigan Association of Local Fire Insurance Agents met last week at Port Huron. Socially the meeting was a great success, as the agents of the city were good hosts, but from a business standpoint it was not of so much account. The one question that constantly came to the front was the inroads on the local business by brokers from the outside. This is worrying the agents, for they do not seem able to cope with the situation.

Sometimes it is the mutuals that start the trouble. They offer a rate lower than the advisory. That starts the assured to shopping to find a stock company that will meet the mutual rate. At points where rates are well observed the local agents can offer only the advisory. An inspector for an outside broker visits the risk and either convinces the inspection bureau that the risk is entitled to a lower rate or suggests improvements that secure a lower rate, and the broker gets the business.

The agents appear inclined to believe that other considerations enter into the deal, but as they have no proof on this point they cannot make specific charges. There is no overhead writing involved, as the policies are sent to local agents to be signed, and they receive a commission. Nevertheless, some of the agents do not like the friendliness of certain of the companies toward the brokers. What are the companies to do? See good business at satisfactory rates get away from them because their agents cannot control it?

* * *

The reinsurance of the Freeholders of Topeka in the Firemen's of Newark last week marked the end of the career of another young company which expanded too fast. The Freeholders was organized in 1904 and its underwriting has been from the start under control of George A. Bailey, former State agent of the Phenix of Brook-

lyn in Kansas. For the first four years its loss ratio was under 35 per cent, but last year it ran up to 57.1 per cent. For the first three years it did a limited business, but in 1908 it doubled its premium income of 1907 and ran its reinsurance reserve up to \$79,000 from \$30,000. With an expense ratio never under 46 per cent, the surplus ran down in spite of contributions of \$80,000 to that account in five years. The fate of the Freeholders furnishes another example of the danger to small companies in branching out into new territory and putting on business too rapidly. The company was operating in five States.

* * *

There is reason to believe that the visit of Professor A. W. Whitney, expert adviser to the New York Legislative Investigating Committee, was of advantage to him and to the committee also. The Professor, so it is said, had not found the New York managers and executives very communicative. Not knowing him or his attitude, they were not inclined to tell him everything he would have liked to learn. In Chicago he got some valuable ideas, and he also learned from O. B. Ryon, attorney of the Illinois commission, how that body had conducted its investigation. Mr. Ryon has no trouble in learning from the fire insurance companies about anything he wants to know, because the insurance men know him and know that it is his intention to be fair. His attitude is not that of a public prosecutor after a bunch of alleged grafters, but of an investigator seeking the truth with a view to improving conditions. Mr. Ryon knows many things that were not brought to the surface in the Illinois investigation. These facts are of the same value to the commission in reaching its conclusions as if they had been brought out, but the companies would not have given them out if they had not known that they would not be made public property. Because insur-

ance companies are very much supervised is no reason why they must give up to their competitors valuable trade secrets and enable mutuals, competing stock companies or muckrakers to attack them to their detriment.

As a result of Professor Whitney's visit the report of the Illinois commission will be somewhat delayed. Mr. Ryon is of the opinion that the two investigating bodies—those of New York and Illinois—can co-operate to the advantage of each. If two States of such importance could agree upon a legislative programme and their legislatures would carry out the recommendations they could very nearly regulate the business in the entire country.

* * *

There are intimations that the National Association of Local Agents in Chicago next week will be a lively one. The decided attitude of the Southern agents in favor of higher commissions is likely to be a factor. The Northern agents, who see the agitation for reduction of expenses, are very much alive on this question. The invasions by brokers are getting more serious all the time.

There is not much discussion of the Presidency of the agency organization in Chicago. This city never has had a President of the National Association. There has been some talk of Clarence S. Pellet for President, but he has not served the apprenticeship in committees and minor offices that most of the recent presidents have gone through. E. B. Case, of Chicago, also is mentioned. He is one of the old and faithful members of the association and has done much committee work.

* * *

P. D. McGregor, Western manager of the Queen, is being talked of for the Presidency of the Western Union. Mr. McGregor has been recognized as one of the strongest men in the business in Chicago. LA SALLE.

Germania Fire

INSURANCE CO.,
NEW YORK.

ORGANIZED 1859.

Cash Capital.....\$1,000,000.00
Assets\$6,562,329.14
Net Surplus.....\$2,008,419.02
Surplus for Policyholders,\$3,008,419.02

HEAD OFFICE:

Cor. William and Cedar Streets.

CHICAGO'S GREATEST COMPANY

ILLINOIS LIFE INSURANCE CO.

OLDEST IN CHICAGO **CHICAGO** LARGEST IN ILLINOIS
JAMES W. STEVENS, PRESIDENT

We Guarantee where others Promise

The year 1909 was the most successful in this company's already splendid record of successful years.

INSURANCE IN FORCE
FIFTY MILLION DOLLARS

A Foreign Plan for American Reinsurance

FIRE underwriters in New York, with European connections, have learned recently of a letter sent some time ago to European companies by Mund & Fester, of Hamburg, in respect to American business. The letter asserts that fire underwriting in the United States has had a rather remarkable development in the last twenty-five years. It points out that the premium income has been more than trebled since 1885, while the number of companies writing fire insurance shows a continual decrease. On account of the limited number and insufficient writing capacity of the legally licensed companies, quite a proportion of the American business in congested districts has to be placed in the form of affidavit risks with other than licensed underwriters.

The letter of Mund & Fester also undertakes to show that, despite the conflagrations of San Francisco, Baltimore, Rochester and Chelsea, the general results of the business in this country had been profitable to the capital engaged, a higher profit being reaped by companies which wrote reinsurance only.

It is also pointed out that since the San Francisco catastrophe improved building construction and fire fighting facilities have prevailed in all American cities. Then companies writing a direct business have adopted a control system, which goes beyond the control of the single risk and block limit previously used, and which divides every large insurance area in conflagration districts, whereby it will be practically impossible to incur a loss exceeding a sum fixed in advance.

FIRE AND MINE CAVING INSURANCE THE LATEST.

The Anthracite Finance Company, which is organizing the People's Anthracite Insurance Company at Scranton, Pa., states that the new concern is to insure against fire and mine caving. As to the latter indemnity, the promoters say that it is to be insurance against property damage caused by the settling of the surface and has nothing to do with interior damage. The policy is to cover only the personal property of the assured.

The finance company is obtaining stock subscriptions for the insurance money until the organization of the latter is affected, about October 1. The officers are: Smith B. Mott, President; John R. Wilson, First Vice-President; E. G. Watkins, Second Vice-President; W. T. Hackett, Third Vice-President; H. E. Kimble, Secretary, and A. E. Rogers, Treasurer.

Mund & Fester, therefore, have decided to attempt the organization of an American company to be known as the American Reinsurance Company of New York, and to submit all steps in connection with its organization to the authorities here; in fact, they say that the State Insurance Department in Albany has given its preliminary consent to the proposed charter and intended name. The letter continues:

"We propose a fully paid-up capital of \$500,000; for the time being there shall be issued, however, only 3,000 shares at a par of \$100, whereas the remaining \$200,000 shall be deposited with the American trustees of the company in interest-bearing securities. This liquid surplus of \$200,000 is absolutely necessary in the first year of a new American insurance company, inasmuch as the legal re-

serves can be supplied therefrom at the end of the business year. As provided by law, the funds necessary for the premium reserves cannot be drawn from the paid-up capital stock. As soon as the company will be in possession of sufficient reserves the shareholders will be allotted further shares amounting to \$200,000 in accordance with their pro rata participation.

"As general manager of the company we suggest our New York firm Fester, Douglas & Folsom, and in the event of further discussion we will submit the contract under which the firm would accept the representation. At that time we will also be prepared to give the necessary information as regards the appointment of experts for the 'Advisory Committee' which will be intrusted with the acceptance of contracts."



Insurance Brokers

Place Your **SURETY** and **CASUALTY** business in the "EMPIRE."

CAPITAL, - - - - - \$500,000

Business Producers not now under contract wanted for open Territory.

Address Agency Department,
THE EMPIRE STATE SURETY CO.,
84 William Street, New York

**OLDEST
IN
AMERICA**

**STRONGEST
IN THE
WORLD**

THE MUTUAL LIFE Insurance Company of New York

**Mutual Life Agents Make Most Money
Because Mutual Life Policies Sell Most Freely**

For terms to producing agents, address

GEORGE T. DEXTER

2nd Vice-President

34 Nassau Street

New York, N. Y.

BRUCE COMMITTEE STARTS.

(Continued from Page 3.)

that legislation was also considered.

"And it was your duty to go to Albany and appear before committees to speak for bills favoring your association, and to defeat legislation unfriendly to the association.

The witness answered in a rambling manner, admitting in a general way that this was the fact. He said that there was very little affirmative legislation. Matters were discussed before executive committees of the Legislature, but very rarely with individual lawmakers.

"About how many counsel did your association employ while you were President?"

"I can't remember."

"About fifty?"

"Perhaps fifty."

Dues \$10,000 a Year.

It appeared that dues of the members were \$10 on gross receipts less than \$50,000, and \$300 for members with more than \$300,000 gross receipts. For members receiving more than \$1,000,000 the dues were \$600. The total receipts of the association from dues, Mr. Rogers believed, was \$10,000 a year at the most.

Mr. Rogers said that he was acquainted with the leading members of the Senate and Assembly during the years when he was President of the association. He remembered that Assemblyman Louis Bedell was chairman of the Committee on Railroads from 1901 to 1905 and chairman of the Committee on Rules from 1900 to 1905. Senator Goodsell was chairman of the Senate Committee on Railroads during some of those years. The Legislative Manual, supplied by Judge Bruce, enabled Mr. Rogers to refresh his memory.

Hazy About Stock Firm.

Mr. Bruce then turned to Mr. Rogers's connection as "special partner" with the brokerage firm of Ellingwood & Cunningham. Rogers's memory proved very bad on this subject. He said that he had never looked into

the books of the firm in regard to his account and said that the books would be found to be the best evidence. It developed that Rogers was not sure when he became a member of the firm or of its address.

"You were connected with the firm of Ellingwood & Cunningham as special partner?" inquired Mr. Bruce.

"I was."

"Where was its office?"

The witness hesitated and then replied:

"No. 41 Wall street, I think."

"When did you become a member of the firm?"

"I don't remember exactly."

"Was it not from 1899 to 1905?"

"You have the records."

Mr. Bruce referred to various dates "to refresh the witness's recollection," his phrase "to refresh your recollection" becoming a stock expression for use with almost every other question. The witness admitted that the books showed that he had become a member of the firm on January 8, 1900, and left it on January 1, 1905. When asked if the firm, from which Mr. Ellingwood had retired in October, 1902, had not gone into bankruptcy about six weeks after he (Rogers) left it, the witness replied:

"You'll have to have better evidence than me."

Can't Recall Accounts.

About his accounts with the firm while a "special partner," Mr. Rogers showed a very poor memory. There were "G. T. Rogers, special account, account Rogers and R." and many others.

"Who was the R?" asked Mr. Bruce.

"Henry A. Robinson, perhaps," was the reply.

When queried about another account, "Rogers and J.," he replied:

"There were so many accounts that I can't remember. I haven't looked into the books."

It was the same way with an account, "Rogers and E." When asked if he had an account for James T. Rogers, former Senator Green and Louis Bedell he replied:

"There may have been one to Rogers, Green, Bedell and Goodsell. There

were so many that I wouldn't be at all surprised."

As "special partner" Rogers said that he had introduced to the firm Bedell, Goodsell, Nixon, Malby, Raines and many other legislators who wished to speculate.

HERE AND THERE.

S. H. Wolfe is making examination of the Shawnee Fire Insurance Company, of Topeka, for the States of Minnesota, North Carolina and Virginia.

* * *

Vice-President J. P. Smith of the Delaware, has had the general agency of that company for New England and New Jersey added to the duties of his position.

* * *

T. W. Kirby, Chief Examiner of the California State Insurance Department, started a movement looking toward an organization of the examiners of the Insurance Department of the several States of the Union. He hopes to get the examiners together in the national convention in the Fall of 1911.

* * *

J. A. Kennard & Co., of Seattle, have been appointed general agents for the States of Washington, Oregon and Idaho, of the Illinois Surety Company for surety bonds and the Prudential Casualty Company for all casualty lines. This office recently took over agencies for the Michigan Commercial Insurance Company and the Old Colony Insurance Company. Associated with the office as general counsel is the firm of Douglas, Lane & Douglas.

* * *

The Surveyor Insurance Directory of the States of New York and New Jersey for 1910 has just been issued. It contains the usual accurate statistics in regard to company staffs, names and addresses of insurance companies, agents and branch managers, with companies represented, and brokers, as well as county and local underwriters' organizations, with names of officers and committees and population of each city and kind of fire department.

WESTERN ASSURANCE Co.

**HEAD OFFICE,
TORONTO, - - CANADA.**

Incorporated 1851.

Hon. GEORGE A. COX.....President
W. R. BROCK and JOHN
HOSKIN, K. C. LL. D., Vice-Presidents
W. B. MEIKLE.....General Manager

United States Statement, Jan. 1, 1910.

Assets\$2,377,303.37
Surplus in United States..... 839,268.07

NATIONAL LIFE INSURANCE COMPANY of the United States of America



**MORE THAN \$9,750,000.00 IN ASSETS
EXCESS SECURITY TO POLICYHOLDERS \$1,300,000.00**

**Chicago's Oldest and Strongest
Company**

**OUR NEW POLICIES ARE WORLD BEATERS
YOU LOSE MONEY WHEN YOU NEGLECT YOUR CHANCE TO SELL THEM**

LOWEST RATES AND HIGHEST VALUES

Write to Robert D. Lay, Secretary, 159 La Salle St., Chicago.

New Texas Insurance Law Signed

THE new insurance law just passed by the Texas Legislature and approved yesterday by the Governor provides that all companies shall be governed by the act, and it is expressly stated in the bill that this provision shall apply to the shore and all marine risks. The bill creates a State Insurance Board to be composed of the board and two members to be appointed by the Governor. The term of one of the appointed members expires on February 1, 1912, after which the terms of the successive appointees shall be for two years, thus providing for overlapping terms of office, so that at no time will both the members of the board be inexperienced men.

The bill confers on the State Insurance Board full authority to regulate the writing of fire insurance in the State and also makes it the duty of the board to collect and maintain a record of the fire losses of the State, with a view of classifying them for use in determining equitable insurance rates and the methods of insuring the fire losses of the State. It is made the duty of the State Insurance Board to prescribe, fix, form and regulate the rates of fire insur-

ance and to make and prescribe the general basis schedules, together with rules and regulations for applying the same to specific risks for the purpose of determining the maximum rates at which insurance companies may write insurance in the State. Authority is also given the board to alter, revise, prepare and lower such rates, and to alter and prepare and lower the general basis schedules or any part thereof. It is also empowered to employ inspectors and such other employees as may be needed to carry out the provisions of the act.

The bill provides that the general basis schedule shall be compiled and promulgated by the board as soon as practicable after the law takes effect, and that after the general basis schedules are promulgated that it is the duty of the fire insurance companies to apply the general basis schedules to the specific risks of the State, and thus obtain the maximum insurance rate on these risks. Provision is made that the companies may employ a common agent to apply these schedules, but that the contract with such agent shall be subject to the approval of the board, and that the maximum specific rates obtained therefrom can-

not be in effect until approved by the board.

It is provided that any insurance company may write insurance at a lower rate than the maximum on any risk or class of risks in any particular locality, but that the company doing so must file a copy of such reduction under the signature of its general or State agent with the State Insurance Board and forms prescribed by the board showing the maximum and reduced rates on the risk or class of risks; also that the State Insurance Board shall then file a certified copy of such statement of the reduced rate with the County Clerk or the city's secretary of the locality where such reduction is made.

The bill also provides for the promulgation of uniform policies of insurance by the board and prescribes the co-insurance clause, except on request of the assured, and then only upon consideration of reduced rates. A clause in an insurance policy is to the effect that such policy shall be declared void in the event the insured property is mortgaged. Full pro-

(Continued on Page 14.)

HOME OFFICE OF THE Metropolitan Life Insurance Co.

(INCORPORATED BY THE STATE OF NEW YORK, STOCK COMPANY)
The Company OF the People, BY the People, FOR the People

PROOF OF PUBLIC CONFIDENCE

This company has more premium paying business in force in the United States than any other Company, and for each of the last 16 years has had more New Insurance accepted and issued in America than any other Company.

The number of Policies in force is greater than that of any other Company in America, greater than all the Regular Life Insurance Companies put together (less one), and can only be appreciated by comparison. It is a greater number than the Combined Population of Greater New York, Chicago, Philadelphia, Boston, St. Louis, Cleveland, Cincinnati, San Francisco, Pittsburg, Baltimore, New Orleans and Buffalo.

ASSETS.

Municipal and R. R. Bonds and Stocks	\$123,345,161.39
Bonds and Mortgages	105,133,172.02
Real Estate	23,311,215.73
Cash	5,420,643.42
Demand Loans on Collateral	172,930.00
Loans to Policyholders	11,193,245.61
Prem. deferred and in course of collection (net)	5,190,288.45
Accrued Int., Rents, etc.	3,290,211.85
Total	\$277,107,868.48

LIABILITIES.

Reinsurance Fund and Special Reserves	\$27,213,384.00
All other Liabilities	9,992,264.48
Capital and Surplus	23,902,219.38
Total	\$277,107,868.48



Largest Office Building in the World—Madison Avenue, Fourth Avenue, 23d Street and 24th Street, New York City.

THE DAILY AVERAGE OF THE COMPANY'S BUSINESS DURING 1909 WAS:
456 per day in number of Claims paid.
6,535 per day in number of Policies placed and paid for.
\$1,463,755 per day in New Insurance placed and paid for.
\$183,403.75 per day in Payments to Policyholders and addition to Reserve.
\$132,172.72 per day in Increase of Assets.

OFFICERS

JOHN R. HEGEMAN.....President
HALEY FISKE.....Vice-President
GEORGE H. GASTON.....2d Vice President
GEORGE B. WOODWARD.....3d Vice President
FRANK O. AYERS.....4th Vice President
F. F. TAYLOR.....5th Vice President
JAMES M. CRAIG.....Actuary
STEWART L. WOODFORD.....Counsel
WM. J. TULLY.....General Solicitor
FRED K. H. ECKER.....Treasurer
WALTER STABLER.....Comptroller
JAMES S. ROBERTS.....Secretary
JOHN R. HEGEMAN, JR.....Asst. Secretary
J. J. THOMPSON.....Asst. Secretary
T. R. RICHARDSON.....Asst. Secretary
GEO. B. SCOTT.....Asst. Secretary
FREDY A. BETTS.....Asst. Secretary
GEORGE C. PENHALLLOW.....Asst. Secretary
THOMAS H. WILLARD, M. D.....Med. Dir.
AUGUSTUS S. KNIGHT, M. D.....Med. Dir.
E. M. HOLDEN, M. D.....Asst. Med. Director
W. S. MANNERS, M. D.....Asst. Med. Director
J. BERGEN OGDEN, M. D.....Asst. Med. Dir.
D. M. GEDGE, M. D.....Asst. Med. Director
I. J. CAHEN.....Manager Ordinary Dept.
LEE H. FRANKEL, Ph. D.....Mgr. Indus. Dep.
JACOB CHADAYNE.....Mgr. Intermediate Br.
CHAS. G. REITER.....Asst. Actuary
JAMES C. BROWN.....Asst. Actuary
JAMES D. CRAIG.....Asst. Actuary
RAYMOND V. CARPENTER.....Asst. Actuary

Paid to Policyholders since Organization, plus the Amount now invested for their Security, \$537,223,523.83.
Number of Policies, 1 Force, December 31, 1909, \$10,621,679. Total Outstanding Insurance Placed and Paid for, December 31, 1909, \$2,041,951,700.00.

In Its Ordinary Department policies are issued for from \$1,000 to \$1,000,000 on Individual lives, premiums payable annually, semi-annually and quarterly. In Its Industrial Department policies are issued on all the insurable members of the family for weekly premiums.

Full particulars regarding the plans of the Metropolitan may be obtained at its Home Office, 1 Madison Avenue, New York City, or its Agents in all the principal cities of the United States and Canada.

Western Life and Casualty News

CHICAGO, Sept. 7.—Several years ago in one of the Western States there flourished for a time a fraternal society. By degrees it acquired a very bad reputation and eventually its home office was found bare, except for some worthless supplies and similar junk left scattered about. The head of this institution received considerable space in the newspapers and insurance journals. He bore a professional title and a name not met with every day. After the concern decamped from its Western home a fraternal with a similar name began business in Chicago, and later was succeeded by a legal reserve company. All this would amount to nothing were it not for a strange coincidence. The head of this Chicago company bears the same surname and initials as that of the former Western fraternal. The Chicago man is plain "Mr.," however, and inquiry at the office for a man of the same name with a title calls forth from employees a correction. Some of the personal characteristics of the Chicago man are said to greatly resemble those of the man further West. Yet they are not the same person; at any rate the Chicago man says they are not.

* * *

Word has been received at Chicago that a movement is on to stampede the annual meeting of the National Association of Life Underwriters at Detroit for W. C. Johnson, manager of the Phoenix Mutual Life at New York, for President. Mr. Johnson came prominently before the life underwriters of the country at the time the Armstrong law was before the New York Legislature on account of effective work he did. Since then he has done much for the General Managers' Association of the Phoenix Mutual and last year at Louisville he was considered for the Presidency of the National Association. Close friends of his, however, say that it will be impossible for him to accept the office if it should be tendered to him, and will do all they can to block any

move in his direction.

H. J. Powell, general agent of the Equitable of New York at Louisville, is being talked of for the Presidency in the West, and L. Brackett Bishop, general agent of the Massachusetts Mutual at Chicago, is also mentioned.

* * *

The Chicago office of the National Surety is looking for a large business in the execution of automobile bail bonds, or, to speak more accurately, in the sale of appointments of attorneys in fact to execute such bonds. Although the company has done a thriving business in the East in furnishing owners of automobiles blank bonds and commissions as attorney for the execution of the bonds, this line never has secured a foothold until now in Chicago. The instructions to the desk sergeants at the police stations were to accept only bonds of owners of real estate of a certain value. The National Surety had not succeeded in getting this rule changed.

Recently there has been organized in Chicago an automobile owners' protective association, which agrees to furnish its members certain service. One part of its service is to give each member a commission as attorney-in-fact for a surety company, so he can sign bonds for his release in case of arrest. This association has contracted with the National Surety to furnish these commissions and has secured an order of the Chief Justice of the Municipal Court and of the Superintendent of Police, providing that bail bonds of automobile owners shall be of \$200 penalty and that corporate sureties shall be accepted. The association is headed by Tom Murray, the clothier and haberdasher, who placards the street cars with his peculiar advertisements, containing a picture of the back of his head with the legend, "Meet him face to face." His well known hustling ability is thought to guarantee a large business for the new organization.

* * *

The question of burglary losses is one which some of the Chicago managers find it painful to discuss. The last few weeks have run up the loss ratio of part of the offices to an abnormal figure, and there are no immediate prospects of a cessation. One important office states that its losses have occurred mostly under residence policies, and that it has done pretty well on mercantile business. Another smaller one has a low loss ratio on residence business, but mercantile and hold-up losses have played havoc with its year's record. The chances are that when the Illinois returns for the year are made up they will show that few, if any, of the companies made any money. One unpleasant feature

of the situation is that a few of the offices paid excessive commissions last Fall and Winter to get the policies under which they now have losses to pay. Of course, their Illinois expense ratio will not show up in the returns, but that is very little comfort to those who know from their own books what that ratio was. That orgy, however, seems to have cured the local men of all desire for another.

LA SALLE.

OUR BOND—YOUR SECURITY.

T. J. FALVEY, President. JOHN T. BURNETT, Sec'y & Treasurer.



Massachusetts Bonding and Insurance Co.

Organized under the Laws of the Commonwealth of Massachusetts.

Home Office, 77-81 State Street, Boston.
Capital\$500,000.00
Surplus\$250,000.00
SURETY BONDS and BURGLARY and THEFT INSURANCE.

The

Columbian National Life INSURANCE COMPANY OF BOSTON, MASS.

LIFE, ACCIDENT AND HEALTH INSURANCE.

The Only Massachusetts Non-Participating Company

The New Columbian Policies are Unexcelled in Clearness and Liberality.

Good Contracts and Territory for Good Producers.

ARTHUR E. CHILDS, President.

201st YEAR.

SUN Insurance Office OF LONDON.

FOUNDED 1710.

UNITED STATES BRANCH:
54 PINE STREET, NEW YORK.
WESTERN DEPARTMENT:
171 LA SALLE ST., CHICAGO.
PACIFIC DEPARTMENT:

Sansome & Sacramento Sts.,
SAN FRANCISCO, CAL.

AGENTS WANTED AT UNREPRESENTED POINTS

CUR

Course of Insurance Education.

Department for Furnishing Prospects.

New "Model Policy"

Will Plough the Field and Assure the Harvest for Good Agents.

Phoenix Mutual Life
INSURANCE COMPANY,
Hartford, Conn.

Write Home Office.

Bardoe's Column.

THE directors of the Empire State Surety Company have made a proposition to the stockholders of the People's Surety Company that the two corporations be amalgamated on the basis of an exchange of the stock of the People's Surety for that of the Empire State Surety. Should this plan be acceptable to the People's Surety stockholders, the result of the amalgamation would be to give the Empire State Surety a capital of \$750,000 and a surplus of about \$300,000 to \$350,000, with a bond writing capacity of well over \$100,000.

* * *

Edmund L. Benson, of Richmond, Va., has been appointed general agent of the Empire State Surety Company for accident and other casualty lines in the State of Virginia.

* * *

The plan of the Continental Insurance Company for entering the Dominion of Canada is maturing. An initial deposit of \$50,000 in bonds will be made at Ottawa, and the company will have at Montreal a general agent who will have a power of attorney

for the company. In Newfoundland George R. Williams, of St. Johns, will represent the company, and John McCormack, of St. Johns, will be the agent of the Fidelity Underwriters.

* * *

J. J. Guile, resident manager of the Sun Insurance Office of London, was married recently to Miss Susan Helen Snock, of Berkeley, Cal. Mrs. Guile is a sister-in-law of Carl A. Henry, the Pacific Coast general agent of the Sun.

* * *

The American Casualty Company of Tacoma has applied for admission to the States of Oregon, California and Idaho, and will shortly apply for entrance to Indiana, Illinois, Michigan, Wisconsin, Ohio and Pennsylvania.

* * *

Walter J. Odiorne, long connected with the brokerage firm of Shubert & Odiorne, has been appointed Philadelphia agent of the New Amsterdam Casualty, succeeding George R. Purdy, who goes to the home office of the company.

* * *

The Boston Civil Service Commission has not as yet acted on the appointment of Charles Daly, to whom Mayor Fitzgerald, of that city, offered the position of Fire Commissioner, which said Daly is willing to accept should said commission confirm the appointment.

* * *

Joseph Button, Commissioner of Insurance for Virginia, recently revoked the license of the Royal Benefit Society of Washington, D. C., to do business in his State. The society has taken an appeal to the State Corporation Commission, and Mr. Button has submitted a lengthy statement of the reasons for his action, coupled with a report of an examination by the Insurance Department of Virginia and North Carolina.

* * *

The New York Insurance Department is examining the United Insurance Company of Arizona, which is trying to organize the United Fire Insurance Company of New York. The office is at 100 William street, Ferris E. Shaw being in charge. This inquiry is in line with the recent legislation giving the State Superintendent of Insurance authority to investigate the affairs of all promotion of holding companies seeking funds in this State to organize insurance companies. The incorporators of the United Fire Insurance Company of New York are as follows: Ferris E. Shaw, L. D. Garrett, E. R. Chapel, John S. Juno, Henry S. Foster, Hartwell Cabell, William Badt, Stewart Goodrell, Paul S. Knowles, George F. Kuebler, William A. Munson, Frank C. Hoople and Frank A. Mower.

The Preferred
ACCIDENT INSURANCE COMPANY

of New York

SUPERIOR POLICIES

KIMBALL C. ATWOOD, President.

290-292 Broadway, New York.

Life Ins. Co. of Virginia

Home Office, Richmond, Virginia.

J. G. WALKER, President.

T. W. PEMBERTON, 1st Vice-President.

W. L. T. ROGERSON, 2d Vice-President.

E. D. HARRIS, Secretary.

The OLDEST Southern Life Insurance Company.

The LARGEST and STRONGEST Southern Life Insurance Company.

The PIONEER Southern Industrial Life Insurance Company.

Its policies are clear and definite in their provisions and their values are absolutely guaranteed.

Assets Dec. 31, 1909..... \$5,372,691.99

Liabilities Dec. 31, 1909..... 4,312,405.32

Insurance in Force Dec. 31, 1909..... 68,337,613.00

Total Payments to Policyholders since Organization 9,820,412.40

Hanover Fire

INSURANCE
COMPANY
of New York

* * *

Agencies
in all the Principal Places
in the United States.

New England Mutual Life

Insurance Company

BOSTON, : : : MASS.

Chartered 1835

Assets, January 1, 1910..\$51,316,543.00

Liabilities 47,050,672.15

Surplus \$4,265,870.85

Sixty-six years of honorable dealing with its policyholders has placed the NEW ENGLAND MUTUAL LIFE INSURANCE COMPANY in the front rank of Life Insurance Companies of the Country.

ALFRED D. FOSTER, President.

D. F. APPEL, Vice-President.

J. A. BARBEY, Secretary.

WM. F. DAVIS, Assistant Sec'y.

J. G. WILDMAN, Assist. Sec'y.

EDWARD W. ALLEN, Manager.

220 Broadway, New York.

LATHROPE, BALDWIN, Manager.

141 Broadway, New York.

CHARLES H. STRAUSS, Gen. Ag't.

200 Fifth Ave., New York.

SPECIAL OPPORTUNITIES offered now in Southern States to Representatives of

CITIZENS
NATIONAL LIFE
INSURANCE
CO.

W. H. GREGORY,
President.

LEADING FIRE COMPANY
OF THE WORLD



[of Liverpool,

England.]

New York Insurance Stocks.

Casualty Companies.

	P.C.	Period.	Bid.	Ask.
Aetna Indemnity (\$25)...	\$350,000	V	...	200
Casualty Co. of America...	500,000	6	J&J	120 150
Fidelity & Casualty.....	1,000,000	18	"	450 500
Hartford Steam Boiler....	1,000,000	10	"	255 265
Metropolitan Casualty	200,000	10	"	185 ...
N. Y. Plate Glass (\$50)....	200,000	16	"	500 ...
United States Casualty....	500,000	10	Q	215 250

Fire Companies.

		Approx. When	Bid	Ask'd
	Capital.	Div.	Annual Pay. able.	Pr. Pr. P.C.P.C.
City of New York.....	\$500,000	10	Q	... 205
Commonwealth	500,000	10	J&J	326 ...
Continental	2,000,000	40	"	925 950
Empire City	200,000	8	"	125 ...
Fidelity-Phenix	2,500,000	V	V	265 275
German Alliance	400,000	15	J&J	275 300
German-American	1,500,000	30	"	560 570
Germania (\$50)	1,000,000	18	"	285 295
Glens Falls (\$10).....	200,000	30	"	1,525 ...
Globe & Rutgers.....	400,000	40	Q	475 ...
Hanover (\$50)	1,000,000	10	J&J	200 210

Home	3,000,000	30	"	680	695
Nassau (\$50)	200,000	10	"	165	175
Niagara (\$50)	1,000,000	20	"	300	305
North River (\$25).....	350,000	10	A&O	155	165
Pacific (\$25)	200,000	6	J&J	135	145
Peter Cooper (\$20)	150,000	6	"	90	105
Stuyvesant	400,000	10	"	155	160
United States (\$25)	250,000	V	V	60	70
Westchester (\$10)	400,000	35	F&A	455	...
Williamsburg City (\$50)...	250,000	20	J&J	380	400

Life Companies.

	P.C.	Period.	Bid.	Ask.
Aetna Life	\$2,000,000	15	Q	650 ...
Connecticut General	300,000	8	J&J	225 ...
Equitable	100,000	7	A	4,000 ...
Germania (\$50)	200,000	12	J&J	210 225
Hartford Life	500,000	10	"	100 ...
Home	125,000	12	M&N	275 ...
Manhattan Life	100,000	26	O&F	400 425
Metropolitan (\$25).....	2,000,000	7	M&N	155 ...
Prudential (\$50)	2,000,000	10	Q	550 650
Travellers' Hartford	2,000,000	20	Q	900 925
United States Life.....	264,000	7	J&J	90 105

A—Annually.

V.—No information.

Q—Quarterly.

Pronounces Supervision Inadequate

L K. PASSMORE, Vice-President of the Penn Mutual Life, in a recent address to the agents of the company, declares that "the inadequacy of the laws of New York as a protection to the insuring public is felt because such laws do not extend beyond the State lines and are obligatory only upon comparatively few companies transacting life insurance within its borders." He contends that existing legislation is not sufficient to make all companies conform to just methods, and he presents statistics to show that of 187 life insurance organizations but thirty-five comply with the requirements of the New York law, while 152 operate under methods which afford no guarantee to the public of solvency.

Continuing, Mr. Passmore says:

Of these companies sixteen that were organized in 1905 write 113,126 policies for \$41,763,366 of alleged life insurance. This group collected in premiums \$4,654,170, paid death claims of \$751,648 and absorbed for expenses of management \$2,013,169, or more than 43 per cent. Individual companies in the group are much worse, several using more than 55 per cent of the receipts for salaries, commissions, etc., and one over 75 per cent. Among them all is scarcely a company which gives evidence of present and prospective stability, and not one where the cost to the insured is reasonable.

Twenty-four companies organized in 1906 show assets of \$7,166,601; liabilities of \$2,988,634, and a surplus, in which is included the capital stock, of \$4,157,957. The total of insureds in this group numbers 77,830, for \$103,505,251. The premium income was \$3,504,471; the total receipts from all sources, \$4,180,630; death claims were \$354,762, and aggregate payments to policyholders, \$482,285. The expenses

of management, exclusive of taxes, were \$2,216,292, being 63 per cent of premiums collected and 53 per cent of total receipts. The lowest expense ratio shown by any of these companies is beyond any reasonable figure.

Of the twenty-five companies that were organized in 1907 one or more may be regarded as of a better variety, with some possibility of surviving. The aggregate assets of these twenty-five were, on December 31, \$6,389,125; liabilities, exclusive of capital stock, which in several constitute the major part, \$2,563,608; the outstanding insurance was 60,470 policies for \$95,336,088. The premium income of the year was \$2,952,736; total income, \$3,934,442, and expenses beyond taxes, \$1,866,163. The ratio of expense of management to premium income was therefore 63 per cent. In this group no company has a ratio of such expense less than 55 per cent, but as nearly all are using the "preliminary term" plan and the total insurance outstanding of \$95,336,058 has been written within a brief period, the expenses by comparison with those of their predecessors in this line do not seem excessive.

Ten companies are embraced in the list that were organized in 1908. These had assets of \$2,055,972; liabilities were \$695,031, and an apparent surplus to policyholders of \$1,372,941. The insurance outstanding covered 39,683 policies for \$31,875,340, of which 44,338 policies, for \$23,028,950, appears to have been written last year. The premium income was \$990,378, of which \$213,935 was paid to policyholders and \$871,072 was devoted to expenses of management, being 87 per cent of the premium income. The lowest expense ratio of any company in the group was over 60 per cent.

Twenty-three companies were organized in 1909. They had assets of \$6,610,094, with a surplus of some-

thing in excess of \$5,000,000. They issued last year insurance to the amount of \$28,371,799, of which \$27,515,183 was in force at the end of the year. The premium income was \$716,299 and the aggregate payments to policyholders \$31,158. Expenses of management absorbed \$1,466,480, which is \$750,181 greater than the total premium income representing 166 per cent thereof. The deficit, of course, was made good, where made good, out of capital contributed for this purpose, the total income of the group apparently being \$4,446,636.

To sum up the situation, the ninety-eight companies which were organized in the years 1905-1909 inclusive have insured 360,970 lives for \$377,626,611. They received last year a premium income of \$12,818,061, returning to policyholders in the way of death claims and dividends \$2,484,706.

The expenses of management, exclusive of taxes, were \$8,160,337, or 63 per cent.

Is this a volume of business which the State should supervise?

Do discriminating persons buy this grade of insurance?

RECTOR 2817

ESTABLISHED 1864

E. S. BAILEY

DEALER IN

INSURANCE STOCKS

A SPECIALTY

66 Broadway NEW YORK

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS is unsurpassed for net low cost and care of interests of all members.

THE PENN MUTUAL LIFE INSURANCE COMPANY

OF PHILADELPHIA

On January 1, 1909, rates were reduced and values increased to full 3% reserve.

JOHN C. PAIGE & CO.

INSURANCE

65 KILBY STREET

BOSTON

T H E

PROVIDENT

LIFE AND TRUST COMPANY
OF PHILADELPHIA

Insurance in Force, \$214,509,255.00
(Paid for Basis)

Assets \$70,514,350.45
(Market Value, Dec. 31, 1909)

Contingency Reserve . \$9,207,276.38
(Inclusive of Capital Stock, \$1,000,000.)

The Provident has been particularly distinguished for the development of a highly trained force of agents. The systematic instruction which its agents receive has resulted in their being recognized as representatives of exceptional knowledge of the business and of marked efficiency.

Bob's Remarks.

C HARLES R. SHAW, Secretary of the insurance firm of the J. R. Skinner Company, died on Friday last from cancer trouble. He was 66 years of age and had formerly a prominent connection in the well known dry goods firm of the Telft-Weller Company, which was absorbed by the H. B. Claflin Company.

* * *

As stated in our issue of August 25, and referred to later in other press advices, the Pacific Coast Casualty Company has become a member of the excise bond pool. As yet, however, it has not joined the liability conference and may not for some time. Brokers report that this popular company is doing a "land office" business in liability commitments.

* * *

Whilden & Hancock are still adding to their list of solid companies. This growing agency has just been appointed general manager for the Scranton Fire Insurance Company, of Scranton, Pa. The only territory excepted is that of Pennsylvania.

* * *

Monday was Labor Day, but, in consequence, very few labored.

* * *

The head United States offices and agency department of the Hamburg-Bremen have removed to the tenth floor of the Underwriters' Building, at 123 William Street.

* * *

The New York Fire Insurance Exchange committee changes are as follows:

C. W. Sparks, of the London Assurance Corporation, retires from the Arbitration Committee, and is succeeded by W. C. Chambers, of the Sun Insurance Office.

The Arbitration Committee now consists of the following members: A. E. Miller, chairman; F. H. Crum, J. H. Kelly, J. W. Nichols, J. F. Hastings, D. T. Walden, W. C. Chambers.

M. J. Ennis, of the Peter Cooper Fire Insurance Company, retires from the Brokerage Committee, and is succeeded by F. H. Way, of the Williamsburg City Fire Insurance Company.

The Brokerage Committee now consists of the following members: W. D. Sammis, chairman; C. A. Garthwaite, T. A. Ralston, W. M. Morris, C. C. Wayland, A. Lenssen, Jr., F. H. Way.

Geo. C. Howe, of the Niagara Fire Insurance Company, retires from the Executive Committee, and is succeeded by Charles E. Wickham, of the City of New York Insurance Company.

The Executive Committee now consists of the following members: Charles A. Norris, chairman; Wallace Reid, E. E. Pearce, D. M. Darby, C. G. Smith, C. S. Conklin, Charles E. Wickham.

W. B. Ogden, Jr., of W. B. Ogden

& Son, retires from the Rate Committee, and is succeeded by F. H. Ross, of the agency of F. H. Ross.

The Rate Committee now consists of the following members: E. F. Schleyer, chairman; Otto Dellevic, H. J. Ferris, James Marshall, H. E. Hess, F. A. Pawley, F. H. Ross.

* * *

The National Association of Local Fire Insurance Agents will hold its convention in Chicago shortly. At this meeting the question of brokerage and commission will come up.

* * *

The recently published statement of the Illinois Insurance Department regarding classification of risks, brings to mind the contention made by the writer in 1897 along the same lines. At that time it was suggested that there should be a simplified form of universal classification covering say the metropolitan district. In other words, how is it possible to have universal rates without uniform experience? It appears that the Illinois Department has reached first of all States a similar conclusion.

* * *

By some students in fire underwriting it is claimed that if the classification of risks individually is of value to each office in arriving at proper premium charges, some simple form of universal classification similar to that of the Illinois Department of Insurance could be adopted without disturbing the methods and individual classification lists of various companies. Again there are many who believe that classifying of risks is time and energy wasted, and there are nearly as many opinions on that very subject as there are upon the proper rates to be charges upon different classes of risks.

* * *

The old rate for liability insurance on taxicabs was \$125. Under the new conditions the figure has been advanced to \$400. Going some.

* * *

Important alterations at the ferry terminals of the four big railroads—Pennsylvania, Erie, Jersey Central and Lackawanna—at the foot of West Twenty-third street are rapidly approaching completion. When finished the area outside of the ferry houses will embrace a park, beautiful walks and approaches and fine electrical effects.

* * *

Annual conventions in the insurance world will be largely in evidence for this month and next. No less than some seventeen of these meetings are to be held, embracing fire, life and casualty interests.

* * *

The New York State Insurance Department is making an examination of the Home of New York.

BOB.

"The Leading Fire Insurance Company of America."



WM. B. CLARK, President.
W. H. KING, Vice-President.
HENRY E. REES, Secretary.

Assistant Secretaries,
A. N. WILLIAMS, E. S. ALLEN,
E. J. SLOAN, GUY E. BEARDSLEY.

IT PAYS THE AGENT

To represent the best company. There are many excellent standard life insurance companies. Which is the best? In stability, progressiveness, liberal contracts to agents and low cost to policy-holders no company surpasses

The Union Central Life Insurance Co. of Cincinnati.

Assets, \$74,523,966.28
Liabilities, \$72,324,302.92

Good openings are occurring from time to time. Address

JESSE R. CLARK, President.
ALLAN WATERS, Sup't of Agents.

FOUNDED 1792

118th ANNUAL STATEMENT

INSURANCE COMPANY OF NORTH AMERICA.

OF PHILADELPHIA, PA.

ASSETS.

	January 1, 1910.
Real Estate	\$ 364,410.00
First Mortgages on Real Estate	373,803.43
Philadelphia, New York, Boston and other City and State Loans	1,134,390.00
Pennsylvania, Philadelphia and Erie, Lehigh Valley and other Companies' Bonds and Stocks	8,909,150.32
Cash in Bank and Bankers' hands	1,134,635.88
Notes Receivable and Unsettled Marine Premiums....	347,440.69
Net Cash Fire Premiums in course of Transmission....	1,069,510.62
Accrued Interest, and all other property	52,160.57

Total Assets\$13,385,501.56

LIABILITIES.

Capital Stock	\$ 3,000,000.00
Reserve for Re-Insurance ..	6,813,862.47
Reserve for Losses	877,250.00
All other Liabilities	104,982.45
Surplus over all Liabilities..	2,589,406.64

\$13,385,501.56

Surplus to Policyholders.....	\$5,589,406.64
Increase in Reinsurance Reserve	349,934.71
Increase in Net Surplus.....	838,500.90
Increase in Assets	1,371,455.93

Eugene L. Ellison.....President
Benjamin Rusf.....Vice-President
T. Houar Wright.....Secretary
Henry W. Farnum.....Assistant Secretary
John O. Platt.....Assistant Secretary

Agencies in all Prominent Cities & Towns.

SAFETY FUND INSURANCE

NIAGARA*

Fire Insurance Company

—OF—

NEW YORK

OFFICE:

46 CEDAR STREET, CITY.

HARTFORD LIFE INSURANCE COMPANY, OF CONN.

1909 Policies are Participating, or Non-participating, with Lower Rates and Values based on FULL RESERVE.

For Right Contracts,
Address, Second Vice-President.
Home Office, HARTFORD, CONN.

THE American Credit-Indemnity Co. OF NEW YORK.

CREDIT INSURANCE ONLY.

Insures Wholesalers and Manufacturers against Excessive Annual Loss through the Insolvency of their Customers.

We can always use a few high-grade solicitors.

ST. LOUIS, MO.

NEW YORK, N. Y.

Offices in All Principal Cities.

A. B. TREAT, General Agent,

302 Broadway, : : : : : New York.

1894

1910

The State Life Insurance Company INDIANAPOLIS

UNEQUALLED IN SOLID ACHIEVEMENT

Assets, Dec. 31, 1909...\$8,580,830.58 Surplus, 1909.....\$1,174,606.34

GROWTH UNPARALLELED

	Gain in Admitted Assets	Gain in Surplus
1907.....	\$1,001,409.00	\$ 27,775.00
1908.....	1,023,700.00	153,161.00
1909.....	1,201,977.14	314,044.74

EIGHT MILLION DOLLARS IN SECURITIES
DEPOSITED WITH THE STATE of INDIANA
This is \$848,861 more than is required by law

Most Attractive Agency Contract
Our Own Idea Every Contract Direct with the Company
Scores of Good Men Have Joined the State Life Field Force Since Jan. 1, 1910.

On All Agency Matters Address
CHAS. F. COFFIN, Second Vice Pres., 1231 State Life Bldg.

Survivorship Annuity Tables

Net Premiums, Mean and Terminal Reserves

American Experience Table,
LIFE OF NOMINATOR

Danish Survivorship Annuitants' Table,
LIFE OF ANNUITANT

And $3\frac{1}{2}$ Per Cent. Interest

BY
MILES M. DAWSON,
Consulting Actuary

SEND ALL ORDERS TO

The Chronicle Co. (Ltd.)

No. 90 William St.

NEW YORK

The Chronicle

1866

Published by THE CHRONICLE COMPANY, Ltd., 90 William St., New York City.

1910

VOLUME LXXXVI.

New York, September 15, 1910.

NUMBER 11

ANNOUNCEMENT!

Forthcoming Chapters in the Current Series of Special Articles from
European Capitals On

Employers' Liability Insurance Abroad

By Miles M. Dawson

Workmen's Insurance in Austria-Hungary

Will Appear September 22

Employers' Liability Insurance In Switzerland

Will Appear September 29

Workmen's Compensation Insurance in France

Will Appear October 6

The present issue contains "System of Workingmen's Accident Insurance in Germany."

"Employers' Liability Insurance in Norway" appeared August 25. "Employers' Liability Insurance in Sweden" appeared September 1. "Denmark's Peculiar Accident Insurance System" appeared September 8.

COMPARATIVE RESERVE TABLES

By MILES M. DAWSON,
Consulting Actuary.

Containing Mean and Terminal Reserves for the usual forms of policies and by the following standards—

- American Experience, Select and Ultimate $3\frac{1}{2}$ per cent.
- American Experience, Select and Ultimate 3 per cent.
- American Experience, Modified Preliminary Term $3\frac{1}{2}$ per cent.
- American Experience, Modified Preliminary Term 3 per cent.
- American Experience, Select and Ultimate $4\frac{1}{2}$ per cent.
- Actuaries', Modified Preliminary Term 4 per cent.
- American Experience, Committee of Fifteen, $3\frac{1}{2}$ per cent.
- American Experience, Illinois and Tennessee, $3\frac{1}{2}$ per cent.
- American Experience, Michigan, $3\frac{1}{2}$ per cent.
- American Experience, Wisconsin, $3\frac{1}{2}$ per cent.
- American Experience, New Jersey, $3\frac{1}{2}$ per cent.
- H^M, Canadian Life Officers' Association, $3\frac{1}{2}$ per cent.
- O^[M], Select and Ultimate, $3\frac{1}{2}$ per cent.

This covers all the standards, other than the net level premiums, in this country. Tables showing the first year margins set free by each method of valuation are given.

EDITION ALMOST EXHAUSTED ————— SAVES TIME AND MONEY

VARIOUS DERIVED TABLES---American Experience 3 and 3 1-2 PER CENT.

By MILES M. DAWSON

Table of Contents.

Single Premiums, Pure Endowment.
Accumulations, Pure Endowment.
Forborne Immediate Annuities.
Accumulated Temporary insurances.
Accumulated Increasing Insurance.
Single Premiums Endowment Insurance.
Single Premiums Temporary Insurance.
Immediate Temporary Annuities.
Valuation Columns.

SELECT AND ULTIMATE VALUES.

Single Premiums, Whole Life.
Life Annuities.
Terminal Reserves, Life, Limited Payment Endowment.
Mean Reserves, Life, Limited Payment, Endowment.

LOGARITHMS, SEVEN PLACES.

Forborne Immediate Annuities.
Curtate Summations of D Column.
Immediate Temporary Annuities.

Uses.

- Computing Annual Term Insurance Premiums:
Divide endowment insurance values by immediate temporary annuities.
- Computing Annual Endowment Insurance Premiums:
Divide endowment insurance values by immediate temporary annuities. For these purposes the "select and ultimate" will be most useful.
- Computing Annual Pure Endowment Premiums:
Divide pure endowment values by immediate temporary annuities or take reciprocals of forborne immediate annuities.
By these means, the net extra premium for a special guaranty can be quickly and accurately computed.
- Computing Annual Semi or Double Endowment Premiums:
Add temporary insurance and pure endowment values for proper amounts and divide by immediate temporary annuity.
- Computing Limited Premiums:
Divide the proper single premiums by immediate temporary annuity.
- Computing Surrender Values:
Extended Insurance. Find the temporary insurance value next lower than the sum to purchase extension. This gives even number of years. Apply remainder to pay for additional days according to daily differences in the table.
- Extended Insurance with Fractional Paid-up Endowment:
Deduct from purchase money, value of insurance for unexpired term; multiply remainder by accumulation, pure endowment, to get amount of endowment.
- Computing Terminal Reserves:
Unvarying Benefits. Multiply net premiums by forborne immediate annuity and deduct accumulated temporary insurance.
Return Premium, Full Reserve. Multiply net premium by forborne immediate annuity and deduct accumulated temporary insurance and accumulated increasing insurance, multiplied by gross premiums to be reduced.
Return Premium, Extra Reserve. Multiply net extra premiums by forborne immediate annuity and deduct accumulated increasing insurance, multiplied by gross premiums to be returned.
- Warranted Commissions for New Business.
Surrender Values.
Dividends.

SEND ALL ORDERS TO

THE CHRONICLE CO. (Ltd.) 90 William Street,
New York.

The Chronicle

VOLUME LXXXVI

NEW YORK, THURSDAY, SEPTEMBER 15, 1910.

NUMBER 11

PUBLISHED EVERY THURSDAY BY
THE CHRONICLE COMPANY, Limited.
No. 90 WILLIAM ST., NEW YORK.
Phone "567 John." Cable Address, "Chronogram," New York.

Subscription Price:
Three Dollars a Year. Single Copies, Twenty-five Cents.
Postage Prepaid in the United States and Canada.

MILES M. DAWSON, President.
R. B. Dawson, Treas. A. C. Harwick, V.-P. A. L. Dern, Sec'y.
Emil Schwab, Manager New England Department,
200 Devonshire Street, Boston, Mass.

All communications should be addressed to and remittances should be made to The Chronicle Company, Limited.
Entered at the Post Office, New York, N. Y., as Second Class Mail Matter.

System of Workingmen's Accident Insurance in Germany

By Miles M. Dawson

Copyright, 1910, by Miles M. Dawson.



BERLIN, Aug. 14, 1910.—The general impression in the United States at all times since the German accident insurance laws were enacted a quarter of a century ago has been that here is a system of paternal state insurance. This notion, however, is utterly erroneous. It is state insurance in the sense that the state compels one to insure, but the state neither owns, operates nor (out of general taxes) contributes to the insurance institutions and its regulation of them is immensely less strict than its regulation of general insurance companies, such as stock or mutual life insurance or fire insurance companies. The money to pay for the insurance is collected from and by the insured and is administered wholly by them.

The insurance provided for is as follows:

In event of disability, whether permanent or temporary:

For the first thirteen weeks following the accident, by funds administered by mutual sickness insurance societies.

Beyond the thirteenth week by funds administered by mutual associations of employers.

In event of death:

By mutual associations of employers.

The sickness insurance societies are managed by their own boards of trustees, the employers electing one-third of them and the employes two-thirds. If the legislation now proposed by the government passes, the representation will be equal.

The mutual associations of employers are managed by boards of trustees, all the members of which are elected by the employers.

These boards determine the rates of premiums, not merely for classes of risks, but for each risk, if they wish to do so; adjust and pay all claims, make the collections, invest the funds, and, in general, conduct the affairs of the associations without interference by public officials.

The injured workman—or the dependents of a workman who has been killed—may appeal, however, without cost, from the adjustment by the association of employers to an arbitration board composed of equal numbers of employers and employes, and even from them, also without expense, to an imperial board or court, composed of employers and employes in equal numbers, and of lawyers and engineers. All this the state pays for, but, although there are frequent appeals, it costs the state immensely less than such litigation in the ordinary courts would cost, and the expense of the societies or associations is also very

little in the aggregate.

The state, as has been said, contributes out of general taxes nothing either to the sickness insurance societies or to the mutual associations of employers. It merely enforces the payment of these premiums as, in effect, a special industry or occupation tax and employs these societies and associations as an arm of the Government, to collect and administer the taxes. The sickness insurance societies furnish medical attendance, medicines, nurses or hospital treatment if necessary, and a weekly allowance of 50 per cent of the wages while disabled, either by sickness or accident—for at least thirteen weeks. Employers pay one-third of the cost and the employes two-thirds. If the new proposal of the Government passes this will be made half and half.

In the mutual associations of employers the employers contribute the entire cost.

The state provides very simple regulations for these societies, leaving large liberty of action for the management.

But it absolutely requires employers to insure their workmen in the mutual associations of employers, paying all the cost, and also to see to it that all their workmen are insured in sickness insurance societies, the employer paying at least one-third of the cost, except in the special instance, hereinafter mentioned. That every employer do this is a condition to his being permitted to carry on his business and is enforced as follows:

As to making the contributions to the mutual association of employers, to which he is required to belong, he is liable, merely because he carries on that business. He must open his books to its officers, must pay the premiums as fixed by them and must regulate his establishment as their rules require. The premiums are collectible as if they were taxes, and failure to pay also renders one liable to fine and to loss of license to carry on that business.

The same is true also as to the employer's contributions to sickness insurance funds, as to his requiring his employes to insure and to keep insured and as to his liability for deducting their contributions from their wages and as to his turning over the contributions so deducted.

The employe may be insured in any one of several classes of sickness insurance societies, the most important of which are (a) the communal society, in which everybody must be accepted, and all must insure who are not insured elsewhere; (b) a society confined to members of

the trade; (c) a society confined to employes of one employer (or a group of employers), and (d) a private, voluntary society.

Only in case one belongs to a private society is the employer free from the obligation to contribute. He is not, however, free from the obligation to see to it that the employe is insured. That works as follows: If an employe takes sick and is not insured elsewhere the communal society must treat the case precisely as if he were insured with it; it then presents its bill to the employer for its outlay and for all the contributions which both employer and employe should have made, with an additional penalty, which may be small or large as the offense has been infrequent or frequent. This causes employers to look askance at the private societies and the fact that the employer does not contribute renders them unpopular with workmen.

The system in both the sickness societies and the associations of employers is assessment—that is, no mathematical reserves are set up, either to represent unearned premiums or to provide funds for meeting payments to be made in future because of disabilities or deaths, which have already taken place. In sickness insurance, where the benefits are for brief periods only—such as thirteen weeks, twenty-six weeks, or at most fifty-two weeks—a more or less stable equilibrium of cost was long ago arrived at. In accident insurance, where benefits for permanent disability are payable for life and for loss of a husband, throughout widowhood, theoretically such an equilibrium would not be obtained for at least fifty years—probably longer. But improvement in prevention of accidents has in some of these associations caused the annual cost to decrease after some ten or twelve years. This is very rare, however; as a rule the cost more or less steadily increases.

This system, whether applied to sickness insurance or to accident insurance, with benefits payable in annuities, would be unsound and ruinous in private, voluntary associations. The sickness society would sooner or later be affected by adverse selection, like an assessment life insurance society, the young and healthy keeping out and even going out. And as the annual cost increased in a mutual accident association, the insured would one by one drop

out, leaving the concern overburdened with an accumulation of payments because of accidents that have already occurred.

That the insurance is obligatory obviates those means of wrecking the insurance societies or associations—as to the sickness societies, perhaps fully—as to the employers' associations, in the main. The Government has deemed it wise to require the latter to accumulate considerable reserves, so as to meet the condition of a sudden and prolonged cessation of industry, as, for instance, due to war or famine. The sickness associations, also are usually encouraged to accumulate considerable sums. The Government's interest, is, in part, that it is behind it all, and, in event of any breakdown, must see that all obligations are fulfilled. In other words, though so democratically administered, the insurance scheme is deemed state insurance and the performance of a governmental or public function—much as our own courts hold concerning railways, telegraph lines and the like.

Notwithstanding the more or less steady increase in cost, employers like the system, declaring that they much prefer to keep the money in their businesses, instead of withdrawing it to be invested at a very low rate of interest.

The expenses are low, amounting to no more than 10½ per cent of the premiums, which also includes very considerable sums which are expended directly for prevention of accidents and for the restoration of the disabled. Among the principal advantages claimed for the system of the associations of employers are this economy, this efficiency in prevention and efforts put forth to restore the disabled.

The expenses of the sickness insurance societies are lower, averaging about 8 per cent of their premiums. This also includes considerable sums for prevention. An important feature also is educational propaganda in all matters relating to hygiene. Expense of medical treatment is not included in the foregoing, such being of the nature of benefits.

It is to be remembered that neither the employers' associations nor the sickness insurance societies pay any commissions to agents or fees for collecting premiums. They also have no court costs to pay, but they must pay their own lawyers and all others employed by them to defend suits.

Along the Shore of Lake Michigan

CHICAGO, Sept. 14.—The Western Department of one of the prominent companies writing automobile insurance states that its heaviest losses are coming from the theft of machines. That other companies have had a similar experience appears from the fact that new rates are to be in force within a few days, which are graduated so as to be relatively lower on very expensive cars than on cheap ones. This plan of graduation is said to be due in part to the fact that very expensive cars are not as easily disposed of by thieves as are those at lower prices.

* * *

Some fire underwriters in the West are keeping a careful eye on automobile factories, except those of established reputation and known financial standing. There is a considerable feeling in the West that one of these days the automobile industry is going

to be found to be badly overdone and the bottom will drop out of it, cleaning up a number of concerns that have not the advantage of plenty of capital and of good sales for their product.

* * *

While local agents throughout the West are much wrought up over the loss of their business to brokers, one feature of the situation about which they specially complain is that the brokers sometimes secure reductions in rates without any changes in the risks themselves. It appears to be a fact that this occurs at times, and the explanation given is that the inspectors for the brokers find where the raters have made mistakes and merely secure corrections. While these cases are not very frequent, it is admitted that the inspection bureaus do make some mistakes in their estimates. This is charged in part to the fact that

their income is not large enough to enable them to retain their best men against the bids of the companies who want them for special agents. There are some companies which would willingly pay a higher price for advisory rates and thus put the inspection bureaus on a better financial footing, but some companies object to paying even the present prices.

Speaking of brokers and their practices, an underwriter for one of the prominent companies was recently recounting some experiences showing the dictatorial attitude of the brokers. He state that when one of the big brokers captures a desirable large line, such as a traction system, he tells the company how much of it it may have, presents the form and names the rate to which the inspection bureau has agreed. The company

(Continued on Page 14.)

Investigating Committee on the Black Horse Cavalry Trail

Goodsell and Bedell Long on the Stand—Subpoena Servers Have Been Hunting Two Weeks for Henry A. Robinson, General Counsel of the Metropolitan Street Railway.
May Want Buckley's Albany Bank Accounts, Once Denied

PROGRESS was made this week when the Legislative Investigating Committee, with the aid of the District Attorney's office, obtained the right to look at the books of the Stock Exchange firm of J. S. Bache & Co. While the testimony before the committee so far has had to do with the financial accounts of former Senators and Assemblymen, it is understood that the committee will want statements connected with the Albany bank accounts of William H. Buckley, which were denied last Spring at the examination conducted by Superintendent Hotchkiss. Buckley, himself, is believed to be in Canada.

At the public hearing of the committee in City Hall yesterday, the name of a still active political leader came in. C. H. Betts served as engrossing clerk for the Revision Committee of the Assembly in 1908. He is now a member of the Republican State Committee from Ontario County, and on August 17, when Vice-President Sherman was chosen for Temporary Chairman for the coming Republican State Convention, Mr. Betts voted for Colonel Roosevelt.

The new witness yesterday was H. M. Beardsley, Secretary of the Elmira Public Service Corporation, who succeeded W. W. Cole as Secretary and Treasurer of the New York State Railway Association. He denied that while he was Treasurer the association paid any money for legislation or for "information about legislation at Albany." Then Mr. Bruce confronted the witness with documentary evidence that the witness had paid C. H. Betts \$1,750 for information furnished at Albany concerning railway legislation. The witness amended his testimony.

Ex-Senator Louis F. Goodsell took the stand yesterday and Mr. Bruce wanted to know particularly about two items in the ex-Senator's account with Ellingwood & Cunningham—one a credit from H. A. Robinson, general counsel of the Metropolitan Street Railway, for \$9,000, and the other a payment through Goodsell of \$19,600 for 1,400 shares of Transportation stock made up from the holdings of S. Fred Nixon, Jotham P. Allds, Archie Baxter, Louis Bedell and James T. Rogers.

Mr. Goodsell explained the first of these items by saying that it was money which had been paid back to

him by G. Tracy Rogers in return for 10,000 that he had advanced at Mr. Rogers's instigation to the Republican State Committee, of which Daniel L. Fox was then Treasurer.

He admitted that he knew the money was to be made up from the contributions of the traction interests, but could not see that they had anything to hope from so large a contribution to the State Committee. It was so long before the "interests" made up this sum, and therefore so long before Mr. Goodsell was reimbursed, that he admitted he had had some doubt about ever receiving the money. He said he did not know that the \$9,000 had come from Robinson specifically.

The fact to which Assemblyman Foley called Goodsell's attention that the day before he had received the long-delayed repayment of the \$9,000 from Rogers through Robinson, a change in the charter had been effected which continued and strengthened the franchise of the Fifth avenue stage line, had escaped his memory.

Judge Bruce said before the session that he had failed to locate Henry A. Robinson, general counsel for the Metropolitan Street Railway Company during the time the Black Horse Cavalry was most actively engaged. Two men have been endeavoring to serve a subpoena on Mr. Robinson for the last two weeks. At first he was said to be away yachting and planning to touch at ports unknown. Later his office at 2 Wall street announced that

he would return on Tuesday after Labor Day, then that he would be back this week, and finally that he would not return until October.

J. S. Bache & Co. Yield Books.

William J. Wollman, counsel for the brokerage firm of J. S. Bache & Co., called at the office of District Attorney Whitman on Tuesday and announced that his clients had decided to allow the legislative investigators to inspect the firm's books. Wollman went in answer to a warning issued on Monday by District Attorney Whitman that a warrant for the arrest of Leopold S. Bache, the firm's floor member, on a charge of violating Section 1,330 of the Penal Code, would be issued if the books were withheld from the committee any longer.

For two weeks M. Linn Bruce had sought these books without success. He first requested Bache & Co. to allow the committeemen to look over the books in the firm's office. This met with a refusal, and Mr. Bruce then attempted to have the books produced at one of the public hearings of the committee. In this, too, he was unsuccessful.

The books in question are supposed to contain much valuable information about the Wall Street operations of Albany legislation before 1906. They are expected to furnish disclosures as interesting as those brought to light.

(Continued on Page 9.)

Vail Pleads Not Guilty

LEWIS H. VAIL, President of the Dutchess Fire Insurance Company, was placed on trial on a charge of forgery before Justice Morschauser at Poughkeepsie, N. Y., on Monday under an indictment obtained in the early Summer by Superintendent Hotchkiss, of the State Insurance Department. He is charged with having ordered removed from the minute books of the company a page containing a resolution passed by the directors regarding the reinsurance of business taken over from the Dutchess Insurance Company, which went out of business soon after the San Francisco earthquake and fire.

The resolution, Superintendent Hotchkiss charges, would have prevented the new company from doing business had it come to the attention of the State Insurance Department.

The case came to an abrupt adjournment at noon, when Justice Morschauser heard argument on a demurrer made by Abraham J. Rose, counsel for Vail, who said that the same crime was charged several times in the one count of the indictment, and could not, therefore, hold. Justice Morschauser asked for briefs and the jurors were excused until yesterday.

The demurrer was overruled yesterday, the Judge holding that the indictment sufficiently charged the crime. The trial of the case was resumed and Vail entered a plea of not guilty.

Liability Underwriters

THE third annual meeting of the Liability Insurance Association will be held at the Hotel Plaza commencing on October 19, and continuing on the 20th.

The afternoon of the 19th will be devoted to the reading of papers on liability reserves by two representatives of insurance departments, which reading will be followed by a general discussion of this matter, which is of much interest to the liability insurance companies. The routine business, including the election of officers will also come up during the afternoon session. The day following papers will be read by at least five persons who have made a special study of workmen's compensation legislation and who will be qualified to treat this subject in a comprehensive manner from the following viewpoints:

(a) The constitutionality of such legislation, by an attorney who has made a special study of this subject as a member of one of the State commissions.

(b) The employer's viewpoint, by a representative of one of the large manufacturers' associations.

(c) The workmen's viewpoint, by one of the leading labor leaders of the United States.

(d) The actuarial or probable cost viewpoint, by an actuary who has given this matter special study for some years.

(e) The humanitarian viewpoint, by a member of one of the commissions whose researches and investigations of industrial accidents have been such as to qualify the speaker to treat this subject in a very practical manner.

The Executive Committee will issue invitations to the insurance departments and to the members of the commissions appointed by the different State Legislatures to investigate workmen's compensation legislation, they will doubtless be present in large numbers, and participate in the general discussion on the above subjects.

The importance of the meeting caused the Executive Committee to arrange a two-day session, instead of one, as in the past. It is expected that representatives of the National Manufacturers' Association, the National Civic Federation and other bodies interested in this subject will also be represented at the meeting. Ten special invitations will be forwarded to each company for such distribution as may be desired.

INSURANCE DEPARTMENT IN BRITISH COLUMBIA.

In its report to the Government of British Columbia the Fire Insurance Commission has recommended that an insurance department be created in the Province. Summarized, the further recommendations of the commission are that no unlicensed company or association of underwriters or their representatives should be permitted to solicit fire insurance in the province; that all insurers should be permitted to take their insurance freely with such unlicensed companies or associations of underwriters, including mutuals and Lloyds, and should have the right to obtain inspection of their risks and adjustment of their losses upon obtaining a license for that purpose, only on the department naming the inspector or adjuster, and that the Lieutenant-Governor in council should have the right from time to time to make and enforce regulations to prevent the solicitation of business by such inspectors and adjusters; that any company or association of underwriters should be required to obtain a license entitling it to do business throughout the province without a further license from the municipality, and as a condition of obtaining such license it should satisfy such department of its financial standing and make a deposit in cash or securities or a satisfactory bond of a guarantee company in lieu thereof for reinsurance of its risks to be administered by the department, the amount of such cash or bond to be determined by the inspector after considering the evidence submitted; that such department should have full power to investigate all fire losses and give out the information as obtained upon request; that the department should have full power to investigate all fire losses and cancel licenses, subject to an appeal to the Lieutenant-Governor in council; that for the purpose of obtaining such a department a tax be imposed on premiums paid by all insurers doing business with licensed or unlicensed companies; and that there should be no provision for licensed brokers; and that the present municipal license fee should be abolished.

PENNIMAN PROMOTES CHESAPEAKE GUARANTY.

It is reported in Baltimore that Henry G. Penniman, former President of the United Surety, has obtained subscriptions to about \$250,000 of the stock of the Chesapeake Guaranty Company, which he is organizing, and that a large block of the stock has been taken by Reilly & Farley, of New York, former general agents of the excise bond department of the United Surety in New York, who, when the company was excluded from New York State last Spring, were left without a company in which to place their excise business, amounting to perhaps more than \$100,000 in premiums.

The Chesapeake Guaranty Company was incorporated last Winter as an automobile insurance company, but with charter rights so broad that it can do practically any kind of casualty and surety business. It was incorporated by some politicians from the Eastern Shore of Maryland, but the real movers in securing the charter were certain clerks and department heads in the United Surety. At the time the United was seriously impaired and they figured that if worst came to worst and it should be obliged to retire they would have a charter and be able in a short time to have a company in the field and take over the valuable agency plant of the United. The emergency did not arise and the charter probably would have lain dormant for some time had not Mr. Penniman secured control of it.

THE EMPIRE CITY PLANS A MERGER.

Action is being taken by the Board of Directors of the Empire City Fire Insurance Company and the New Amsterdam Fire Insurance Company looking to the merger or consolidation of the two companies under the name of the Empire City Fire Insurance Company, with a capital of \$400,000 and a surplus in excess of \$250,000. Charles A. Hull and David J. Burtis will undoubtedly be officers of the merged company.

The Connecticut Mutual

That means the best life insurance to have and the best to sell. If you can sell life insurance, you can sell more of it for the CONNECTICUT MUTUAL.

Men of Character and Ability are invited to apply.

Conn. Mutual Life Ins. Co.,
Hartford, Conn.

Please mention this paper.

MEN OF ENERGY ARE OFFERED WORK OF MOMENT

In desirable localities representing a sixty-year old institution, with modern, liberal, law-conforming policies, and helpful Home office co-operation. Much good territory available. Many opportunities for advantageous positions. Inquire NOW.

UNION MUTUAL LIFE INSURANCE COMPANY PORTLAND, MAINE

FRED E. RICHARDS, President.

ALBERT E. AWDE,
Supt., 396 Congress St.,
Portland, Maine.
THORNTON CHASE,
Supt., 405 Exch. Bldg.,
Los Angeles, Cal.

Address
either:

National Life Underwriters at Detroit

NINETEEN years ago the National Association of Life Underwriters met in Detroit. On last Thursday they opened their annual convention in Detroit once again. The chief characteristic of the Eastern changes was the amalgamation of East and West in the one organization with the one purpose of raising the professional standard of the business. About 200 delegates were present. The meeting was opened in the convention hall of the Pontchartrain by the President of the association, John Whittington, who in his opening address had these things to say:

When the legislators you elect fail to give relief from oppressive laws and fail to enact proper ones enter the arena of politics and seek your positions on the floors of the Legislatures. Wherever this has been done in the past we have succeeded in getting recognition and just laws, which have benefitted our companies, our policyholders, our agents and the public at large. We have laws and restrictions foisted upon us in many States by men who know almost nothing of the actual needs of either the company, the agent or the policyholders, and in no respect have they the interest of our business at heart. No one understands our needs better than you. No one can bring about a more intelligent remedy, when necessary, than you. Rest not until you have come into your own power in your own community and State. You owe it to the business, to the field man and to the great insuring public.

War on Twin Evils.

For many years we have been steadfastly fighting to stamp out rebating and twisting, two of the greatest enemies of progress. How well we have succeeded cannot be answered by any one man. The evil has not been entirely blotted out, but as twisting is a question of education, it will take time and patience to inform the policyholder of its evils, and it will also take time and patience to eliminate the undesirable class of agent who would stoop to such practices. Rebating is a question of common honesty, and it behooves us individually and collectively to redouble our efforts in the fight for reform along both these lines. The twister in the past has appeared in many phases and disguises. Oftentimes he poses to the insured as a man possessed of exceptional and exclusive insurance knowledge and calls himself an "expert" and so advertises. Beware of this man. He is invariably an outcast from the ranks of accredited life insurance salesmen. The legitimate agent of a legitimate company is the only man entitled to call himself "expert" and our ranks are full of such.

Old Enemy in New Guise.

Like an insidious reptile worming its way into the confidence of the unsuspecting policyholder, the twister has made his appearance in a new disguise. I refer to the self-styled

abstract companies, whose activities in several cities during the last few months have been sufficient that we as a body must recognize the danger of allowing them to operate anywhere in this country unchallenged. They are twisters of the very worst type, worst in the sense that they do not represent any particular company and endeavor to impress their victims by their seeming disinterestedness. Vice-President Powell, who has personally encountered these manipulators, will, in his report, refer to them and to their operations. I strongly recommend that our association take some action toward giving the utmost publicity to their nefarious scheme, since by this action their plans to undermine good business and disturb satisfied policyholders become easily frustrated.

I cannot pass the subject of twisting without voicing a word of condemnation against the misrepresenter who works injury through malice or ignorance, or possibly both, and who is really a twister in the making.

When the right kind of policy is honestly sold there is a common bond of interest between the agent and the insured. Self-interest or selfishness, which unfortunately is one of the governing characteristics of the human race, must not be allowed to conflict with this principle. The agent who wilfully deceives or misrepresents regarding either a competitor's proposition or his own policy contract, allowing a prospect to buy a form of insurance without a thought as to the fitness, but allows the amount of his commission to dominate the sale, such an agent enjoys a kind of success which is of short duration.

Gentlemen, let us recognize the obligation we owe the insuring public. Remember that our profession contains an element of practical benevolence far beyond that of any other calling. Let this great association be inspired as one man with the dignity, the benevolence and the far-reaching influence of the work we are doing. Could we who are writing applications to-day look into the future and see the good that will come to our clients from the money thus invested and realize the difficulties which are even now smoothing from the paths of a generation yet unborn, not one of us would ever lack for enthusiasm with which to pursue his labors.

Among the messages read to the convention was one from Superintendent Hotchkiss, of the New York State Department, who complimented the association upon its work in bettering conditions.

Vice-President Henry J. Powell, of Louisville, who was at the head of the movement in exposing so-called "abstractors," who were twisting life insurance policies, told the convention of his work. In the course of his remarks he said:

"Believing that if our association is

to amount to anything it is the duty of every man to do what he can to help his fellows, and further, in view of the fact that I had received numerous letters from association men, I was prompted early in July to secure as much ammunition as I could with which to fight the twister and to use on the 'audit' and 'abstract' sharks. The information secured by me was sent to the chairman of our Executive Committee for publication in the Life Association News and to other insurance journals."

George T. Wilson Talks.

George T. Wilson, Vice-President of the Equitable of New York, talked to the delegates upon the theme, "Mental Attitude." Mr. Wilson said:

I am glad to be here because I enjoy meeting men who are engaged in ameliorating some of the hardest conditions of life—engaged in a work the influence of which for good will be felt for generations to come by those whom you have never seen or heard of. How glowing would be the pages could the light that life insurance has brought to darkened homes be clearly recorded! In that record there would be food for those who would otherwise be hungry; clothing for those who would otherwise be naked; warmth for those who would otherwise be shivering; homes for those who would otherwise be homeless; education for those who would otherwise be ignorant. The world has little realization of what life insurance and life insurance agents have done and are doing to lighten the burdens that come to women and children along the pathway of life. You may well rejoice that your hearts and brains and hands are engaged in a work so beneficent. You have no need of apology for being engaged in this business.

No Substitute for Life Insurance.

Life insurance will be one of the great needs of the human race while human life continues productive and mankind continues interested in the product. There is no substitute. In its simplest form it means indemnity

1860 50th YEAR 1910

HOME LIFE

Insurance Company of New York.

GEORGE E. IDE, President.

Assets	\$23,626,018.63
Liabilities	21,858,691.52
(Including Deferred Dividend Fund)	
Dividend Endowment Fund	2,119,044.00
(Deferred Dividends)	1,767,327.00
Net Surplus	92,532,583.00
Insurance in Force	

The record for 1909 shows the following GAINS:

Insurance in Force	\$4,164,239.00
Assets	1,917,117.00
Deferred Dividend Reserve	148,581.00
Contingency Reserve (Surplus)	655,149.17

in the event of a loss so common that never "morning wore to evening" that such loss did not come to many.

Was it old Dr. Johnson or Charles Jerome Edwards or some other great philosopher who once remarked that men needed not so much to be taught new things as to be reminded of those they already knew? Now, of course, we all know in a general way of the tremendous achievements of American life insurance, but I take it that unless we are run up slam bang against the actual figures of those achievements occasionally we do not altogether and fully realize the grand extent of these achievements. May I, therefore, instead of indulging in any airy persiflage at the risk of being somewhat prosy, ask you to join me in a brief glance backward at the record of American life insurance. Yes? Well, looking backward we see that the work of American life insurance has been practically limited to a period about sixty-seven years. There were, it is true, some small beginnings before the commencement of this era—notably one near the middle of the eighteenth century, the organization of the Presbyterian Ministers' fund in 1759—but the work done before 1843 was chiefly of a special kind and very limited in amount, and the records of it are far from satisfactory. Omitting altogether the years before 1843 as unnecessary to the point, we find that the total death claims paid by the existing American life companies have amounted to \$2,674,351,887; the matured endowments and annuities to \$589,250,026; the payments to policyholders for purchased and surrendered policies to \$917,683,268, and the payments of dividends to policyholders to \$881,391,102, making a grand total paid to policyholders in sixty-six years of \$5,062,686,283. Besides this, the American life companies now hold reserves of \$3,028,542,773, sustaining \$15,480,721,211 of insurance in force and accumulated surplus awaiting the contract dates of its distribution as dividends to policyholders of \$532,264,368.

Glorious American Record.

This, then, is the record of American life insurance. How glorious it is! What an inconceivable mass of human anxiety and misery relieved does this vast expenditure represent! How, dwarfing all other forms of material beneficence, all records of princely philanthropists, all ancient myths of fairies and good genii, has this wonderful principle amassed fortunes almost inconceivable and distributed them among the unfortunate, the deserving and the needy.

And it devolves upon us of the present day to continue this great and grand work. How are you, the field workers, the builders of companies, to do it? For one thing, keep hammering away on every entering wedge that is likely to give a wider opening to opportunity. Take occasion by the hand and make such an impress on time as to make an impress on eternity. The twentieth century has the benefit of the great achievements of the nineteenth in life insurance, and the impetus gained will be helpful through all its years. The nineteenth century claimed to have been more fertile in discovery and inven-

A GREAT SIX MONTHS

We closed the first half of 1910 with a rousing increase in new business over our record for the first half of highly prosperous 1909.

In policies and dividends we have what the public wants. In literature and canvassing aids we have what the agent wants. And back of all is a reputation gained from 59 years of activity as a Massachusetts Company.

If you are a genuine producer, a *delivering* producer, and wish to join our forces, address

GEORGE D. LANG,
Superintendent of Agencies
Massachusetts Mutual Life Insurance Company,
Springfield, Mass.

Incorporated 1851

THE FRANKFORT

MARINE, ACCIDENT
AND PLATE GLASS INSURANCE CO.
OF FRANKFORT-ON-THE-MAIN - - - - - GERMANY
ESTABLISHED 1865.

United States Department, - - - 100 William Street, New York, N. Y.

TRUSTEES:
RICHARD DELAFIELD, Pres. of National Park Bank
ERNST THALMANN, of Ladenburg, Thalmann & Co.
STUYVESANT FISH, 52 Wall Street, New York City.
C. H. FRANKLIN, U. S. Mgr. and Attorney JNO. M. SMITH, Sec. U. S. Branch

INSURANCES TRANSACTED
LIABILITY—
Employers, General, Vessel Owners, Burglary
Public, Landlords, Contingent, Workmen's Collective
Teams, Elevator, Druggists & Physicians. Individual Accident & Health
Industrial Accident & Health

AGENTS WANTED FOR UNOCCUPIED TERRITORY

Most agents take a vacation during a part of the Summer months. The agents of the Philadelphia Life, having the advantage of a direct contract with the Company, can generally be placed in territory where they may enjoy a vacation and at the same time have the advantage of writing business and making money.

Write Perry to-day for contract.

BONDS OF SURETYSHIP.

The Guarantee Company of North America

HEAD OFFICE, MONTREAL

Edward Rawlings, President.

H. E. Rawlings, Asst. Mgr.

Richard B. Scott, Secretary & Treasurer.

It is the Pioneer Company, was established in 1872, and is conducted under a conservative management of over 55 years experience.

It has recouped to employers over \$2,190,000 for losses sustained by the infidelity of employees and has a surplus of \$1,041,423.23 to credit of shareholders and total resources of \$1,919,892.38 for the security of insured.

Branch Offices:

NEW YORK: 111 Broadway,
D. J. Tompkins, Secretary.
BOSTON: 114 Milk Street,
W. A. Hamilton, Agent and Attorney.
CHICAGO: Room 400, The Temple,
J. R. Pruyn, Resident Sec. and Atty.
PHILADELPHIA: 500 Arcade Bldg.
W. H. Jackson, Res. Secretary.
PITTSBURG: 1120 Farmers Bank Bldg.
E. R. Munro, Resident Secretary.
LOUISVILLE: 316 Columbia Bldg.
P. N. Clarke & Co., Agents.

tion, more far-reaching in enterprise and to have exerted a wider influence upon the affairs of man than any preceding century, but it frankly said to the twentieth that it had neither discovered nor invented any way of giving the protection of life insurance to those who need it other than by industrious, earnest, persuasive, personal solicitation.

But perchance some one objects: The field is already crowded; the raw material is already nearly used up. Hardly any man capable of taking insurance but has been so often solicited that he is surfeited with the subject. Only the remnants remain for the twentieth century. Do not be deceived by such specious and fallacious reasoning. These arguments have to those who have been long in the work a familiar sound. The field expands as fast as or faster than the ability to occupy it. Look at the figures of the new census! Opportunity outruns achievement! There is absolutely no symptom of culmination. On the contrary, there are indications of even greater expansion. Discouragement is banished from view. Encouragement fills the horizon. Let us then continue the work in the spirit of true men and with the correct "mental attitude."

"Mental Attitude."

"Mental Attitude!" Like the good old country dominie, who, after announcing his text and wandering miles from it, finally concludes by remarking, "But to return to our text," I must return to the text which Brother Edwards asked me to talk at, and which I seem to have been fighting shy of all this time. And he assured me that if I talked just the way I do to my own Equitable comrades it would be all right and he would stay if the rest did. So here goes.

The longer I live the more and more am I impressed by the great importance in our work of one's mental attitude. Are there not days in the experience of some of us at least when we get up in the morning at conflict with ourselves and everybody else and look out upon the world in all its varying phases with a jaundiced eye? And we start out on the work of the day in that mental attitude. And with what result? Energy dissipated, vitality impaired, valuable time wasted and a generally unsatisfactory, fruitless ending of the day, and all because we started out in the wrong mental attitude.

The mental attitude of the field worker is one of the chief factors in securing results. A man of only ordinary natural gifts and representing a small company will, if he thoroughly believes in himself, in his company and its policies, secure better results than abler men in whose minds doubts exist as to their own abilities and the merits of the companies they represent, although such companies may be in the first rank. In both cases the impelling force is nothing but an attitude of the mind.

Qualities Making Success.

What is initiative—the ability to think and create—but a mental attitude? Yet initiative is one of the most important contributing factors in achieving success.

What is energy but a mental atti-

tude? There are many instances of men of frail physique and indifferent health accomplishing far better results than many with strong bodies and robust constitutions, simply because of the mental attitude which influences and controls their respective actions.

What are determination, perseverance and enthusiasm but mental attitude?

It is the mental attitude which makes a man early or late to his office; his mental attitude which keeps him in his office or drives him out to seek for new lives; his mental attitude which permits him to drift along without any useful creative thought, or constantly encourages him to think out fresh ways and means of securing new applications or of getting into touch with new prospects; his mental attitude which enables him to get over or around obstacles, difficulties, trials, troubles and tribulations instead of weakly succumbing to them.

The experienced underwriter always carries with him as a part of his mental outfit an accurate estimate of that proportion of his total cases which will be declined during the year and of that proportion of his cases for which he will be unable to obtain settlements and consequently when a case is declined or the applicant refuses or is unable to pay the premium his mind is fully prepared for just such a contingency—in fact, expects it—and therefore it is unable to adversely affect his mind, leaving him undisturbed to devote himself to other cases. What is this ability to anticipate and then ignore adverse conditions but a mental attitude?

Psychological Effect.

Then there is the all-important question of the influence of the state of the agent's mind upon the mind and actions of the prospect at the time of the interview. It is hardly an exaggeration to say, admitting sufficient means and good health, that the action of a man who is being canvassed will depend more upon the mental state of the agent's mind, more especially upon the measure of quiet determination and strong conviction it contains than upon any other circumstance.

The process of writing life insurance starts off with a mental determination to obtain results no matter how much work is entailed.

This mental condition drives a man to think out and initiate new plans for securing business.

Drives him to adopt a systematic plan of work in order to save valuable time.

Drives him to undertake all the necessary work which is entailed in finding and interviewing new prospects every day, and drives him to do all the necessary work which investigation of his prospect and thorough preparation of his case demand in order that he may exert the proper influence over his mind at the critical moment.

It is safe to say that there is no occupation in existence in which success depends in greater measure upon the mental attitude than in that of life underwriting.

Commissioner Barry Talks.

At one of the later sessions of the convention James V. Barry, Commis-

sioner of the Michigan Insurance Department, discussed current problems, in the course of which he said:

We all, I have no doubt, now agree that there has been a marked improvement in all phases of the business, a healthier sense of responsibility and a keener realization of duty on the part of all who have to do with its management, or with its presentation to the insuring public.

We thus find the great institution of life insurance in every way more substantial and more thoroughly entrenched in the good opinion of the general public than ever before.

Not the least gratifying feature of the situation is that it is worthy of

SPECIAL OPPORTUNITIES offered now in Southern States to Representatives of

CITIZENS NATIONAL LIFE INSURANCE CO.

W. H. GREGORY,
President.

COMMERCIAL - UNION

ASSURANCE CO.,

(LIMITED)

OF LONDON.

OFFICE;

Cor. Pine & William Sts.

NEW YORK.

The

Columbian National Life
INSURANCE COMPANY
OF BOSTON, MASS.

LIFE, ACCIDENT AND HEALTH
INSURANCE.

The Only Massachusetts
Non-Participating Company

The New Columbian Policies are
Unexcelled in Clearness and Liberality.

Good Contracts and Territory for
Good Producers.

ARTHUR E. CHILDS, President.

the great measure of public confidence which it enjoys and which noticeably increases from day to day.

It may not be amiss for me to remark that I now have reference to companies actually engaged in the business and not to those altogether too numerous flotations which enterprising and accomplished professional promoters are so earnestly endeavoring to foist upon a confiding public, not only as agencies for acquiring independent fortunes in rapid fire time, but also as a means of grace because of the philanthropic purpose which underlies the whole proposition. But of this I shall have more to say before I have finished.

I have never deemed it necessary or desirable to supervise generally with either a club or a Gatling gun, although at times the perversity of human nature requires that these instruments of warfare be brought into play. I believe the supervising officials of the country in their entirety are in accord with this idea and regard the companies under their supervisions and their representatives as a whole as being fully as much entitled to public confidence and esteem as a like number of companies, associations and individuals engaged in any other legitimate business. That these supervising officials occasionally discover abuses which only the most heroic treatment can effectually eliminate is happily the exception which proves the rule.

One of the results of the developments of recent years is the new company and its promotion. The situation presents problems which call for careful, prompt and intelligent consideration if their solution is to be effective and timely.

Matter of New Companies.

I have no quarrel with new companies. On the contrary, I believe that if properly organized and managed, they accomplish much good. It would, in my judgment, be best for all concerned if there were to be established in every State one or more good, solid, substantial companies operated along safe and sane lines by men skilled in the business.

These local companies would do much in the way of educating the people as to the soundness and beneficence of life insurance as an institution and creating a healthy and intelligent public sentiment which would serve to protect the business from ill-considered and burdensome exactions which are too often the result of a feeling on the part of technically uninformed and unthinking legislators that they are dealing with some far away, hostile interest which constantly draws money from the State without giving anything in return. When you have in each State companies whose operations can be observed and studied at close range, whose business affairs are directed by reputable citizens of these States, and whose investments are largely within their respective States, the attitude of the public as reflected by the law-making power will be materially changed. As a rule, it is those States in which there are no such local interests that run riot in the way of harassing and burdensome

legislation.

The Professional Promoter.

The professional promoter invades a State fresh from unloading upon the good people of some other community, a company whose surplus contributions have largely been retained by him as compensation for his services, leaving them in possession of a plant which none of them knows how to operate, and proceeds to unload upon the good people who never laid eyes on him before another issue of stock which he sells at a very substantial premium. In too many instances this premium represents the compensation of the promoter and is eliminated from the project before the organization of the company is completed.

The professional promoter never stays by the company. His mission is simply to sell the stock at a fancy price in order that he may reap his handsome reward. He may tarry for a while after the organization is effected, but he invariably makes an early exit as soon as the stockholders come to realize just what he has done to them.

No Royal Road to Wealth.

The investing public should understand that there is no magic these days by which a life insurance company can coin money for its stockholders. When solicited to purchase stock the investor should investigate the proposition as carefully as he would a proposal to invest in the stock of any other business enterprise. He should demand authentic information as to the amount of his contribution that is to be used for promotion; he should thoroughly inform himself as to the capacity, skill and integrity of the men who are to manage the various important and widely differing departments of the company's business after its organization is completed; and he should understand that he must be content with only a reasonable return on his investment, and not that until the company has been fully established, with a good volume of paying business on its hands.

It is with confidence that I assert that time will not disprove the declaration here made that the investor who yields to the blandishments and misleading statistics and literature of the professional promoter whom he never saw before will not live long

enough to realize the abnormal profit he has been led to expect.

Powell New President.

On Saturday Henry J. Powell, of the Equitable Life at Louisville, was unanimously elected President for the ensuing year, and the other officers are: First Vice-President, John D. Spencer, New York Life, Salt Lake City; Second Vice-President, J. J. Jackson, Aetna Life, Cleveland; Third Vice-President, William McBride, North American of Canada, Winni-

(Continued on Page 12.)

IT PAYS THE AGENT

To represent the best company. There are many excellent standard life insurance companies. Which is the best? In stability, progressiveness, liberal contracts to agents and low cost to policy-holders no company surpasses

The Union Central Life Insurance Co. of Cincinnati.

Assets, \$74,523,966.28
Liabilities, \$72,324,302.92

Good openings are occurring from time to time. Address

JESSE R. CLARK, President.
ALLAN WATERS, Sup't of Agents.

201st YEAR.

SUN Insurance Office OF LONDON.

FOUNDED 1710.

UNITED STATES BRANCH:

54 PINE STREET, NEW YORK.

WESTERN DEPARTMENT:

171 LA SALLE ST., CHICAGO.

PACIFIC DEPARTMENT:

Sansome & Sacramento Sts.,
SAN FRANCISCO, CAL.

AGENTS WANTED
AT UNREPRESENTED POINTS.

The Best, Safest, Most Liberal and Most Equitable Forms of Policy Contracts are issued by the



ROLAND O. LAMB, President.

WALTON L. CROCKER, Secretary.

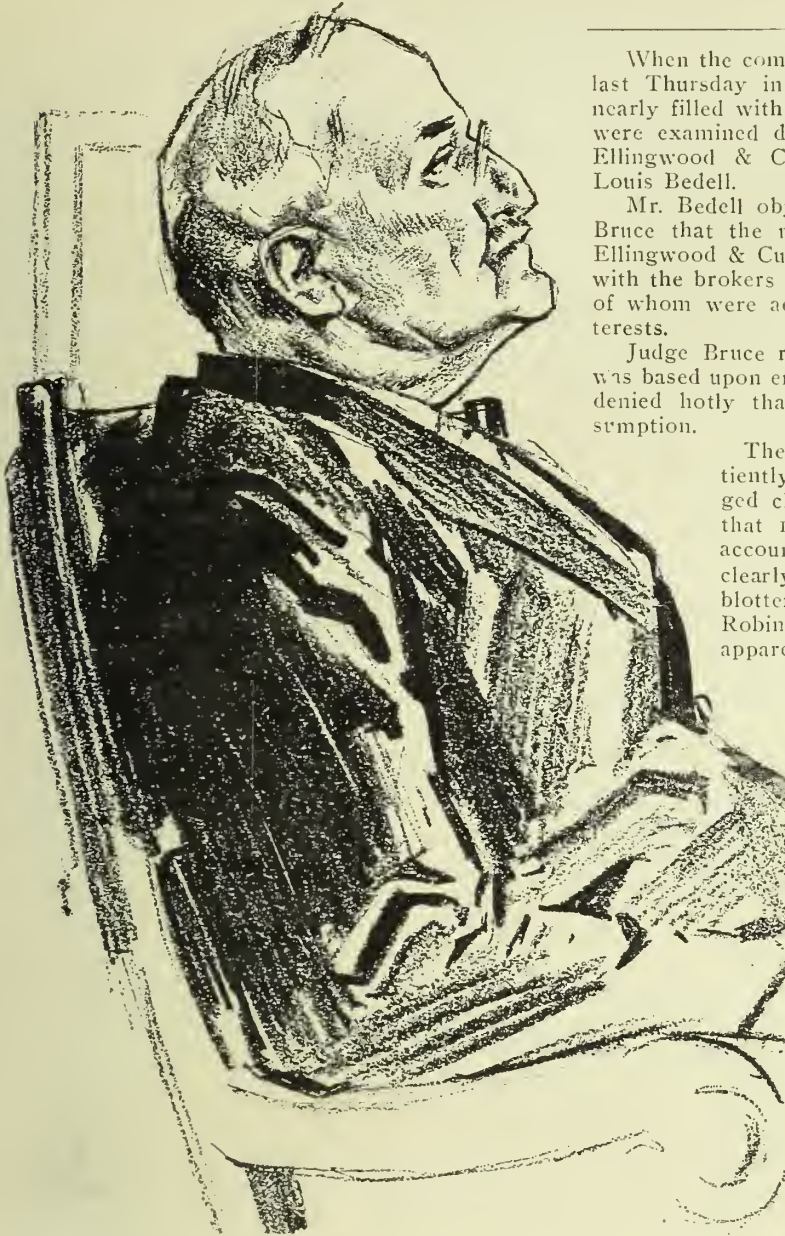
Issues the Most Perfect Forms of Life, Endowment, Instalment and Term Policies. Greatest Sellers in the Market.

LIBERAL CONTRACTS TO THE RIGHT MEN.
ROBERT K. EATON, Supt. of Agencies, Boston.

WILLIAM N. COMPTON, General Agent, Metropolitan District,
St. Paul Building, 220 Broadway, New York.

BRUCE COMMITTEE ON THE TRAIL.

(Continued from Page 3.)



EX-STATE SENATOR GOODSSELL ON THE STAND
He Formerly Represented Odell's District

When the committee went into its second day's public session last Thursday in the Aldermanic Chamber the big room was nearly filled with local political celebrities. Only two witnesses were examined during the day—George Carpenter, the former Ellingwood & Cunningham bookkeeper, and ex-Assemblyman Louis Bedell.

Mr. Bedell objected vehemently to the assumption by Judge Bruce that the many credits on Bedell's ledger account with Ellingwood & Cunningham had their source from deposits made with the brokers by Messrs. Vreeland, Rogers and Robinson, all of whom were actively associated with large street railway interests.

Judge Bruce replied with the statement that the assumption was based upon entries in the brokers' books, and then Mr. Bedell denied hotly that the books furnished any basis for the assumption.

Thereupon Mr. Bruce, assisted by Mr. Kresel, patiently went over the ponderous ledgers and the ragged check stubs and made the witness acknowledge that 10 out of the 11 credit entries in Mr. Bedell's account, amounting in all to \$19,281, could be traced clearly through the various entries in cash books, blotters and check books to Vreeland, Rogers and Robinson, excepting one credit of \$600, which came apparently from a former Erie County Assemblyman named Schneider.

The Money Used in Politics.

In his statement, which Mr. Bedell made upon invitation of the committee, the witness admitted that some of his withdrawals of cash from Ellingwood & Cunningham were used by him to make political contributions to the Republican State Committee, the Orange County Republican Committee and to pay his own campaign expenses.

Aside from the deposit of money to the credit of the witness by Mr. Rogers, to be used for campaign purposes, the witness said other credits in his account originating with Mr. Rogers were made because Mr. Rogers felt a moral obligation to recoup the witness for losses he had sustained in joint speculative accounts with G. Tracy Rogers.

Goodsell the Next.

Soon after the committee met on Friday there was an intimation from counsel that in what had been called "this phase" of the investigation the speculative Wall Street accounts of some six or seven living members or ex-members of the New York Legislature would be placed upon the record.

Chief Counsel Bruce announced that for the

HARTFORD LIFE
INSURANCE COMPANY,
OF CONN.

1909 Policies are Participating, or Non-participating, with Lower Rates and Values based on FULL RESERVE.

For Right Contracts,
Address, Second Vice-President,
Home Office, HARTFORD, CONN.



Insurance Brokers

Place Your SURETY and CASUALTY business in the "EMPIRE."

CAPITAL, - - - - - \$500,000

Business Producers not now under contract wanted for open Territory.

Address Agency Department,
THE EMPIRE STATE SURETY CO.,
84 William Street, New York

day only two witnesses would be called—George Carpenter, the bookkeeper, and ex-Senator Goodsell. The plan appeared to be to take up one account at a time, analyze it by the aid of the bookkeeper and then call the members or the ex-member of the Legislature in whose name the investigated account stood.

Thursday showed that for Assemblyman Bedell there had been deposited with Ellingwood & Cunningham the sum of \$24,281. On Friday it was shown that ex-Senator Goodsell had deposited to his credit with that brokerage firm \$24,800.

All but \$5,000 deposited in Mr. Bedell's account had been traced to its source, and on Thursday all but \$6,000 of the sum deposited to the account of Mr. Goodsell was also traced to its source, in each case the source being either officers of New York City traction companies or the Street Railway Association of New York State. The failure to trace to their source some of the deposits was explained by the fact that after a certain date there were no entries in the back of check books to show the source of checks received, such entries after that date being made in a deposit book. That book has not been found.

While the totals deposited to their credit and the totals traced to their source in the cases of ex-Assemblyman Bedell and ex-Senator Goodsell were nearly alike there was a substantial difference in the amounts drawn. Assemblyman Bedell had a total credit of more than \$3,000 greater than the total of his drafts, whereas Mr. Goodsell drew the sum of the deposits to his credit less only \$59.76.

Senator Goodsell, who introduced the bill giving the perpetual and extended franchise to the Fifth Avenue Stage Company and granting it the right to charge 10 cents fare, received from H. A. Robinson on April 21, 1900, \$9,000. That is, H. A. Robinson, chief counsel of the Metropolitan, deposited on that day with Ellingwood & Cunningham \$9,000, which was placed to Mr. Goodsell's credit. That was sixteen days after the bill was passed and four days before Governor Roosevelt signed it.

An interesting development of that occurrence of ten years ago made known on Friday was that the bill favoring the New York Transportation Company had not glided through the Assembly and up to Governor Roosevelt without protest. Assemblyman Fitzgerald had moved to reconsider the vote by which the bill was passed, denouncing it as a graft bill, and twenty-five members of the Assembly, most of them from New York City, had voted to reconsider the vote by which the bill had been passed and sent to Governor Roosevelt as one of the thirty-day bills.

Then the proceedings of analyzing an account from pages of a loose leaf ledger, from blotters, check books

and cash books went on. It appeared that the then Senator Goodsell on April 6, 1900, the day after the rapid passage of the New York Transportation bill and the very day of the adjournment of the Legislature, brought to Ellingwood & Cunningham 100 shares of Transportation, for which the firm paid \$1,112.50. The Senator put up no margin at the time of the purchase nor did any one else, but eleven days after that and just a week before Governor Roosevelt signed the bill H. H. Vreeland deposited with Ellingwood & Cunningham \$3,000, of which \$300 went to the credit of Senator Goodsell as margin on his purchase, the balance going to Bedell and Rogers.

Then on April 23 a check for \$9,000, drawn on the Morton Trust Company by H. A. Robinson, was passed to Mr. Goodsell's credit.

On July 6, 1904, Mr. Goodsell seems to have got a strong hunch on Union Pacific, for he ordered his brokers to purchase 500 shares, which they did without annoying their client for any margin, and on July 18 sold it for him at a profit of about \$3,000.

Newburg Interest in New York.

"Why did you, from a Newburg district, feel charged with the duty of looking after such an important and intricate subject as New York City transportation?" Mr. Bruce asked.

"Oh, well," said the witness, and then he crossed his legs in the manner of one who had given a conclusive answer.

Mr. Goodsell confessed that he did not know exactly what avenues other than the Fifth it was proper for a stage to monopolize and charge 10 cents fare on, yet he felt an interest in New York transportation because he had once lived here.

"How long ago?" asked Mr. Bruce. "Forty years ago," replied the witness.

"That's sarcasm there, Judge," said the Senator.

"Oh, no," responded the counsel, "I was commending your diligence. However, should not the New York City authorities have been notified and the bill considered in the committee of the whole?"

"There was no protest by the Citizens Union—not a protest or a vote against it," said Mr. Goodsell.

"I find here," said Mr. Bruce, who was diligently searching a Senate journal, "that you introduced the bill on a Friday and adjourned over to Monday, and that on Monday the minutes report 'No clergyman present.'"

Counsel paused and lifted his eyes to the witness as if for a comment, but the ex-Senator merely shifted the crossing of his legs and remained silent.

**LEADING FIRE COMPANY
OF THE WORLD**



**OLDEST
IN
AMERICA**

**STRONGEST
IN THE
WORLD**

THE MUTUAL LIFE Insurance Company of New York

**Mutual Life Agents Make Most Money
Because Mutual Life Policies Sell Most Freely**

For terms to producing agents, address

GEORGE T. DEXTER

2nd Vice-President

34 Nassau Street

New York, N. Y.

In New England

BOSTON, Sept. 14.—The announcement that the Underwriters' Bureau of New England was to change its headquarters has been expected ever since John C. Paige & Co. and the Massachusetts Fire and Marine leased the building at 93 Water street, Boston, where the bureau has been domiciled for more than twenty years, practically the entire period of its existence. The new quarters will be located in the fourth floor of the addition to the Oliver Building, 141 Milk street, which is to be completed in the Spring of 1911. The "Little Bureau," as it is locally termed, has had quite a history, and many men notable in the insurance world have been identified with it.

Another Protest.

The Hon. Beecher Putnam, Insurance Commissioner of the State of Maine, in his annual report, adds his voice to the many that have been raised of late years against the exorbitant taxation of insurance premiums. He commends the action of the Maine Legislature, which at its last session acted adversely upon a report of the Tax Commission recommending an

annual tax of one-half of one per cent upon the net reserves of life policies. "I do not favor excessive taxation of insurance companies or policyholders," says Mr. Putnam, "and I would not advise any increase in the rate of insurance taxes paid to the State of Maine." He further notes that the State received during the year 1909 in taxes and fees from the insurance business more than ten times enough to defray the total cost of the Insurance Department for that year, and that tax receipts of that kind for 1910 will probably aggregate \$150,000.

A "Know Nothing" Governor.

A series of sketches of the Governors of Massachusetts under the Constitution has recently been published by the Boston Post. Particularly interesting to underwriters among these is that of Henry J. Gardner, who was elected by the Know Nothing party in 1854, and served from 1855 to 1858. Among the measures enacted during his administration was the creation of the Insurance Department, which was the first of its kind to be established in the United States, and now occupies such

a commanding position among the departments of the country. The influence exerted by Elizur Wright, one of the early Commissioners, in formulating advanced life insurance laws, is a matter of common knowledge.

After retiring from the Governorship, Mr. Gardner engaged in mercantile business, and in 1876 became resident manager at Boston for the Mutual Life Insurance Company of New York. The writer well remembers with what glee Mr. Gardner related at a dinner of the Boston Life Underwriters' Association, how he had been turned down when he applied for insurance in the Mutual Life in its early days, and how he had outlived every executive officer and the medical examiner in authority at that time. He died at Milton in July, 1892.

Fidelity and Deposit.

It is thought that the Fidelity and Deposit Company, which has recently been authorized to do additional lines of business in Massachusetts, will not write liability insurance in the Bay State, but is likely to do a personal accident, plate glass and burglary business. Like enough Obrien & Russell, who already represent the company for surety bonds, will be the representatives for its burglary branch in Boston. EMIL SCHWAB.

Rome and Turin Warned by Brussels

IN VIEW of the recent conflagration at the Brussels Exhibition it is interesting to read that drastic measures will prevail at the forthcoming Rome and Turin exhibitions of 1911 to prevent a similar occurrence there. These safeguards will be partly natural and partly mechanical. In the first place it is important to note that Rome is practically free from hurricanes of wind which beset the low-lying Belgian capital, and, therefore, from a source of powerful aggravation in the event of fire breaking out. Added to this natural

advantage, Rome has water in abundance at its command, there being in the Marcia, Paola and Vergine waters three separate adequate sources of supply, to say nothing of an auxiliary source in the form of a small lake in the neighborhood of the Exhibition grounds.

Signor Ventivegna, technical superintendent of exhibition buildings, assures timorous exhibitors that the water running through the Mannesmann steel pipes will be exclusively appropriated for fire purposes. This water is to be driven at a consistent pressure of fifteen atmospheres—or

213.30 pounds per square inch—by Diesel electric motors, so that in case of fire it will be possible to supply water jets with a reach of 500 feet. To manipulate these elaborate appliances a body of fully trained firemen will be in attendance. Valuable as these arrangements are for diminishing damage in the event of an actual outbreak of fire, the arrangements made for rendering the possibility of a conflagration as remote as possible are even more assuring. Separate buildings are to be the rule, and on each section powerful fire-extinguishing apparatus will be concentrated.

RIGHT NOW ——— WRITE NOW

LIVE ASSETS for LIVE AGENTS

Live, not Life Insurance, is the only necessity of life that has not increased in cost.

It is a great asset for a Live Agent to represent the largest health and accident insurance company in the world, especially at this time with compulsory workmen's insurance imminent and employers' liability insurance becoming costlier every day. Up-to-the-second policies. Most liberal contracts to agents.

CONTINENTAL CASUALTY CO.,

H. G. B. ALEXANDER,
President.

1208 Michigan Ave. : Chicago

"Often Copied; Never Equalled."

THE HOME LIFE INSURANCE COMPANY OF AMERICA

Incorporated 1899.



General Agents and District Managers who can produce ordinary business can secure "Ground Floor" contracts with **GUARANTEED RENEWALS** and an assignment of territory limited only by capacity to produce agency organization and business. Send for Sample Policy. **IT IS ONE YOU CAN SELL.** New business, \$1,500,000—January 1-June 30, 1910.

Address:

G. M. NETTLESHIP,
General Manager,

JOHN LANGHAM, Jr., President.
JOSEPH L. DURKIN, Secretary.
EDWARD P. MADDEN, Treas.

416-18-20 Walnut St. : PHILADELPHIA, PA.

Germania Fire

INSURANCE CO.,

NEW YORK.

ORGANIZED 1869.

Cash Capital.....\$1,000,000.00
Assets\$6,562,329.14
Net Surplus.....\$2,008,419.02
Surplus for Policyholders,\$3,008,419.02

HEAD OFFICE:

Cor. William and Cedar Streets.

Life Ins. Co. of Virginia

Home Office, Richmond, Virginia.

J. G. WALKER, President.
T. W. PEMBERTON, 1st Vice-President.
W. L. T. ROGERSON, 2d Vice-President.
E. D. HARRIS, Secretary.

The OLDEST Southern Life Insurance Company.
The LARGEST and STRONGEST Southern Life Insurance Company.
The PIONEER Southern Industrial Life Insurance Company.
Its policies are clear and definite in their provisions and their values are absolutely guaranteed.

Assets Dec. 31, 1909.....\$5,372,691.99
Liabilities Dec. 31, 1909.....4,312,405.32
Insurance In Force Dec. 31, 1909.....68,337,613.00
Total Payments to Policyholders since Organization 9,820,412.46

WESTERN Assurance Co.

HEAD OFFICE,

TORONTO, - - CANADA.

Incorporated 1851.

Hon. GEORGE A. COX.....President
W. R. BROCK and JOHN HOSKIN, K. C. LL. D., Vice-Presidents
W. B. MEIKLE.....General Manager

United States Statement, Jan. 1, 1910.

Assets\$2,377,303.37
Surplus in United States.....839,268.07

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS is unsurpassed for net low cost and care of interests of all members.

THE PENN MUTUAL LIFE INSURANCE COMPANY OF PHILADELPHIA

On January 1, 1909, rates were reduced and values increased to full 3% reserve.

LIFE UNDERWRITERS.

(Continued from Page 8.)

peg; Secretary, N. D. Sills, Sun Life of Canada, Richmond, Va.; Treasurer, Eli D. Weeks, Phoenix Mutual Life, Litchfield, Conn.

The members of the National Association of the Executive Committee of the Canadian body are: J. W. Whittington, Aetna, Los Angeles, and E. J. Clark, John Hancock, Baltimore.

Chicago won the 1911 convention practically without opposition, and a strong movement was started to have the convention in 1915 at San Francisco, the time of the Panama-Pacific Exposition.

Elbert Hubbard gave his views on life insurance at the morning session.

A most interesting exposition of life insurance methods and supervision by the state in Canada was given to the convention by the Hon. Sir George W. Ross, President of the Manufacturers' Life, of Toronto, and a member of the Canadian Senate.

The banquet was one of the most elaborate the association has held. Ex-President Whittington presided. Governor F. M. Warner made the address of welcome, and other speakers were George Elliott, D. D., of Detroit; Vice-President George T. Wilson, of the Equitable of New York; Charles Warren Pickell, manager of the Massachusetts Mutual at Detroit; President E. R. Machum, of the Canadian Association; William T. Gage, general agent Northwestern Mutual at Detroit.

BANK INSURANCE RULING.

That a national bank may not insure the life of its President or any of its officers has been decided by the Controller of the Currency. A request from a bank for permission to do so has brought out that ruling.

The decision is based on a case which officials discovered in the Northwest some time ago. A life insurance company acquired a string of national banks and insured all the employees. By that system the earnings of the banks went to the life insurance company to pay premiums on the policies on the lives of the employees.

OBITUARY.

Louis B. Lawton.

Louis B. Lawton died on September 7 in Morristown, N. J., at the home of his son, Dr. C. E. Lawton. He was 78 years old. For forty years he was connected with the Mutual Life Insurance Company of New York. For twenty-five years he was general agent for Ohio. The last fifteen years of his business life he was Assistant Actuary at the home office in New York. He retired ten years ago.

The Preferred
ACCIDENT INSURANCE COMPANY
of New York

SUPERIOR POLICIES

KIMBALL C. ATWOOD, President.
290-292 Broadway, New York.

New England Mutual Life

Insurance Company

BOSTON, : : : MASS.

chartered 1835

Assets, January 1, 1910..\$51,316,543.00
Liabilities47,050,672.15
Surplus\$4,265,870.85

Sixty-six years of honorable dealing with its policyholders has placed the NEW ENGLAND MUTUAL LIFE INSURANCE COMPANY in the front rank of Life Insurance Companies of the Country.

ALFRED D. FOSTER, President.
D. F. APPEL, Vice-President.
J. A. BARBEY, Secretary.
WM. F. DAVIS, Assistant Sec'y.
J. G. WILDMAN, Assist. Sec'y.

EDWARD W. ALLEN, Manager,
220 Broadway, New York.
LATHROPE E. BALDWIN, Manager,
141 Broadway, New York.
CHARLES H. STRAUSS, Gen. Ag't,
200 Fifth Ave., New York.

THE Philadelphia Casualty Co.

WALTER LE MAR TALBOT, Pres't.

Our New Accident Policy Is Perfection.

It's the Policy Your Client Wants.
It's the Policy That's Easy to Sell.

Personal Accident, Health, Liability
Automobile, Plate Glass and
Credit Insurance.

Agency Correspondence Solicited.

Ideas Help an Agent Sell Policies

SECURITY MUTUAL LIFE INSURANCE COMPANY

Binghamton, N. Y.

Furnishes Ideas Through an Educational System

For particulars address

HOME OFFICE

Chalmers on Salesmen

HUGH CHALMERS, President of the Chalmers Motor Company, delivered an address last Friday before the convention of the National Association of Life Underwriters at Detroit upon "Employing, Training and Supervising Salesmen," in the course of which he said:

If I were asked to define salesmanship in the shortest possible way, I would say in a sentence that it is to make the other fellow feel as you do about the thing you have to sell. It is appealing to men's minds; it is changing men's minds to agree with your own. It is throwing thoughts at a man by which you hope to bring his mind into accord with yours on any subject. Every sale that was ever made, whether it was a paper of pins or a life insurance policy, didn't first take place on the order blank or application blank, or in the order book or check book, but the sale had first to take place in the mind of the man who made the purchase.

Now, life insurance comes under the head of difficult salesmanship, because you are selling something intangible; you are selling something that a man in most cases has to die to get the benefit of, and even then he doesn't get the benefit, but others do. So that I say the hardest kind of salesmanship is to convince a man to do something which doesn't always directly benefit him. It isn't like buying something tangible that he can see and feel. He is buying a piece of paper, of course, all properly engraved and sealed and all that sort of thing, but this piece of paper merely means a certificate of confidence that those dependent upon him will be taken care of after he is gone. Of course, I realize that certain forms of life insurance have many advantages

nowadays to the man while he is living, but I think most men look upon life insurance as a thing that becomes operative only after they are dead.

As I see it, an insurance salesman must do five things:

First—Get hold of his prospect.

Second—Convince him that as a general proposition life insurance is a good thing.

Third—Convince him that his company's policy is best for him.

Fourth—Get the order signed.

Fifth—See that the policy doesn't lapse at the end of the year.

I have noticed that most insurance men never send in a card, and they never as a rule send in a business card. Why? Because they believe they will not get an audience if they send in a card.

Somehow or other, men generally look upon insurance, even to-day, as not being a necessity, and of all the men they would rather not see it is the insurance man. People try to avoid him, and think they will be bored if they see him. Now to my mind, if the proper advertising was done, men would be made to see that insurance is not a luxury, and that the life insurance man is not a bore, but, on the other hand, that life insurance is a necessity and that a life insurance agent is a friend.

Most advertising copy of insurance companies that I have seen, speaks of the amount of assets and liabilities and the amount of insurance they wrote last year, how big their company is, and what dividends they pay, and all that sort of thing. To my mind the average man who buys insurance is not half as much interested at the start in knowing those things as some others. He is not as easy to approach that way as if you should approach him from his "point of con-

tact"—that is, that there is really no choice in this matter, it is not a question of whether or not he want life insurance—it is a question whether or not he will accept an absolute necessity. There is a difference between wanting a thing and needing a thing. Some men say they don't want insurance, or they don't want an adding machine, or something else, but that doesn't change the fact that they need these things. So there is a difference between wanting and needing things.

It seems to me that advertising can be written that will be so strong and so convincing in character that it will cause men to send for the life insurance man, because they will realize that it is more dangerous to be without life insurance than fire insurance and that far more serious consequences will result from neglect of life insurance than would result from neglect of fire insurance. A man's business might burn; and he could live to build another one, but if his life is gone everything is gone, and in most families when the head is gone the engine is gone, and while, of course, the personal loss is great in any event, yet the personal suffering is much greater where a man has not had the foresight to protect his family with life insurance.

NORTH BRITISH CHANGES IN WEST.

J. F. Joseph has been named by the North British and Mercantile to take charge of its Western department, with the title of general agent, and jurisdiction over Illinois, North Dakota, South Dakota, Iowa, Nebraska, Missouri, Kansas, Oklahoma and Arkansas. George H. Bell has been placed at the head of the Central Department, with the title of general agent, and with jurisdiction over Ohio, Indiana, Michigan, Wisconsin, Minnesota, Kentucky and Tennessee.

THE COMPANY WITH THE PYRAMID

40 CONSECUTIVE YEARS OF PYRAMIDAL PROGRESS

3,779,569.67	1,154,610.10
3,871,828.70	1,268,708.28
3,963,860.05	1,382,807.49
4,055,891.20	1,496,906.70
4,147,922.35	1,611,005.91
4,239,953.50	1,725,105.12
4,331,984.65	1,839,204.33
4,423,995.80	1,953,303.54
4,516,006.95	2,067,402.75
4,608,018.10	2,181,501.96
4,700,029.25	2,295,601.17
4,792,040.40	2,409,700.38
4,884,051.55	2,523,799.59
4,976,062.70	2,637,898.80
5,068,073.85	2,751,998.01
5,160,085.00	2,866,097.22
5,252,096.15	2,980,196.43
5,344,107.30	3,094,295.64
5,436,118.45	3,208,394.85
5,528,129.60	3,322,494.06
5,620,140.75	3,436,593.27
5,712,151.90	3,550,692.48
5,804,163.05	3,664,791.69
5,896,174.20	3,778,890.90
5,988,185.35	3,892,990.11
6,080,196.50	4,007,089.32
6,172,207.65	4,121,188.53
6,264,218.80	4,235,287.74
6,356,229.95	4,349,386.95
6,448,241.10	4,463,486.16
6,540,252.25	4,577,585.37
6,632,263.40	4,691,684.58
6,724,274.55	4,805,783.79
6,816,285.70	4,919,883.00
6,908,296.85	5,033,982.21
7,000,308.00	5,148,081.42
7,092,319.15	5,262,180.63
7,184,330.30	5,376,279.84
7,276,341.45	5,490,379.05
7,368,352.60	5,604,478.26
7,460,363.75	5,718,577.47
7,552,374.90	5,832,676.68
7,644,386.05	5,946,775.89
7,736,397.20	6,060,875.10
7,828,408.35	6,174,974.31
7,920,419.50	6,289,073.52
8,012,430.65	6,403,172.73
8,104,441.80	6,517,271.94
8,196,452.95	6,631,371.15
8,288,464.10	6,745,470.36
8,380,475.25	6,859,569.57
8,472,486.40	6,973,668.78
8,564,497.55	7,087,767.99
8,656,508.70	7,201,867.20
8,748,519.85	7,315,966.41
8,840,531.00	7,430,065.62
8,932,542.15	7,544,164.83
9,024,553.30	7,658,264.04
9,116,564.45	7,772,363.25
9,208,575.60	7,886,462.46
9,300,586.75	8,000,561.67
9,392,597.90	8,114,660.88
9,484,609.05	8,228,760.09
9,576,620.20	8,342,859.30
9,668,631.35	8,456,958.51
9,760,642.50	8,571,057.72
9,852,653.65	8,685,156.93
9,944,664.80	8,799,256.14
10,036,675.95	8,913,355.35
10,128,687.10	9,027,454.56
10,220,698.25	9,141,553.77
10,312,709.40	9,255,652.98
10,404,720.55	9,369,752.19
10,496,731.70	9,483,851.40
10,588,742.85	9,597,950.61
10,680,754.00	9,712,049.82
10,772,765.15	9,826,149.03
10,864,776.30	9,940,248.24
10,956,787.45	10,054,347.45
11,048,798.60	10,168,446.66
11,140,809.75	10,282,545.87
11,232,820.90	10,396,645.08
11,324,832.05	10,510,744.29
11,416,843.20	10,624,843.50
11,508,854.35	10,738,942.71
11,600,865.50	10,853,041.92
11,692,876.65	10,967,141.13
11,784,887.80	11,081,240.34
11,876,898.95	11,195,339.55
11,968,910.10	11,309,438.76
12,060,921.25	11,423,537.97
12,152,932.40	11,537,637.18
12,244,943.55	11,651,736.39
12,336,954.70	11,765,835.60
12,428,965.85	11,879,934.81
12,520,977.00	11,994,034.02
12,612,988.15	12,108,133.23
12,704,999.30	12,222,232.44
12,797,010.45	12,336,331.65
12,889,021.60	12,450,430.86
12,981,032.75	12,564,530.07
13,073,043.90	12,678,629.28
13,165,055.05	12,792,728.49
13,257,066.20	12,906,827.70
13,349,077.35	13,020,926.91
13,441,088.50	13,135,026.12
13,533,099.65	13,249,125.33
13,625,110.80	13,363,224.54
13,717,121.95	13,477,323.75
13,809,133.10	13,591,422.96
13,901,144.25	13,705,522.17
13,993,155.40	13,819,621.38
14,085,166.55	13,933,720.59
14,177,177.70	14,047,819.80
14,269,188.85	14,161,919.01
14,361,199.00	14,276,018.22
14,453,210.15	14,390,117.43
14,545,221.30	14,504,216.64
14,637,232.45	14,618,315.85
14,729,243.60	14,732,415.06
14,821,254.75	14,846,514.27
14,913,265.90	14,960,613.48
15,005,277.05	15,074,712.69
15,097,288.20	15,188,811.90
15,189,299.35	15,302,911.11
15,281,310.50	15,417,010.32
15,373,321.65	15,531,109.53
15,465,332.80	15,645,208.74
15,557,343.95	15,759,307.95
15,649,355.10	15,873,407.16
15,741,366.25	15,987,506.37
15,833,377.40	16,101,605.58
15,925,388.55	16,215,704.79
16,017,399.70	16,329,804.00
16,109,410.85	16,443,903.21
16,201,422.00	16,558,002.42
16,293,433.15	16,672,101.63
16,385,444.30	16,786,200.84
16,477,455.45	16,900,299.05
16,569,466.60	17,014,398.26
16,661,477.75	17,128,497.47
16,753,488.90	17,242,596.68
16,845,499.05	17,356,695.89
16,937,510.20	17,470,795.10
17,029,521.35	17,584,894.31
17,121,532.50	17,698,993.52
17,213,543.65	17,813,092.73
17,305,554.80	17,927,191.94
17,397,565.95	18,041,291.15
17,489,577.10	18,155,390.36
17,581,588.25	18,269,489.57
17,673,599.40	18,383,588.78
17,765,610.55	18,497,687.99
17,857,621.70	18,611,787.20
17,949,632.85	18,725,886.41
18,041,644.00	18,839,985.62
18,133,655.15	18,954,084.83
18,225,666.30	19,068,184.04
18,317,677.45	19,182,283.25
18,409,688.60	19,296,382.46
18,501,699.75	19,410,481.67
18,593,710.90	19,524,580.88
18,685,722.05	19,638,680.09
18,777,733.20	19,752,779.30
18,869,744.35	19,866,878.51
18,961,755.50	19,980,977.72
19,053,766.65	20,095,076.93
19,145,777.80	20,209,176.14
19,237,788.95	20,323,275.35
19,329,799.10	20,437,374.56
19,421,810.25	20,551,473.77
19,513,821.40	20,665,572.98
19,605,832.55	20,779,672.19
19,697,843.70	20,893,771.40
19,789,854.85	21,007,870.61
19,881,866.00	21,121,969.82
19,973,877.15	21,236,069.03
20,065,888.30	21,350,168.24
20,157,899.45	21,464,267.45
20,249,910.60	21,578,366.66
20,341,921.75	21,692,465.87
20,433,932.90	21,806,565.08
20,525,944.05	21,920,664.29
20,617,955.20	22,034,763.50
20,709,966.35	22,148,862.71
20,801,977.50	22,262,961.92
20,893,988.65	22,377,061.13
20,985,999.80	22,491,160.34
21,078,010.95	22,605,259.55
21,170,022.10	22,719,358.76
21,262,033.25	22,833,457.97
21,354,044.40	22,947,557.18
21,446,055.55	23,061,656.39
21,538,066.70	23,175,755.60
21,630,077.85	23,289,854.81
21,722,089.00	23,403,954.02
21,814,100.15	23,518,053.23
21,906,111.30	23,632,152.44
22,000,122.45	23,746,251.65
22,094,133.60	23,860,350.86
22,188,144.75	23,974,450.07
22,282,155.90	24,088,549.28
22,376,167.05	24,202,648.49
22,470,178.20	24,316,747.70
22,564,189.35	24,430,846.91
22,658,200.50	24,544,946.12
22,752,211.65	24,659,045.33
22,846,222.80	24,773,144.54
22,940,233.95	24,887,243.75
23,034,245.10	24,991,342.96
23,128,256.25	25,105,442.17
23,222,267.40	25,219,541.38
23,316,278.55	25,333,640.59
23,410,289.70	25,447,739.80
23,504,300.85	25,561,839.01
23,598,312.00	25,675,938.22
23,692,323.15	25,790,037.43
23,786,334.30	25,904,136.64
23,880,345.45	26,018,235.85
23,974,356.60	26,132,335.06
24,068,367.75	26,246,434.27
24,162,378.90	26,360,533.48
24,256,390.05	26,474,632.69
24,350,401.20	26,588,731.90
24,444,412.35	26,702,831.11
24,538,423.50	26,816,930.32
24,632,434.65	26,931,029.53
24,726,445.80	27,045,128.74
24,820,456.95	27,159,227.95
24,914,468.10	27,273,327.16
25,008,479.25	27,387,426.37
25,102,490.40	27,501,525.58
25,196,501.55	27,615,624.79
25,290,512.70	27,729,724.00
25,384,523.85	27,843,823.21
25,478,535.00	27,957,922.42

THE MONTHLY INCOME POLICY



appeals to prospects who KNOW Life Insurance. Investigate this policy. One of The Prudential's many attractive contracts.

Write us to day about an agency.

THE PRUDENTIAL
Insurance Company of America.

Incorporated as a Stock Company by the
State of New Jersey.

John F. DRYDEN, President. Home Office,
NEWARK, N. J.

INCORPORATED 1833.

British America
Assurance Company
HEAD OFFICE, TORONTO, CANADA

UNITED STATES BRANCH.
JANUARY 1, 1910.

Assets	\$1,556,740.94
Liabilities	902,438.61
Surplus	\$ 654,302.33

Hon. GEORGE A. COX, President.
JOHN HOSKIN } Vice-Presidents.
W. R. BROCK }
W. B. MEIKLE, General Mgr.

NATIONAL LIFE
Insurance Company,
MONTPELIER, VERMONT.

Established in 1850.
Operating in 37 States.

JOSEPH A. DE BOER, President.

FRED A. HOWLAND, Vice-President
JAMES B. ESTEE, 2nd Vice-President
OSMAN D. CLARK, Secretary
H. M. CUTLER, Treasurer
A. B. BISBEE, Medical Director
C. E. MOULTON, Actuary

This Company held January 1, 1910,
and gained during the past decade:

ASSETS . . .	\$47,490,998.98
GAIN, 167 PER CENT.	
LIABILITIES . . .	\$41,661,130.12
GAIN, 162 PER CENT.	
SURPLUS . . .	\$5,829,868.86
GAIN, 211 PER CENT.	
INSURANCE . .	\$161,423,115.00
GAIN, 79 PER CENT.	

**Absolute Security and
Economy of
Management**

ALONG LAKE MICHIGAN.

(Continued from Page 2.)

may desire to have its part written by its agents, who have lost the line to the broker, but the broker declines to permit that unless it suits him. He has arranged with certain of the company's agents about the writing on the line and will divide it among them as he sees fit. The company has nothing to do but accept the broker's terms or lose the business. When the broker has a risk which is not desirable, however, and companies are writing it as an accommodation his attitude is different. They can do some naming of terms then.

* * *

The banquet which the Illinois Pond of the Blue Goose tendered to the Grand Nest officers last year is to be followed on October 4 by one which promises to be even finer. It will be given at the Hotel La Salle on the night before the opening of the Northwestern meeting. The banquet committee, of which Carroll L. De Witt, general agent of the Newark Fire, is chairman, has secured as toastmaster A. R. Monroe, assistant Western manager of the Queen. The plates will cost \$5 this year. All members of the order are to be invited on the same basis as members of the Illinois Pond.

* * *

Completion of the programme for the coming meeting of the Fire Underwriters' Association of the North-West at Chicago shows that the field men will be treated well. Among the subjects that will be discussed by the speakers will be insurance law, electricity, fire waste and underwriting practices—subjects of prime interest to practical men in the field. Interest is added by the fact that this programme is very different from that of last year. Then there were many excellent addresses, but the subjects treated were almost without exception of a different character from those to be taken up at this meeting.

* * *

It is expected that after the Western Union meeting this week the various committees appointed to interview the agents of the "excepted cities" concerning the reduction of expenses will begin to get busy. It has been impossible to do anything so far on account of the vacation season.

* * *

Increased credits for the use of the coinsurance clause recently promulgated in the West are beginning to effect premium income. It is yet too early to say what the general effect will be, although field men report that in some cases a reduction in income already has resulted. It is probable that the effect will be different in different localities and agencies. Where assured already have had a coinsur-

ance clause attached to their policies a simple reduction in rates is effected. Where they have not the loss through lower rates may be made up by increased insurance to meet the requirements of coinsurance.

* * *

Some of the Kansas agents are expressing their disapproval of the organization of the Western Insurance Bureau on the ground that its members do not propose to pay more than a certain commission. Recently an Indiana newspaper voiced the indignant sentiments of agents over a letter sent out by a certain Pennsylvania company, not named, announcing a reduction in commissions. As agents are waking up to the fact that expense reduction is a live topic, such protests are being heard, although it is stated that not many agents are protesting directly to their companies.

While very little has been given out regarding what the Illinois Fire Insurance Commission will recommend, it has been stated by a member of the commission that it may recommend the enactment of law fixing a maximum expense ratio which may be incurred by companies operating in the State. It is known also that the commission has considered the advisability of providing for some sort of test of the fitness of agents to engage in the fire insurance business.

Should the question of expense reduction be handled along these lines, first requiring companies to economize, but leaving it to them to determine the lines of economy, and, second, the elimination of a large number of unfit agents and making it more difficult for such persons to get into the business in future, it is possible that the cost of insurance might be reduced without seriously effecting the income of the legitimate agents, although their commission scale might be reduced.

* * *

The Wisconsin Industrial Insurance Commission held hearings this week on what it has expressed hope would be its last tentative bill. The measure as it now stands is objected to both by employers and employees, but that is to be expected. The commission evidently thinks it has a good workmen's compensation bill, and this seems to be the opinion of many others who have gone into its fine points. Yet the bill contains enough loose and indefinite expressions, so it will take the courts some time to tell exactly what it means.

LA SALLE.

ANCHOR FIRE CHANGES.

A considerable interest in the Anchor Fire Insurance Company of Des Moines, Ia., has been acquired by M. H. Cohen, H. H. Folk, O. G. Chesley, W. S. Hazard, Jr. Messrs. Chesley and Hazard are associated in the general insurance business under the firm name of Hazard & Chesley.

New York Insurance Stocks

Casualty Companies.

		P.C.	Period.	Bid.	Ask.
Aetna Indemnity (\$25)...	\$350,000	V	V	...	200
Casualty Co. of America...	500,000	6	J&J	120	150
Fidelity & Casualty.....	1,000,000	18	"	450	500
Hartford Steam Boiler....	1,000,000	10	"	255	265
Metropolitan Casualty	200,000	10	"	185	...
N. Y. Plate Glass (\$50)....	200,000	16	"	500	...
United States Casualty....	500,000	10	Q	215	250

Fire Companies.

	Capital.	Div.	Approx. When Payable.	Bid.	Ask.
City of New York.....	\$500,000	10	Q	...	205
Commonwealth	500,000	10	J&J	326	...
Continental	2,000,000	40	"	925	950
Empire City	200,000	8	"	125	...
Fidelity-Phenix	2,500,000	V	V	265	275
German Alliance	400,000	15	J&J	275	300
German-American	1,500,000	30	"	550	560
Germania (\$50)	1,000,000	18	"	285	295
Glens Falls (\$10).....	200,000	30	"	1,525	...
Globe & Rutgers.....	400,000	40	Q	475	...
Hanover (\$50)	1,000,000	16	J&J	200	205

Home	3,000,000	30	"	680	695
Nassau (\$50)	200,000	10	"	165	175
Niagara (\$50)	1,000,000	20	"	300	305
North River (\$25).....	350,000	10	A&O	155	165
Pacific (\$25)	200,000	14	"	185	...
Peter Cooper (\$20)	150,000	6	"	90	105
Stuyvesant	400,000	10	"	155	160
United States (\$25).....	250,000	V	V	60	70
Westchester (\$10)	400,000	35	F&A	455	...
Williamsburg City (\$50)...	250,000	20	J&J	380	400

Life Companies.

		P.C.	Period.	Bid.	Ask.
Aetna Life	\$2,000,000	15	Q	650	...
Connecticut General	300,000	8	J&J	225	...
Equitable	100,000	7	A	4,000	...
Germania (\$50)	200,000	12	J&J	210	225
Hartford Life	500,000	10	"	150	...
Home	125,000	12	M&N	275	...
Manhattan Life	100,000	26	O&F	400	425
Metropolitan (\$25).....	2,000,000	7	M&N	155	...
Prudential (\$50)	2,000,000	10	Q	550	650
Travellers' Hartford	2,000,000	20	Q	900	925
United States Life.....	264,000	7	J&J	90	105

A—Annually.
V.—No information.
Q—Quarterly.

Bardoe's Column

THE Consolidated Casualty Company of Louisville has been licensed to transact business in the State of Pennsylvania, and J. J. Sheridan, agency director of the company, has been spending the week in Pennsylvania making appointments to build up a strong agency plant in that State. The company is now doing business in Kentucky, Mississippi, Kansas and Pennsylvania, and plans to apply for entrance into Iowa and Tennessee shortly. Insurance Commissioner Darst recently visited Louisville, examined the company and praised its present management. The Consolidated will write industrial, accident and health policies.

* * *

The Ocean Accident and Guarantee Corporation (Ltd.) has purchased a good will and business of the Universal Plate Glass Insurance Company (Ltd.), of Sydney, N. S. W., and will carry on the business at the Ocean's head office for Australia at Sydney.

* * *

Upon the invitation of the American section of the International Permanent Committee of Social and Industrial Insurance, the conference of which has just closed at The Hague, it was voted to hold the next Congress in 1913 in the United States. Professor Charles R. Henderson, of the University of Chicago, was made Vice-President of the International Committee for the United States.

* * *

The New York Insurance Department is examining the Westchester Fire Insurance Company.

* * *

J. A. Kelsey, resident manager of the Aachen & Munich, and R. C.

Christopher, assistant manager of the Caledonian, have gone to the Pacific Coast on a trip.

* * *

The Pacific Coast Casualty Company has been licensed to transact casualty and surety business in the State of New Jersey. Its managers for the northern part of the State will be Whilden & Hancock, while the southern part of the State will be managed by Stokes & Packard, of Philadelphia.

* * *

State Senator J. Mayhew Wainwright, of Westchester, returned on Monday from London, where he has been studying European methods of dealing with men and women injured in the pursuit of their work. He fathered the new Employers' Liability law of this State.

* * *

A new mutual just beginning business at Quincy, Ill., is the third organized in the State within a couple of years by business men as a protest against stock company rates unsatisfactory to them. There is perhaps more justification for protest at Quincy than at Bloomington and Joliet, where the others were started, as Quincy has not been well treated by the companies. When there was a compact office there it was the place chosen for the trying out of several changes that caused complaint. More recently it has been the scene of probably more abuse of the relief rule than has any other point of equal importance in Illinois, causing rate inequalities that eventually always prove unsatisfactory.

* * *

Formal demand was made on Sat-

urday upon nine companies for the payment of \$127,000 accident insurance carried by Ira G. Rawn, President of the Monon Railroad. According to the verdict of the Coroner's jury, the railroad man came to his death in his home at Winnetka, Ill., from the bullet of a revolver held in his own hand. All the life insurance policies, aggregating \$43,000, have been paid except two policies in small companies for \$2,000 or \$3,000. In most cases the policies were paid within two days after proof of death.

The proofs of loss were sent to the various concerns in registered letters by F. B. Johnstone, of the law firm of Runnels, Burry & Johnstone, attorneys for the Rawn family.

Mrs. Rawn and other members of the family who were in the Winnetka residence the night of Mr. Rawn's death were included among the affiants, and in some cases the certificate of the clergyman who officiated at the funeral and a copy of the Coroner's jury's verdict were included.

* * *

The Surety Association of America met yesterday morning at the Waldorf-Astoria. This was the first session in about three months.

RECTOR 2817

ESTABLISHED 1864

E. S. BAILEY

DEALER IN

INSURANCE STOCKS

A SPECIALTY

66 Broadway

NEW YORK

FOUNDED 1792

118th ANNUAL STATEMENT

INSURANCE COMPANY OF NORTH AMERICA. OF PHILADELPHIA, PA.

ASSETS.

Real Estate	January 1, 1910.	\$ 361,410.69
First Mortgages on Real Estate		373,803.43
Philadelphia, New York, Boston and other City and State Loans		1,134,390.00
Pennsylvania, Philadelphia and Erie, Lehigh Valley and other Companies' Bonds and Stocks		8,909,150.32
Cash in Bank and Bankers' hands		1,134,635.88
Notes Receivable and Unsettled Marine Premiums....		347,440.69
Net Cash Fire Premiums in course of Transmission....		1,069,510.62
Accrued Interest, and all other property		52,160.57

Total Assets\$13,385,501.56

LIABILITIES.

Capital Stock	\$ 3,000,000.00
Reserve for Re-Insurance ..	6,813,862.47
Reserve for Losses	877,250.00
All other Liabilities	104,982.45
Surplus over all Liabilities..	2,589,406.64

\$13,385,501.56

Surplus to Policyholders.....	\$5,589,406.64
Increase in Reinsurance Reserve	349,934.71
Increase in Net Surplus.....	838,500.92
Increase in Assets	1,371,456.93

Eugene L. Ellison.....	President
Benjamin Rusch.....	Vice-President
T. Hout Wright.....	Secretary
Henry W. Farnum.....	Assistant Secretary
John O. Platt.....	Assistant Secretary

Agencies in all Prominent Cities & Towns.

T H E PROVIDENT LIFE AND TRUST COMPANY OF PHILADELPHIA

Insurance in Force, \$214,509,255.00
(Paid for Basis)Assets \$70,514,350.45
(Market Value, Dec. 31, 1909)Contingency Reserve . \$9,207,276.38
(Inclusive of Capital Stock, \$1,000,000.)

The Provident has been particularly distinguished for the development of a highly trained force of agents. The systematic instruction which its agents receive has resulted in their being recognized as representatives of exceptional knowledge of the business and of marked efficiency.

Bob's Remarks

THE high pressure zone extends from Chambers street to Twenty-third street. This service has now proven itself so valuable in actual operation that many offices have increased lines in the territory thus protected. Nevertheless, there are some companies, after the San Francisco disaster, that stopped writing on any kind of a risk below Twenty-third street—even to the Battery. In view of the excellent results attained thus far in handling fires, since the new system has been working it seems rather doubtful if such a drastic policy is wise.

It would appear that the old rule in New York, as far back as 1870, for twice the annual premium (for buildings) for three years, was about to be adopted by the Pacific Board of Fire Underwriters. At present the exchange charge in New York is two and a half times the yearly rate for a three-year policy.

The many friends of Chester M. Cloud, formerly of the American Fidelity, will be pleased to learn of his appointment as metropolitan representative of the Fidelity and Deposit Company of Baltimore. He will have charge of the company's new casualty department for this territory.

Secretary A. M. Thorburn, of the Sun Fire Office, who has been in Europe for several weeks, arrived home last Saturday. Noted for his wit and fund of good stories, a recent note of his to an American friend is worthy of quotation. It stated that "with your knowledge of French you would enjoy Switzerland."

One of the most important and aggressive general agents for liability insurance is Edwin B. Quackenbush. He represents the Ocean Accident and Guarantee Corporation (Ltd.), at 92 William street.

On Friday last the Executive Committee of the Fire Underwriters' Association met. Nothing particular was done and the meeting adjourned, to be called later in this month.

The Farmers' Fire Insurance Company, of York, Pa., advise their agents that the appointment of Mrs. Annie S. McConkey, widow of E. K. McConkey, to the office of Secretary and Treasurer, will not change the management of the company. The same executive and official force which has heretofore administered its affairs will be retained, and the same conservative policy will be pursued that has marked the successful history of the company since its foundation.

A special meeting of the Enterprise

Casualty Company of Delaware, with proposed head offices in Philadelphia, was held last week. It was suggested that the capital be increased from \$100,000 to \$1,000,000. As no quorum was present the meeting adjourned until September 29.

By one of the most progressive, bright and thoroughly well trained local underwriters, and, by the way, practical countermen of the street, it was suggested to me that a list of prominent risks in the metropolitan district with the names of the brokers placing the same, might be of interest to the readers of THE CHRONICLE. Upon his information I append a few, selected from his list. It shows at least what a strong hold the really reputable insurance brokerage element has upon the mercantile and even the financial world, and also the tremendous power it has for good or evil. The following is a short tabulation presented as a first instalment:

Weed & Kennedy—Stern Brothers, H. B. Claflin Company, O'Neill-Adams Company, James McCreery & Co., Mills & Gibb, Abraham & Strauss, Frederick Loeser & Co. Benedict & Benedict—James H. Dunham & Co., R. H. Macy & Co., Best & Co., Bloomingdale Brothers, John Wanamaker, Lord & Taylor, Aitken, Son & Co., Acker, Merrill & Condit, Calhoun, Robbins & Co., Arnold, Constable & Co., Starkweather & Shepley—A. A. Vantine & Co., W. & J. Sloane, I. Tanenbaum, Son & Co.—Simpson-Crawford Company, Siegel-Cooper Company, Henry Siegel's Fourteenth Street Store, Greenhut & Co., Hamlin & Co.—Gimbel Brothers, Emil Coletti & Co.—B. Altman & Co. H. Mosenthal & Son—Saks & Co.

Under date of September 10 (Circular No. 1,181 of the New York Fire Insurance Exchange) the names of fifty-seven brokers were quoted as having not renewed their certificates. Many of these, however, as is usual, will attend to renewal promptly, thus keeping the quota of about 8,000.

As foreshadowed in our issue of August 25, the old Greenwich Insurance Company has resumed business under date of September 12, with capital of \$200,000 and surplus of \$50,000.

New automobile floater rates are out, to take effect from and after October 1. The new table published is almost as complex and intricate as is that of the recent liability schedules.

Frank & DuBois have been appointed United States representatives of the Yorkshire Insurance Company for surplus lines.

BOB.

NOTEWORTHY ADVANCE.

The
BERKSHIRE LIFE
Insurance Company,

OF PITTSFIELD, MASSACHUSETTS,

takes an advanced step in the interest of the policyholder by the adoption of the following liberal features in its new policy contract:

Low premium rates.

Large surrender values.

Dividends at the end of each policy year.

Thirty-one days of grace in payment of all premiums after the first year.

Paid-up insurance or cash surrender value or extended insurance after two years' premiums have been paid.

Loans for the full cash surrender value.

Policy payable in one sum or in instalments for terms of years.

Policy has no restrictions upon residence or travel and is incontestable after the first policy year, except for non-payment of premiums.

Right of the insured to change the beneficiary.

Liberal re-instatement privileges.

Every effort has been made to make this new policy the very perfection in a life insurance contract.

For further information apply to
JOHN H. ROBINSON, General Agent
FRANK ALLEN, Associate General Agent
For New York and New Jersey,
Postal Building,
253 Broadway, NEW YORK.

"The Leading Fire Insurance Company of America."



WM. B. CLARK, President.
W. H. KING, Vice-President.
HENRY E. REES, Secretary.
Assistant Secretaries,
A. N. WILLIAMS, E. S. ALLEN,
E. J. SLOAN, GUY E. BEARDSLEY.

The Employers' Liability

Assurance Corporation, Ltd.

LIABILITY, STEAM BOILER,
ACCIDENT, HEALTH, FIDELITY
and BURGLARY INSURANCE.

UNITED STATES BRANCH.
SAMUEL APPLETON, United States
Manager,
Employers' Liability Building,
33 BROAD STREET, BOSTON, MASS.

EDMUND DWIGHT,
Resident Manager for New York State,
56 MAIDEN LANE, NEW YORK.

AGENTS WANTED.

FEDERAL
LIFE INSURANCE
COMPANY
CHICAGO

ISAAC MILLER HAMILTON, ; ; President

Admitted assets.....\$2,447,499.17
Capital stock..... 177,300.00
Surplus apportioned and
unapportioned 77,510.61

Excess security to policy
holders 254,810.61
1909 insurance in force in-
creased over.....\$6,300,000.00
Surplus increased over.... 100,000.00

HIGH-GRADE MANAGERS AND
AGENTS WANTED.

ATTRACTIVE POLICIES
DESIRABLE CONTRACTS.

WILL ENTER NEW TERRITORY.

Address,

CHARLES M. TURNER,
General Manager.

Marquette Building, CHICAGO, ILL.

The Northwestern
Mutual Life Insurance Co.
of Milwaukee

GEO. C. MARKHAM, President
A. S. HATHAWAY, Secretary



New Business Paid-For

1905	.	.	.	.	.	\$ 90,334,038
1906	.	.	.	.	.	93,563,452
1907	.	.	.	.	.	102,233,634
1908	.	.	.	.	.	109,685,428
1909	.	.	.	.	.	113,716,188

Each year larger than any in the previous
history of the Company:

Commenced Business 1858

INSURANCE MEN will note the significant in-
crease in The Northwestern's new business dur-
ing the past five years.

IMPORTANT FACTS relating to this business
are shown by the following percentages:

	Expenses	Mortality	Interest
1905	12.15	67	4.73
1906	11.76	59	4.72
1907	11.81	58	4.76
1908	10.76	59	4.84
1909	10.63	54	4.85

It is capable of easy demonstration that The North-
western is the best Company to insure in.

See The Northwestern's new (1910) policy con-
tract with its Dividend Options, Paid-up and Endow-
ment Options, Options of Settlement and the Premium
Loan Features.

Issues Partnership and Corporation Insurance.
For further information or an Agency, address

H. F. NORRIS,
Superintendent of Agencies.

Survivorship Annuity Tables

Net Premiums, Mean and Terminal Reserves

American Experience Table,
LIFE OF NOMINATOR

Danish Survivorship Annuitants' Table,
LIFE OF ANNUITANT

And $3\frac{1}{2}$ Per Cent. Interest

BY
MILES M. DAWSON,
Consulting Actuary

SEND ALL ORDERS TO

The Chronicle Co. (Ltd.)

No. 90 William St.

NEW YORK

The Chronicle

1866

Published by THE CHRONICLE COMPANY, Ltd., 90 William St., New York City.

1910

VOLUME LXXXVI.

New York, September 22, 1910.

NUMBER 12

Financial Bonanza in Health Conservation,
Prof. Fisher Tells Liability Underwriters



Austro-Hungarian Accident Insurance for
Workmen, Described by Miles M. Dawson



Chicago Fire Boat "Graeme-Stewart" in Action

LIVERPOOL & LONDON & GLOBE

NEW YORK OFFICE, 45 WILLIAM STREET.

H. W. EATON, *Manager*
G. W. HOYT, *Deputy Manager*.
B. KREMER, JR., and T. A. WEED, *Agency Supts*

NEW ENGLAND STATES, NEW YORK, NEW JERSEY,
PENNSYLVANIA, MARYLAND, DELAWARE,
DISTRICT OF COLUMBIA, VIRGINIA,
WEST VIRGINIA, NORTH CAROLINA,
SOUTH CAROLINA, OHIO,
INDIANA, KENTUCKY,
TENNESSEE.

NEW ORLEANS OFFICE, COR. CARondelet & COMMON STS.

CLARENCE F. LOW, *Manager*
J. G. PEPPER, *Asst. Mgr.*
THOS. H. ANDERSON, *Deputy Asst. Mgr.*

LOUISIANA,
MISSISSIPPI,
ALABAMA,
OKLAHOMA,
FLORIDA,
ARKANSAS,
TEXAS,
GEORGIA.

SAN FRANCISCO OFFICE, 444 CALIFORNIA ST.

CHARLES D. HAVEN, *Manager*.
C. MASON KINNE, *Asst. Manager*.
JOHN W. GUNN, *Deputy Asst. Mgr.*

CALIFORNIA, NEVADA,
ALASKA, OREGON,
WASHINGTON,
ARIZONA,
IDAHO.

ILLINOIS,
MICHIGAN, IOWA,
WISCONSIN, MINNESOTA,
MISSOURI, KANSAS, NEBRASKA,
COLORADO, N. DAKOTA, S. DAKOTA,
MONTANA, UTAH, WYOMING.
NEW MEXICO.

CHICAGO OFFICE, 205 LA SALLE STREET.

W. S. WARREN, *Manager*.
GEO. H. MOORE, *Assistant Manager*.
HUGH R. LOUDON, *Deputy Asst. Mgr.*

INSURANCE CO., LTD.

ESTABLISHED 1836. ENTERED U. S. 1848.

The statement of the condition of the United States Branch on the 1st day of January, 1910, in accordance with the Laws of the State of New York, is as follows:

ASSETS\$13,885,802.88
LIABILITIES 8,766,622.58

SURPLUS\$5,119,180.30

As an illustration of the Company's practice in maintaining its assets in the United States in years of excessive loss, the following figures may interest policyholders:

Year.	Assets at January 1.	Income	Expenditure.	Excess of Expenditure.
1871	\$3,054,361	\$3,163,901	\$5,122,653	\$1,958,752
1872	3,640,450	3,733,101	4,484,999	751,898
1873	4,165,290			

Thus showing excess of expenditure in the two years of\$2,710,650
And increase of assets in the same time of 1,110,929

Progress of the United States Branch: Net Fire Premiums: 1848, \$4,519; 1858, \$471,998; 1868, \$1,739,620; 1878, \$2,422,126; 1888, \$3,928,010; 1898, \$4,979,422; 1908, \$7,427,617.63.

LOSSES.—The amount paid in the satisfaction of fire losses in the United States to the beginning of the present year was over \$119,461,623.72. This large sum, in conjunction with the growth of the company's business, evinces the confidence of the public and the faithfulness with which the Company's losses are adjusted and settled.

The Chronicle

VOLUME LXXXVI

NEW YORK, THURSDAY, SEPTEMBER 22, 1910.

NUMBER 12

PUBLISHED EVERY THURSDAY BY
THE CHRONICLE COMPANY, Limited.
No. 90 WILLIAM ST., NEW YORK.
Phone "567 John." Cable Address, "Chronogram," New York.

Subscription Price:
Three Dollars a Year. Single Copies, Twenty-five Cents.
Postage Prepaid in the United States and Canada.

MILES M. DAWSON, President.
R. B. Dawson, Treas. A. C. Harwick, V.-P. A. L. Dern, Sec'y.
Emil Schwab, Manager New England Department,
200 Devonshire Street, Boston, Mass.

All communications should be addressed to and remittances
should be made to The Chronicle Company, Limited.
Entered at the Post Office, New York, N. Y., as Second Class
Mail Matter.

CASUALTY UNDERWRITERS IN SESSION

Prof. Irving Fisher of Yale Describes the Financial Bonanza He Sees Awaiting Companies Which Undertake to Conserve the Nation's Health---Arthur I. Vorys of Ohio Talks About the Tendency Towards Socialism

BRETTON WOODS, N. H.,
Sept. 22.—The twenty-third
convention of the Interna-
tional Association of Acci-
dent Underwriters began its sessions
in this place last Tuesday afternoon.
Nearly all the heads of liability com-
panies in the United States are in at-
tendance. Several of them made the
trip to the White Mountains in auto-
mobiles. President Alexander and
Secretary Betts, of the Continental
Casualty Company of Chicago, arrived
in Mr. Alexander's Panhard, making
the trip from Chicago in ninety-seven
hours.

Franklin J. Moore, United States
manager of the General Accident,
Perth, Scotland, left Philadelphia in
his Packard last Friday. At Trenton
he was arrested for not having a
New Jersey license, had to stay
over night and pay a \$50 fine in court
the next morning. In Larchmont at
6:30 o'clock Saturday evening, after
having been run into by an ice wagon,
he was arrested for not having his
lamp lighted. This time he was not
fined. About two miles out of Hart-
ford the rear axle of his car broke. He
came the rest of the way by train and
hopes the chauffeur will get here with
his baggage and linen before the ban-
quet to-night.

There was a meeting of the Exec-
utive Committee on Monday after-
noon, at which great satisfaction was
expressed because of the progress
made toward the elimination of policy
"frills" by the committee appointed
at the Albany meeting, of which Pres-
ident Dunham, of the Travelers, is
chairman. Within the next two

months still further progress is ex-
pected.

President Faxon's Address.

Walter C. Faxon, President of the
association and Vice-President of the
Aetna Life, delivered his formal ad-
dress on Tuesday afternoon. He said
in the main:

The Executive Committee will
doubtless report to you the special ef-
forts that have been made during the
past few weeks toward securing uni-
form action by the accident and
health companies in the modification
of their policy forms for 1911, elim-
inating therefrom some of the spe-
cial features which have encumbered
them and have been demonstrated to
be of doubtful value. The occasion
for taking this action at this time is
the necessity imposed upon all com-
panies doing business in New York
and Massachusetts to revise their pol-
icies so as to conform to the recently
enacted laws in those States.

It can truthfully be stated that
never before in the history of this
organization has so determined an
effort been made, or one which prom-
ised such satisfactory results, as this
recent attempt to reform policy con-
tracts. That certain obstacles have
interposed to delay—for a brief time
only, let us hope—the adoption of the
reforms, places a responsibility upon
the companies to make renewed ef-
forts toward bringing about the
greatly to be desired results.

Heretofore the difficulty in secur-
ing the elimination of any feature re-
garded as undesirable by many com-
panies has been that some one or two
companies have regarded the fea-
ture with favor and have prevented
unanimous action. Under the plan
proposed nearly every company was
called upon to forego the further

use of some features which it
favored. Never before has there been
greater willingness manifested by the
companies to sacrifice their individual
preferences.

The national convention of Insur-
ance Commissioners assembled at
Colorado Springs in August of last
year, adopted for recommendation to
the Legislatures of their respective
States a bill for standard provisions
in accident and health insurance pol-
icies, which bill, substantially as
adopted by the Commissioners, has
already been enacted into law by New
York and Massachusetts, and failed
of enactment in Ohio only by a mis-
hap of some sort. Minnesota had al-
ready a law upon its statute books
similar in many respects to this one.
During the coming winter we may
expect similar legislation will be en-
acted by many more of the States,
and, as occurred in New York State,
modifications may be proposed in
the language agreed upon which, if
embedded in the law, will defeat the
very object sought for by both the
companies and the Commissioners
working together for a long time—
namely, uniformity in the statutory
requirements concerning policy forms.

Professor Fisher on Health.

Following the usual reports of of-
ficers, Professor Fisher, of Yale, read
a paper on "Insurance Companies and
the Public Health," in the course of
which he said:

In the history of all forms of insur-
ance we find that at first the concep-
tion of insurance is restricted to the
one function of trading in risks—i. e.,
selling for a price (called the pre-
mium) the chance of receiving an in-
demnity (called the insurance). Later

(Continued on Page 8.)

Workmen's Accident Insurance in Austria and Hungary

By Miles M. Dawson

Copyright, 1910, by Miles M. Dawson.



VIENNA, Aug. 18, 1910.—Austria was the first country to follow in the footsteps of Germany in the matter of causing all accidents to wage-earners employed in industrial enterprises to be compensated, without regard to the negligence of either employer or employe. This, also, was done in Austria, as in Germany, not by holding the employer liable but by requiring him to insure. The system differs, however, from that in Germany as follows:

The Austrian accident insurance associations (with a few exceptions) do not confine their membership to a particular class of establishments, but embrace all employers within a certain territorial district.

The employers do not pay all the cost. They are permitted to deduct one-tenth of the premiums from the wages of the employes.

The management is not confided to the employers only. Both employers and employes are represented on the board, but the actual every-day conduct of the business is entrusted to government appointees.

The system also is not assessment. Nominally, it is "Kapital-Deckung"—i. e., a system under which each year's premiums are to provide for all claims arising by reason of accidents which occur that year, setting up a reserve for all future payments by reason of the same.

Practically, however, this is so far from having been realized that after over twenty years' operation only one out of the numerous district societies holds reserves equal to the requirements, and very few are near that status. Moreover, the associations which are in the worst condition are the largest and situated where the industries are densest.

The various district associations possess and exercise broad powers as to rates and the objection of both employers and employes to "useless accumulations" have made themselves felt. Yet, unlike German employers who have been taught to expect increasing rates, the Austrian employers object to covering past deficiencies even more strenuously than to adequate premiums now and for the future.

The bureaucratic management causes them to regard the district funds as merely branches of the Government, to which they should pay as little as possible and out of which they should get as much as possible. What the State is to do about it is not their affair, except that it must not expect them to pay money to make good the State's mistakes nor to pile up "useless" accumulations.

The Government, recognizing this situation, now proposes a modified German system—i. e., what is called an "average premium" system, under which there will be a relationship between current disbursements for claims and what the employers are called upon to pay. What is proposed by the Government is contained in a "project" and not having yet ripened into law or even a completely outlined bill, what it is to be is not very clear, but in general it may be explained as follows:

Under the pure assessment system, assuming for purposes of illustration that the number of workmen, their ages, their conditions as to health, marriage, number and ages of children, wages and the like, as well as the risk of accident, were all stable from year to year, an exact equilibrium

of annual cost of furnishing all the benefits would be reached when the youngest workman employed when the plan was put into effect, reached the highest attainable age. At and ever after that time the plan would embrace, all the conditions remaining unchanged, precisely the full and the same number of workmen with precisely the same wages, the number of disabled workmen (both partial and complete, both permanent and temporary), with precisely the same benefits, the number of widows (constantly recruited by accidental deaths of workmen and diminished by their own deaths and remarriages), with precisely the same benefits and the same number and ages of orphans (similarly recruited and diminished by their own deaths and by attaining their majority), with precisely the same benefits.

The current annual premiums thereafter (on these assumptions) would also be, it is possible to demonstrate mathematically, precisely the annual premiums which, on the basis of the funds earning no interest, it would be necessary to charge from the outset on the "kapital-deckung" or "claim-reserve" basis—that is, on a basis calling for reserves mathematically equivalent to all payments to be made in future because of accidents which have already taken place.

On the same assumptions, this equilibrium of annual disbursements to pay claims is also, of course, reached at the same time and thereafter maintained, even though premiums have been collected on the "kapital-deckung" or "claim-reserve" basis, and it is easily shown mathematically that thereafter (on these assumptions) the aggregate premiums, aggregate claims, aggregate reserves and aggregate interest earnings of the reserves (assuming also a stable rate of interest) are all stable and unvarying from year to year.

The aggregate advantage thereafter in annual premiums from year to year, therefore, to the employers if the "kapital-deckung" or "claim-reserve" system has been maintained over their subsequent annual premiums on the assessment plan is (on the same assumptions) precisely equal to the aggregate interest earnings of the reserves.

Now, if reserves have been accumulated, but not in an amount fully equivalent mathematically to the present value of future payments to be made because of accidents

Liability

Boiler

Plate Glass

Automobile Liability and Defence

Employers' Compensation
Insurance

Casualty Company
of America

HOME OFFICE KUNN-LOEB BUILDING 52-54 WILLIAM STREET NEW YORK



Accident

Disability

Fly Wheel

which have already occurred, it is possible to go over to the assessment plan, applying the interest on the actual reserves toward meeting the payments, or accumulating such interest until about the time the equilibrium should be reached, and thereafter applying the interest earnings of the entire accumulation. It is also possible, of course, as an alternative, even to require some further overpayments for reserve purposes to be made, though not sufficient for "kapital-deckung."

The idea of all of this is to give a full equivalent for all accumulations of reserve while abandoning, in principle if not altogether, the "claim-reserve" plan.

Of course, these assumptions are never realized precisely or even approximately; the numbers of workmen increase or diminish, the risk of accident varies, longevity increases or diminishes, rates of marriage, remarriage and births vary, wages go up or down—yet it can readily be shown that the principle as regards attaining an equilibrium is unaffected and also that a substantial equilibrium, varying only within moderate limits, subject to melioration by improvements and to enlargement by retrogression (both of which are salutary) can and in the nature of things will be attained.

The foregoing gives by no means an accurate notion as to what is proposed in Austria. To do so would require too much space. It merely outlines the principle of the "average premium" idea which the Austrians have up for discussion. It also shows why they are not more frightened and disconsolate over the failure of the state insurance institutions actually to maintain their reserves under the "claim-reserve" system.

Two benefits which the Government hopes may flow from such a change are:

First—That Austria will not be required to make good the deficient reserves out of general taxes—a thing which many employers have fatuously been expecting it to do.

Second—That employers will come to understand that the claims, as they accrue, must be met by them and will be willing and ready so to meet them, though unwilling to pay in currently sufficient amounts to assure their being so met.

The fact that the institutions are essentially bureaucratic in management militates against the full realization of these hopes. It will be hard, perhaps, for employers to unlearn what they have learned—viz., to lean on the state and hold it responsible.

The same reason, bureaucratic management, instead of a management representative of the employers or of the employers and workmen, is assigned as an explanation of the facts that expenses of management are materially

higher than in Germany and that prevention is not so effectual.

Austria has, however, by reason of the universality of its system and of its statistics, developed the science of rating, so far as concerns published data at least, more completely than any other country. Its system has been adopted as a basis by most of the private companies, as in France, Belgium, etc., where private insurance is employed to cover the risks of employers under compensation laws.

Hungary, which is united with Austria by having a common king, has local self-government and a separate Parliament. Until relatively recently it was not much developed industrially, but it is now making immense strides. To its tardy development, industrially, is ascribed the nation's failure to adopt workmen's compensation legislation earlier than 1907, taking effect actually in 1909. But unquestionably the fact that the Austrian system did not realize all that had been expected of it, was not without influence.

To that, as well as to the Hungarian dislike of the "Germanism" of Austria, is also due, no doubt, the further fact that when enacted into law the Hungarian system has little resemblance to the Austrian. It is state insurance, both against sickness and accident, the state supervising the former and managing the latter, but it is purely assessment and makes no effort at "kapital-deckung" or the creation and maintenance of adequate "claim-reserves." In the early years rather large overpayments to constitute an emergency reserve against fluctuations are required, but they are not scientifically computed and are in no proper sense "claim-reserves."

It may be regarded a curious condition that, despite the Hungarian dislike of the "Germanism" of Austria, Hungary should have adopted a plan so closely modelled after the German. But there is little, if any, anti-Germany feeling in Hungary—though more than enough often in Austria itself; the Hungarian sentiment is not against Germany as a nation, but against the domination or attempted domination of Hungary by German-speaking Austrians.

The sixth chapter in the series of articles on "Employers' Liability Insurance Abroad," by Miles M. Dawson, is entitled "Employers' Liability Insurance in Switzerland," and will appear in THE CHRONICLE next week. The seventh chapter, "Workmen's Compensation Insurance in France," will appear in the issue of October 6.

A General Agency is open
in the State of

PENNSYLVANIA

For one of the best Old Line
Companies in America

Write "B," care of this paper



Insurance Brokers

Place Your SURETY and CASUALTY
business in the "EMPIRE."

CAPITAL, \$500,000

Business Producers not now under contract wanted for
open Territory.

Address Agency Department,
THE EMPIRE STATE SURETY CO.,
84 William Street, New York

Local Fire Agents Meet in Chicago

CHICAGO, Sept. 21.—The keynote of the fifteenth annual meeting of the National Association of Local Fire Insurance Agents held here last week was elimination from the business of the low-grade agents. Fire insurance expense came in for considerable attention, but suggestions for reduction generally were coupled with a provision that the legitimate agents be relieved of the competition of the hangers-on that take their bread and butter out of their mouths.

As was to be expected, the association's declaration of the commission question was guarded. In the organization are the Southern agents, who honestly believe they are being discriminated by the companies and want more commissions. There is the big body of Western agents, who, as a rule, desire no change. There also were a comparatively few "excepted cities" agents, who, while they may admit that the commissions paid by some companies in the large cities are excessive, are not ready for a reduction unless they get compensation in the way of reduction of multiple agencies. There was nothing in the proceedings to show that the agents have much confidence in the theory that a reduction in commissions would drive enough sidelines and others out of the field to compensate them for the reduction.

Considerable sentiment was expressed in favor of a standard of agency requirements which would exclude from the business the ignorant and incompetent and would require the inexperienced to serve an apprenticeship in other agencies before being given full agency powers.

O. B. Ryon, of Streator, Ill., who spoke as a local agent, but expressed views which he has acquired, in part at least, as attorney of the Illinois Fire Commission, went further into the present troubles than most of the other speakers did. While he was talking on the subject of State regulation of rates, he treated regulation on broad lines. He suggested to the agents that they first decide what classes of companies and concerns they desire to have admitted to their States and work for laws which would accomplish this result and also would put all the companies under supervision, including Lloyds, interinsurance concerns and the like. Then decide what kind of a people they desired to have represent these companies and seek legislation necessary to confine the business to such people's hands. Let the companies make the rates, but lodge in the Insurance Department power to grant relief to those who may be found to be suffering injustice from incorrect rates.

Let the States limit by law the expense ratio the companies may incur. This, he intimated, would quickly put a stop to the fierce competition for agents for many companies could not afford to go into small places where they could get only a very small volume of business. Mr. Ryon's general proposition was that there is no need of the company that does not fill an economic want—in other words, that there is no need of companies which will write only a few classes that other companies are perfectly ready to write and no need for numerous companies in small towns. He spoke with apparent sympathy of the English system, under which a few companies take immense lines on large risks and the smaller companies get their share through reinsurance, without the expense of running a big agency plant and duplicating the work of many other companies in this regard.

Quite a strong tendency is shown in the national association to draw lines between the sheep and the goats, not only among companies, but among agents as well. While it was recommended that companies be classified according to their strict adherence to the agency system or their readiness to deal with brokers of the cut-rate variety, the Executive Committee was also empowered to drop from membership agents who under the guise of seeking surplus line business, really are seeking business that agency companies could and would handle through cut-rate methods.

Arthur Hawxhurst, manager of the insurance department of Marshall Field & Co., addressed the meeting. One of his telling and effective utterances was the following:

"Competition is the life of trade, it is true, but indemnity is neither trade nor commerce. It has its own peculiar functions to perform for the protection of both, and these cannot be ignored by either.

"These functions become motive powers after a fire has taken place, for it is then that the piece of paper called an insurance policy turns itself into an asset equal to its face value, and as there is no telling when judgment day is to come it is essential, like all other salvations, that the policy be at all times worth its face value"

* * *

Hen. Thomas B. Love, former Insurance Commissioner of Texas, believes that the principle of State rate regulation has been adopted in Texas for keeps. Taking it for granted that rates ought to be stable and uniform, he says that either the companies must be permitted to make them or the people, represented by the State,

must do so, and he has no doubt as to what the sentiment of his State is on the subject.

While Mr. Love did not put it in this way, his proposition amounts to this: Either the companies, sellers of insurance, are to fix a price and say to prospective buyers, "Take it at our price or leave it alone," or the public, buyers of indemnity, will say to the sellers, "Here is the price we will pay; furnish insurance at that price or not, as you see fit." And the people of Texas, he says, are going to adopt the latter plan.

LA SALLE.

LIVERPOOL & LONDON

& GLOBE NOW LIMITED.

On the 26th ultimo an unusually important and interesting registration was effected at Somerset House. It was the completion of the design for the modernization and fuller equipment of one of our most honored and reputable insurance institutions. Founded under a deed of settlement in 1836, the Liverpool Fire and Life Insurance Company ten years later, on extending its operations to the metropolis, became the Liverpool and London Insurance Company. In 1864 it acquired the Globe Insurance Company (founded as far back as 1803), and thenceforth became known throughout the world as the Liverpool and London and Globe, or popularly as the L. and L. and G. On July 25, 1904, the company was registered as unlimited, pursuant to its special act of that year, and pursuant to the Liverpool and London and Globe Insurance Company's act of 1910 has now been reregistered as a limited company. In accordance with statutory requirements the advalorem duty of 58 per cent on the new nominal capital of £3,000,000 became payable, so that as large a registration fee as \$7,000 has again been paid by an insurance company.—London Post Mag.

The

Columbian National Life INSURANCE COMPANY OF BOSTON, MASS.

LIFE, ACCIDENT AND HEALTH INSURANCE.

The Only Massachusetts
Non-Participating Company

The New Columbian Policies are
Unexcelled in Clearness and Liberality.

Good Contracts and Territory for
Good Producers.

ARTHUR E. CHILDS, President.

F. S. James New Western Union Head

FRONTENAC, N. Y., Sept. 16.—Fred S. James, of Chicago, one of the charter members of the Western Union and the Western manager of the National of Hartford, was elected President of the Western Union at the conclusion of its annual meeting yesterday. John H. Stoddart was elected Vice-President, and H. N. Kelsey, of the Sun of London, was chosen Secretary. The next session of the Union will be held at the New Willard in Washington next April.

The chief interest of the meeting lay in the discussions on sprinklered business and legislation. On sprinklered business it was decided to increase the force of inspectors and make more frequent inspections of equipped risks and those about to be equipped. It was held that this would more adequately meet the competition of the mutuals, and would also dispose of the internal competition among the companies maintaining equipped risk departments of their own, these being organized chiefly because of the desire for advance information.

The question of legislation was discussed at length, and the Union will follow out the recommendation of President Lenehan, and prepare itself to meet the demand for State regulation of rates.

An interesting feature of the meeting was the statement made by W. N. Johnson, of the Insurance Company of North America, on the present status of the clear space clause in Minnesota, which has been practically annulled by recent decisions of the Minnesota Supreme Court and rulings of the Insurance Department. It was recommended that the companies protect themselves by inserting in the description of the property on lumber policies a provision that it be located not less than 200 feet from any manufacturing risk.

It was decided that the Union rules were not applicable to marine and transportation policies, covering automobile floaters, and that the Union will not exercise any jurisdiction over commissions on automobile business.

The special Committee of Publicity and Education recommended that the work be continued and pushed more actively.

The report of the Governing Committee, presented by Walter Sage, chairman, recounted facts and conditions without comment.

The only resolution was one providing for a reduction in the charge for night work from 25 to 10 per cent, giving credit for the great improvements made on methods of lighting which are the chief hazard of night work.

No changes were made in the relief rules, but an increase in the number of applications was noted, due to better observance of the rules of members rather than increase in the competition.

Extensive reports were made on the work of the sprinkler and engineering departments, and it was recommended that the staffs of both be increased in order that there might be more frequent inspections to determine whether improvements promised were being made.

Special attention was called to the rapid increase in the public interest in the matter of the fire waste as the most encouraging feature of the situation. Many important organizations have taken the matter up and are urging their member to better fire protection and construction. The

members were recommended to keep in close touch with all such movements in order that the best results might be achieved. The Governing Committee report closed with a plea for better co-operation and greater confidence among members, who were advised not to be so ready to doubt the good faith and honest intentions of their associates.

The report of the Committee on Fire Protection Engineering said that marked improvements were being made in electrical inspections and that a better grade of talent was being developed for the inspection work. The assistance of the Association of Electrical Inspectors was acknowledged, and the work of the Underwriters' Laboratories commended. Most of the special and standing committees were given more time.

Chicago's New Fire Boat

DURING the convention of the National Association of Local Fire Insurance Agents, the Chicago Fire Department gave a complimentary exhibition of the Graeme-Stewart, its most modern fire boat. The Graeme-Stewart is 120 feet over all, 109 feet 6 inches between perpendiculars, and has a draft of 9 feet 6 inches. It is constructed of steel throughout, practically no wood being used, except for the finish of the deckhouse and pilot house. The arrangement of the machinery is novel, in that the same engines are used for operating the fire pumps and for propelling the vessel, thus doing away entirely with separate propelling engines. The boat is fitted with two centrifugal fire pumps, with 14-inch suction and discharge, and capable of delivering 9,000 gallons of water a minute at pressure of 150 pounds a square inch, when running at a speed of 1,700 revolutions a minute. By means of branch pipes, the discharge of one pump can be turned into the suction of the other, thereby running the pumps in tandem as one four-stage pump, delivering 4,500 gallons of water a minute at 300 pounds pressure. This, going through a 3½-inch nozzle, makes a tremendously powerful and effective stream. At 125 pounds pressure these pumps will each develop 5,500 gallons a minute. The pumps are set one on each side of the boat, drawing from a 14-inch header extending across the engine room, and delivering to turrets on the deck directly above. These turrets are set diagonally on deck and each has nine 3½-inch openings for hose, with quick-moving lever valves

at a convenient height. In winter these turrets will be inclosed in iron castings, to which steam pipes lead, to prevent freezing. Each pump is driven by a 600-horsepower turbine engine, which is directly connected with it on the same shaft and bed-plate. This shaft also carries a 200-kilowatt generator of the direct-current type, wound for 275 volts, for operating the propelling motors. There are two Scotch boilers in the boat, each 12 feet 6 inches in diameter, and 11 feet 6 inches long, built for a working pressure of 170 pounds.

Since the opening of the drainage canal there is a considerable current in certain portions of the Chicago River. In order, therefore, to hold the boat in a position where it can do effective work in fighting fires on the wharves and in buildings bordering on the river bank, where lines cannot be made fast to moor the boat, it is fitted up with "spuds" like a dredge, two forward and one aft, working through wells in the bottom of the boat and raised and lowered by steam power. These spuds are made of double thick steel pipe, 18 inches in diameter, shod with cast steel points to take hold of the river bottom.

The Chicago Fire Department fleet also includes the Joseph Medill, the Illinois, the Conway, the Swenic and the Chicago.

BERKSHIRE LIFE CHANGES.

Following the transference of W. S. Weld to the home office of the Berkshire Life as agency superintendent, Herman D. Stone has been appointed cashier of the Chicago office.

YOUR ABILITY IS WHAT COUNTS



in selling Life Insurance. Contract with a Company that will help you develop that ability and that will put attractive and popular policies in your hands.

Write us to-day about an agency.

THE PRUDENTIAL
Insurance Company of America.

Incorporated as a Stock Company by the
State of New Jersey.

John F. DRYDEN, President. Home Office,
NEWARK, N. J.

WESTERN ASSURANCE Co.

HEAD OFFICE,
TORONTO, - - CANADA.

Incorporated 1851.

Hon. GEORGE A. COX.....President
W. R. BROCK and JOHN
HOSKIN, K. C. LL. D., Vice-Presidents
W. B. MEIKLE.....General Manager

United States Statement, Jan. 1, 1910.

Assets\$2,377,303.37
Surplus In United States..... 839,268.07

Life Ins. Co. of Virginia

Home Office, Richmond, Virginia.

J. G. WALKER, President.
T. W. PEMBERTON, 1st Vice-President.
W. L. T. ROGERSON, 2d Vice-President.
E. D. HARRIS, Secretary.

The OLDEST Southern Life Insurance
Company.
The LARGEST and STRONGEST South-
ern Life Insurance Company.
The PIONEER Southern Industrial Life
Insurance Company.
Its policies are clear and definite in
their provisions and their values are ab-
solutely guaranteed.

Assets Dec. 31, 1909..... \$5,372,691.99
Liabilities Dec. 31, 1909..... 4,312,405.32
Insurance In Force Dec. 31,
1909..... 68,337,613.00
Total Payments to Policy-
holders since Organization 9,820,412.40

Germania Fire

INSURANCE CO.,
NEW YORK.

ORGANIZED 1850.

Cash Capital.....\$1,000,000.00
Assets\$6,562,329.14
Net Surplus.....\$2,008,419.02
Surplus for Policyholders,\$3,008,419.02

HEAD OFFICE:
Cor. William and Cedar Streets.

In New England

BOSTON, Sept. 21.—The interregnum is ended, and Boston again has a de facto Fire Commissioner, the Civil Service Commission having on Thursday last approved Mayor Fitzgerald's nomination of Charles D. Daly to that position. Mr. Daly is a Bostonian by birth. He entered Harvard in 1896 at the age of sixteen and became the star athlete of that university. In 1900 he was admitted to West Point, where he not only continued to gather athletic laurels, but was diligent in his studies as well. In 1905 he was graduated with the rank of second lieutenant, but a year later resigned from the army and returned to Boston to engage in business. His training, academic, military and athletic, forms an admirable groundwork for the productive exercise of his sterling qualities of character and intellect, and there is every reason to believe that he will make his mark as an efficient head of the Boston Fire Department, especially if the Mayor adheres to his reported determination to keep the department out of politics. This is a hard strain on the credulity of those who have watched the career of Sweetadeline Honeyfitz, but still there is every disposition to take him at his word and give him due credit for its fulfilment.

Professor Doten's Address.

The Massachusetts Commission appointed to study the workmen's compensation for injuries question is getting down to work in good earnest. The first public hearings on the matter have been set for next Thursday at 2 and 7:30 P. M., at the Boston State House; then there will be hearings at Lowell on October 7, at Worcester probably, on October 12, at Springfield October 14, at Pittsfield October 15, at Fall River October 27 and at New Bedford October 29. This takes in the important textile towns, and would seem to insure a wealth of suggestion toward the framing of the measure which the commission is to recommend to the Great and General Court.

Last Sunday Professor Carroll W. Doten, chief investigator for the commission, talked to the Central Labor Union on the topic of compensation for industrial accidents. He outlined the compensation plan recently adopted by Great Britain and the compulsory insurance plan prevailing in Germany, spoke of the differences of method and result that attach to these systems, and declared that both were worthy of the most careful consideration. Continuing, he said as follows, in part:

"The Massachusetts Commission is making a careful study of both of these systems as they operate in the

countries where they originated. It is also studying the modifications and possible improvements adopted in other countries.

"Twenty-six countries or self-governing colonies have laws more or less like one or the other of these models, and the Legislature of one State in the Union, New York, has recently passed a similar act.

"The commission is not committed to any special scheme or system, but it is striving to prepare the best form of a bill which the experience of other countries and the constitutional and economic conditions under which we live in Massachusetts render possible.

"It comes to you, not because you are members of labor organizations, but because you are citizens of Massachusetts and acquainted at first hand with its industries and its laws. The members of the Commission ask your co-operation in their investigations and in the framing of a bill for enactment at the next session of the General Court.

"I would call your especial attention to the following points which require careful consideration in the adoption of any scheme which may be devised:

"First—It must not be of such a character as to promote carelessness and malingering.

"Second—It should be so framed as to promote the prevention of accidents.

"Third—It should be so arranged as to eliminate lawsuits and the expenses of litigation.

"Fourth—It should be so designed as to promote better relations between employers and employees.

"Fifth—It should not interfere with the free movement of labor.

The programme, as outlined by Professor Doten, certainly rests on a basis of good sense, fairness and endeavor to promote the common weal with justice to all concerned, and its realization on these lines should command the support of an enlightened citizenship.

New England Brevities.

Inspector J. A. Robinson, of the Underwriters' Bureau of New England will give valuable assistance to Editor D. N. Handy, of the "Insurance Library Bulletin," in respect to the technical elements of that publication.

* * *

The statement in last week's issue that the Fidelity and Deposit would not write liability insurance in Massachusetts should have been modified by the words "for the present."

* * *

The New England Insurance Exchange resumes its regular weekly meetings next Saturday. On the calendar for that day are the "Work and



SUPERIOR POLICIES
KIMBALL C. ATWOOD, President
290-292 Broadway, New York.

New England Mutual Life

Insurance Company

BOSTON, : : : MASS.

Chartered 1835

Assets, January 1, 1910..\$51,316,543.00
 Liabilities 47,050,672.15

Surplus \$4,265,870.85

Sixty-six years of honorable dealing with its policyholders has placed the **NEW ENGLAND MUTUAL LIFE INSURANCE COMPANY** in the front rank of Life Insurance Companies of the Country.

ALFRED D. FOSTER, President.
D. F. APPEL, Vice-President.
J. A. BARBEY, Secretary.
WM. F. DAVIS, Assistant Sec'y.
J. G. WILDMAN, Assist. Sec'y.

EDWARD W. ALLEN, Manager.
 220 Broadway, New York.
LATHROPE E. BALDWIN, Manager.
 141 Broadway, New York.
CHARLES H. STRAUSS, Gen. Ag't.
 200 Fifth Ave., New York.

Hanover Fire

**INSURANCE
 COMPANY
 of New York**



**Agencies
 in all the Principal Places
 in the United States.**

SPECIAL OPPORTUNITIES offered now in Southern States to Representatives of

**CITIZENS
 NATIONAL LIFE
 INSURANCE
 CO.**

W. H. GREGORY,
 President.

Material Clause" and an amendment to the by-law regarding honorary membership, both recommended by the Executive Committee at the meeting of August 20 ult.

* * *

William A. Morse, a distinguished member of the Boston Bar, has been elected a director of the Boston Mutual Life. It was due to Mr. Morse's efforts that the bill permitting the company to establish a \$150,000 guar-

antee capital was admitted and put through to enactment during the last days of the Massachusetts Legislative session of 1910.

* * *

In consideration of a small additional premium the Aetna Life attaches a rider to its personal accident and health policies, giving double indemnities for injuries sustained in automobiles.

EMIL SCHWAB.

Bird Men and Policies

AMONG those notified that participation in aviation contests will result in the cancellation of their policies is Allen A. Ryan, chairman of the Committee of Arrangements of the international aviation meet at Belmont Park October 22 to 30. Mr. Ryan, who carries policies in life insurance and casualty companies aggregating \$500,000, has been formally notified that because of his connection with the international meet his policies will be cancelled.

Mr. Ryan does not own an aeroplane and does not contemplate the purchase of one; neither does he contemplate making a flight. His duties

as chairman of the Committee of Arrangements consist of attending to details of the meet. He is not even required to be on the field during the flights, but in spite of this he will be compelled to forfeit all his claims under the policies he holds if he continues to hold his present place.

This is the first instance where a person holding policies not actually flying has been barred from participation in aviation meets. Mr. Ryan was adverse to discussing the matter, but admitted that he had received notices from the companies in which he is insured, but declined to comment on what action he intended to take.

Promotions in Ohio

CHARLES C. LEMERT, Superintendent of the Ohio Insurance Department, makes the announcement that insurance companies organized by promoters at a cost exceeding 5 per cent of the money paid by stockholders will be excluded from the State of Ohio. His ruling is as follows:

"Numerous insurance companies are being organized in this and adjoining States. The stock of many such companies is being sold through promoters and soliciting agents who receive from 15 to 35 per cent of the amount contributed by the purchaser, which comes out of the amount so contributed, and does not go into the treasury of the company for its use and benefit. Such promotion expenses are exorbitant and fraudulent as to the purchaser unless he has knowledge of such expenses at or before the time of his subscription. At the annual meeting of the national convention of Insurance Commissioners, held at Colorado Springs in 1909, this department joined with thirty-seven other Commissioners in unanimously passing a resolution denouncing this practice and expressing the opinion that a company should not be licensed to transact insurance business if the expenses of its organization and of placing its stock exceeded 5 per cent of the total sum contributed by its stock-

holders. The resolution further stated:

"We believe that the promotion of insurance corporations on the plan of selling stock through soliciting agents is not due to or inspired by any desire on the part of the promoters to subserve the public welfare by providing needed insurance corporations for any locality or section, but that such promotions have been and are being made chiefly, if not altogether, for the purpose of enabling the promoters to reap rich harvests of profits from the sale of stock. We believe that there is no room for any profit to be legitimately derived from the organization of a new insurance corporation if its stock is sold upon such terms as that its purchase is a prudent investment, or one which would be made by a reasonably prudent man who fairly understood its nature and import."

"When it appears that the organizers of an insurance company seeking license in this State have been guilty of the acts and practices referred to and have expended in promotion expenses more than 5 per cent of the total sum contributed by stockholders this department will be justified in finding that the company is not sound and was conceived in fraud and will refuse license unless the subscription signed by the stockholder states the maximum amount of such expenses."

CASUALTY MEN MEET.

(Continued from Page 1.)

a second function is almost invariably added, that of reducing the risks. Such is the natural and inevitable order of development. At first we must take the risks just as we find them. But sooner or later we discover that risks are more or less preventable, and sooner or later it befalls that those insurance companies prosper most which practice prevention as well as indemnification. The addition of the preventing function at first aroused antagonism as all new ideas do. But it is bound to win wherever prevention is found to pay—which is probably everywhere that insurance applies. First one far-sighted company sees profits in prevention and then competition compels others to follow its example or withdraw entirely from the race.

Finally, health insurance, one of the youngest forms of insurance, has made a beginning in the field of prevention. Considering the fact that few, if any, of the existing insurance companies have been engaged in health insurance for more than fourteen years, their present entrance into the field of prevention is unusually prompt. Personally I believe that in health and accident insurance—and especially in health insurance—there are gigantic possibilities of profit. I use the term profit rather than philanthropy in recognition of the fact that insurance companies as such have no business to undertake philanthropic work except when it is profitable. In the end the money gains made by the insurance companies by reducing mortality and invalidity will be shared by the public in reduced premiums.

Bonanza for Underwriters.

My object in this paper is twofold: First, to show that the unexploited possibilities of improved safety and health constitute a veritable bonanza for insurance companies, and, second, to show some ways in which the insurance companies may begin in the work of exploiting this bonanza.

First, then, what room for improvement is there in the matter of American accidents and ill health? For answer I beg to refer you to my report on National Vitality to President Roosevelt on behalf of his National Conservation Commission. Such reference will save you the trouble of listening to an elaborate statistical argument. In the report referred to it is shown that human life in America could, by the adoption of hygienic reforms already known and entirely practicable, be lengthened over one-third—that is, over fifteen years. This calculation has been made very conservatively, and is probably several years inside the truth. The statistics and estimates on which it is based have been taken from published sources, as well as contributed by some score of American authorities—medical, actuarial and hygienic. It is estimated that at least eight years could be added to human life merely by securing reasonably pure air, water and milk.

Now, it is well known that mortal-

ity and invalidity are very intimately related. Farr attempted to establish a ratio between them. He calculated that for every death each year there was an average of two persons sick throughout the year. But whether or not we can establish a fixed ratio between deaths and invalidity no one will gainsay that they are sufficiently connected to enable us to reason from one to the other. In the absence of good invalidity statistics, mortality may, therefore, be accepted as a rough barometer of invalidity; and longevity as a rough barometer of vitality and health. We may, therefore, conclude that the possibility of adding fifteen years to human life carries with it the possibility of adding greatly to human health. If the ratio of disease to death be a fixed one, such extension of human life would reduce invalidity in the same ratio as it would reduce mortality—which would be, ultimately, about 2 per cent.

There is reason to suspect that the reduction in invalidity would be even more than the reduction in mortality. This may be reasonably inferred from one's general study of the prevention of disease and in particular from the fact that mortality is only preventable up to a certain point—for every one must die some time—whereas disease may perhaps in the millennium be abolished entirely. Pasteur said: "It is within the power of man to rid himself of every parasitic disease." And, if in the distant future disease shall be so much more preventable than death, it is probably more preventable at every stage of progress. We feel reasonably safe, therefore, in stating that every success attending our efforts to reduce mortality will be attended by at least equal success in reducing invalidity.

We now know that the death rate is not the fixed and fatalistic thing it was once supposed to be, but that on the contrary it varies according to many known conditions. * * *

The cost of conservation is often trifling in comparison with the saving attained. For instance, the hookworm disease in the South impairs the earning power of its workmen by 25 or 50 per cent. To restore this earning power costs, by curing this disease, on an average less than \$1 for each case. Other examples show that the return on investments in health are often several thousand per

cent per annum. Probably no such unexploited opportunity for rich returns exists in any other field of investment. Mr. Messenger, the actuary, suggests that if insurance companies should combine to contribute \$200,000 a year for the purpose of improving the public health, the cost would be one-eighth of one per cent of the premiums, and it would be reasonable to expect a decrease in death claims of much more than one per cent. Even this one per cent would make a profit of more than seven times the expense.

Actuaries' tables show that a reduction of one-third in mortality would

THE BANKERS LIFE ASSOCIATION

DES MOINES, IOWA.

ERNEST E. CLARK, President.

Exceptional Record During twenty-nine years for

**LOW RATE OF MORTALITY
ECONOMY OF MANAGEMENT
PROMPT PAYMENT OF CLAIMS
SECURITY OF ITS FUNDS**

and satisfactory results for its policyholders.

THE LEADING FIRE COMPANY OF THE WORLD



[of Liverpool,

England.]

A GREAT SIX MONTHS

We closed the first half of 1910 with a rousing increase in new business over our record for the first half of highly prosperous 1909.

In policies and dividends we have what the public wants. In literature and canvassing aids we have what the agent wants. And back of all is a reputation gained from 59 years of activity as a Massachusetts Company.

If you are a genuine producer, a *delivering* producer, and wish to join our forces, address

GEORGE D. LANG,

Superintendent of Agencies

**Massachusetts Mutual Life Insurance Company,
Springfield, Mass.**

Incorporated 1851

enable the premium to be reduced by over 15 per cent. * * *

An Unexploited Field.

The conclusion seems safe that here is a rich unexploited field for saving money. And the beauty of it is that these gains bring with them gains far more precious to the nation than dollars—immeasurable gains of longevity, vitality, efficiency and happiness. Life, health and accident insurance is not philanthropy, but it is a beneficent business. Though at first glance it might seem that to prevent the pollution of streams, to improve the milk supply, to obtain pure foods and freedom from accident is no part of the business of insurance, yet it is easy enough to see the very vital connection. By far the larger part of the cost of the insurance business is not management nor agent's fees, but the cost of mortality and invalidity. It is the right—if, in fact, it is not the duty—of any business to reduce its cost. To pare down salaries might not save the policyholder one per cent of his premium, but to reduce mortality cost might save him many per cent.

What, then, can accident and health insurance companies do toward the reduction of accidents and illness? They can follow the example of the Metropolitan, the New York Life, the Provident Life, the Loyal, and other companies, which have already blazed the way, and they can set their experts to study the problem with reference to devising still other methods. Their work of prevention like that of fire prevention can be classified under two heads—the work of prevention among their own policyholders in particular and the co-operation with public health agencies toward prevention in general. Fire insurance companies not only compel or induce their policyholders to take certain precautions against fire, but they act on the community, as a whole and stimulate it to provide a proper fire department, proper building laws, etc. In the same way the life insurance companies are now advocating that the Government take up the organization and co-ordination of public health service.

By arousing the Government of the United States, of the States and of municipalities to greater activity, the insurance companies would reap a large share of the benefit without incurring all the cost. In other words,

the insured lives would not have to carry the entire load, but could induce the taxpayer to do his share.

A Fourfold Suggestion.

To be specific, the insurance companies may act in the following ways:

First—By examination and correspondence they may give specific information or advice to individual policyholders.

Second—They may diffuse existing knowledge of hygiene—especially of personal hygiene—among their policyholders.

Third—By investigation they may discover the ultimate conditions for optimum vitality and safety. With the exception of the investigations of Metchnikoff, very little scientific work is now being done as to the factors of longevity.

Fourth—By resolutions and by personal representation, they may aid in the passage of laws and regulations for public health and safety, in city, state and nation, and in general co-operate with and give stimulus to all existing agencies for improving human vitality.

Were there time I should like to go into details in reference to each of these four suggestions. I will, however, confine myself to three specific suggestions to this association as an association. The first is that it appoint a committee consisting of those fitted to construct a workable and detailed scheme for the use of the companies constituting the association. The second is that the association shall by resolution put itself on record as favoring the establishment of a National Department of Health, and third that it authorize the appointment of one or more representatives to attend the future Congressional hearings on Public Health bills.

This is a commercial country, and Congress is influenced by the wishes and arguments of commercial organizations. As an offset to the commercial interest opposed to a Department of Health—the food adulterators and promoters of proprietary medicines—the support of life accident and health insurance companies has been and will be a strong influence.

President Taft and ex-President Roosevelt have favored a Bureau of Health, and both have reaffirmed this advocacy within a month. The medical profession, the Public Health As-

sociation, and associations of State and Territorial Boards of Health, scientific, philanthropic, labor and grange organizations, and the recent Conservation Congress have advocated the project. It is one of the burning questions of the day and made especially so by the opposition from the quacks and the quack interests. I trust that this association will join with other insurance organizations in the effort to secure a Department of Health worthy of the nation.

At yesterday's session of the convention Julian S. Eaton delivered an address on the "International Claim Association," and J. M. Parker, Jr., presented the report of the Committee on Standard Manual or Uniform Classification of Risks, while the report of the Committee on Tabulation of Statistics Regarding Health Insurance was made by Dr. R. S. Keelor.

Vorys Discusses Socialism.

Arthur I. Vorys, of the Ohio Bar, read a paper on "Some Symptoms and Aspects of the Tendency in Socialism," in the course of which he said:

The tendencies of the thoughts and feelings of the people are the shadows cast before coming events, and in considering whether the tendencies now are toward Socialism, it may be just as well to consider that term as defined in Webster's Dictionary, as follows:

"A theory of society which advocates a more precise, orderly and harmonious arrangement of the social relations of mankind than that which has hitherto prevailed."

That there are tendencies toward "socialism" as so defined, that there are evidences of unrest and discontent over existing conditions, only states what has always been true since the dawn of civilization. That these tendencies are growing and evidences increasing in number and magnitude in recent years, cannot be doubted by any one who has tarried long enough from the pursuit of his own affairs to consider what is happening about him.

The causes for the marked increase in discontent, the unrest and demand for change, are largely traceable to the tendency toward concentration so

OUR

Course of Insurance Education.

Department for Furnishing Prospects.

New "Model Policy"

Will Plough the Field and Assure the Harvest for Good Agents.

Phoenix Mutual Life
INSURANCE COMPANY,
Hartford, Conn.

Write Home Office.



THE FIDELITY & CASUALTY COMPANY

97 TO 103 CEDAR ST., NEW YORK CITY.

ASSETS - \$9,598,924.02

Cap. & Surplus \$3,564,229.90

LOSSES PAID \$31,636,503.21
to Jan. 1, 1910,

This Company grants Insurances as follows:

Bonds of Suretyship for Persons in Positions of Trust, Fidelity Bonds, Burglary, Plate Glass, Steam Boiler, Fly Wheel, Employers, Public Teams, Workmen's Collective, Elevator and General Liability; Personal Accident, Health and Physicians' Liability

OFFICERS:

GEORGE F. SEWARD, President.

Robert J. Hillas, V.-P. & Sec'y. Henry Crossley, Asst Sec'y.
Frank E. Law, 2d Asst Sec'y. George W. Allen, 3d Asst Sec'y.

marvellously developed in recent years—say the last decade. In the minds of many persons it marks the transition from the age of competition to the age of monopoly.

The tendency toward centralization, aggregations, trusts and combinations is embracing all fields of industrial and commercial enterprise. Aggrandizement in some fields inspire, provoke or compel organizations in others. While, of course, every one still wants competition in every business except the one in which he is engaged, that "competition is the life of trade" is regarded as an exploded fiction in one's own business. Now, it is broadly asserted, and with much show of reason, that combination has saved the life of trade from the destruction of competition.

But whatever may have been and are the causes, whether justifiable or specious, we realize that the good old days of the small, local shops and stores, competing for local trade, are rapidly going. In their stead are the great aggregations of capital and workers, material and machinery, supplying all over the country the demands once filled by local shops and factories. It is this change from the small individual to the great corporate owner, producer and dealer—a transformation so rapid, yet so enormous, we can scarcely realize it—that gives occasion for the increased murmurings of discontent, more insistent protests against conditions, a universal grouch among the masses of the people, and a feeling more or less vague, undefined and unintelligent that in the evolution there is not a square deal.

Paternalism and bureaucracy, if not necessary, certainly are not desired. Undoubtedly competition is the ideal regulator, and if it persisted and prevailed in all industrial and commercial affairs, little or no government or state interference would be needed for the protection of the people. But as competition is stifled by combination, concentration and monopoly, society will and should protect itself against the abuses and evils sure to result where one has power to impose upon another. Supervising bureaus and commissions furnish the natural, the most effective and least harmful means of that kind of protection.

Doctors, lawyers and school teachers—and there are others—recogniz-

ing the wholesome benefit to the public and to themselves as a class, not only favor public bureaus for their own regulation and for the protection of society at large and each individual member, but they generally have been authors in the establishment and intelligent, efficient development of the bureaus regulating them.

What is the difference, then, for instance, between the medical profession and the business of insurance, that in one instance there is aid, encouragement and leadership in promoting bureaus of regulation, and in the other, if not protest and hostility, not encouragement, certainly not leadership? Are not the different attitudes of the different callings and enterprises and businesses toward the respective systems of regulation due to the fact that in some instances if abuses were not first discovered, regulation was first advocated and was inspired by those who should be or are under regulation, and in other instances regulation was forced in invitum, the demand being first made against the business by those who had suffered from abuses of some engaged in it, and that demand urged against the opposition of substantially all engaged in the business?

Through systems of regulation wrongs may be prevented and redresses worked out in a way that may prevent more drastic, violent and revolutionary reparation by an indignant people, aroused and inflamed over unchecked abuses and oppression by unrestrained arbitrary power. Why, then, should not those engaged in insurance realize that a policy of regulation should pervade all of our affairs?

In its last analysis, the institution of insurance is itself an evidence of the socialistic disposition of humanity, for its purpose is to restore the deprivations of misfortune from the supposedly full purses of those who have not suffered a like misfortune. Those who are managing insurance are doing the highly important and very responsible, but still only the incidental, work of collecting from the many to pay the losses of the few. There is some analogy between the premium payer—the fund producer—and the factory worker and the farmer, and between the loss claimant and the consumer of the products of the factory and farm. Why should not those engaged in managing insurance

be the first to recognize, announce and advocate the regulation of their institution so essential now in the promotion of all industrial and commercial affairs? Why should they not realize the importance, not only to the public but to themselves, of maintaining, in reputation and in fact, the highest possible standards of efficiency, the elimination of abuses and expulsion of all who are not in the struggle for the highest efficiency? This association and every one of like nature is evidence of that realization. Its purpose is not only for the mutual benefit of its members, but for the benefit of all their patrons. No one is admitted to membership, certainly no one should be admitted, if suspected of dealing unfairly with the people or otherwise unworthy.

As our economical conditions and relations change let insurance keep pace with the changes, and those managing it proposing and urging new measures of law and department rules to provide for changed conditions as they constantly occur. Then, when the managers of insurance appear to oppose any proposed reforms their opposition would be regarded as never before, surely meritorious and not because the institution of insurance instinctively opposes all new regulating laws and rules, regardless of merits. Under such encouragement and leadership, with the intelligent thought of those versed in the business, sincerely bent on aiding and not thwarting new wholesome regulations, the imagination can scarcely picture the improvement, not only in effective regulation, but in the respect for the department and confidence in the companies.

The convention will listen this morning to a paper on "Federal Supervision: Is It Feasible Without an Amendment to a Constitution?" by James C. Jones, of the St. Louis Bar. The delegates also expect an address on "Insurance Laws of the District of Columbia," from Senator Morgan G. Bulkeley, of Connecticut, and an address on "Diseases Resulting from Accidents," by Dr. C. H. Harbaugh, medical director of the American Assurance Company, of Philadelphia.

The programme for to-morrow includes addresses by Edson S. Lott, President of the United States Casualty; Chester N. Farr, Jr., of Philadelphia, and William B. Smith, counsel of the Travelers of Hartford.

Personal and Family Insurance Combined

No trouble to get a hearing with this policy
It's something more than life insurance
Write for booklet and agency terms

Address

ALEXANDER McKNIGHT

Vice-President

THE FIDELITY MUTUAL LIFE INSURANCE CO.

L. G. FOUSE, President

OF PHILADELPHIA

INSURANCE IN KWANTUNG.

In transmitting a translation of regulations relating to insurance business in the Kwantung Province, which is on file in the Bureau of Manufactures, T. J. O'Brien, American Minister at Tokio, reports that a Japanese or foreign insurance company licensed in Japan may establish an agency in the Kwantung Province by reporting the matter to the Japanese authorities concerned. Funds are advanced at low rates to Japanese settlers in Manchuria by the Yokohama Specie Bank, which requires insurance on buildings as security.

J. C. BERGSTRESSER, EDITOR AND PUBLISHER, DEAD.

James Calvin Bergstresser, editor and proprietor of the "Insurance World," died on Sunday night. Since January he had been in poor health as a result of cancer of the throat. In June, in search of relief he went to Europe, where he underwent two operations at the Augusta Victoria Hospital in Berlin. He returned to this country late last month in greatly weakened condition and was under treatment first at St. Luke's Hospital in New York and later at Fountain Springs Hospital, Fountain Springs, Pa., where he died.

Born at Elysburg, Pa., on July 15, 1851, of old Pennsylvania family, Mr. Bergstresser obtained his early education in the country schoolhouses of Montour County, and later went to Lafayette College, from which he graduated in 1871. In the meantime he had studied law and was admitted to the bar in Northumberland County. Then he took up the work of a civil engineer in railroad construction work, to which he devoted two years.

In 1874 Mr. Bergstresser established the "Insurance World," which was first published at Philadelphia for about six months, when headquarters were moved to Pittsburg, where it has since been maintained. Up until 1900 the "Insurance World" was published monthly. In 1900 it went upon a weekly basis. From the time of its establishment until his demise he had been its editor and since 1875 its sole proprietor.

Mr. Bergstresser was a member of the Pennsylvania Society, Sons of the American Revolution, the Duquesne

Club of Pittsburg, and a charter member of Ascalon Commandery, Knights Templar, created in 1881.

He is survived by a brother, Samuel E. Bergstresser, of Mount Carmel, Pa. J. L. Bergstresser, manager of "Insurance World," is a nephew.

OBITUARY.

Theodore M. Banta.

Theodore M. Banta, who retired from the cashiership of the New York Life Insurance Company several months ago, after having been employed in the company for more than half a century, died last Saturday at his home in Glen Brook, Conn., at the age of 76. His health had been failing for the last year. He was born in this city and was the son of Albert Zabriskie Banta. He was educated in the College of the City of New York and entered the actuarial department of the New York Life in 1858 and became cashier in 1864. He was one of this city's Municipal Civil Service Commissioners in 1902-'03. He was a member of the Huguenot, Holland and many other historical societies and belonged to the National Arts and the Arkwright clubs.

Marshall S. Driggs.

The sudden death of Marshall S. Driggs, for twenty-one years President of the Williamsburg City Fire Insurance Company, at his Summer home in New Canaan, Conn., September 14, came as a distinct shock not only to the insurance world, but to his many friends and associates in financial and social circles. His many splendid qualities as fire under-

writer, financier, speaker at meetings of the New York Board of Fire Underwriters and the Fire Insurance Exchange and all round sound business man made for him a reputation for ability in almost every walk of life second to but few. A special meeting of the New York Board of Fire Underwriters was held on Friday, at which suitable action was taken and extended remarks made on the life, character and work of Mr. Driggs. Born in 1834, Mr. Driggs entered the service of the Williamsburg City Fire as a policy clerk in 1853, later he became Assistant Secretary of the company, and in 1889 succeeded his father as its President, so continuing until the time of his death. Mr. Driggs was Treasurer of the National Board of Fire Underwriters and a former President of the New York Board of Fire Underwriters. He was long interested in casualty insurance, as well as fire insurance, and was prominent in the directorates of the National Surety, Empire State Surety and the Casualty Company of America.

Jacob M. Neuburger.

Jacob M. Neuburger, for many years the Western manager of the Atlas of London, died from heart disease at his home in Chicago on Sunday morning. The funeral took place under Masonic auspices at Laporte, Ind., on Tuesday. Mr. Neuburger retired as Western manager of the Atlas on January 1, 1909, being succeeded by George E. Haas, who had been his assistant. He was born at St. Louis on July 4, 1840, and became a local agent at Laporte, Ind., in 1870. The following year he entered the field, representing the Imperial of London, and being special agent of the German-American from 1873 until 1891, when he became Western manager of the Atlas.

THE COMPANY WITH THE PYRAMID

40 CONSECUTIVE YEARS OF PYRAMIDAL PROGRESS

ASSETS	SURPLUS
1,400,000.00	1,400,000.00
2,400,000.00	2,400,000.00
3,400,000.00	3,400,000.00
4,400,000.00	4,400,000.00
5,400,000.00	5,400,000.00
6,400,000.00	6,400,000.00
7,400,000.00	7,400,000.00
8,400,000.00	8,400,000.00
9,400,000.00	9,400,000.00
10,400,000.00	10,400,000.00
11,400,000.00	11,400,000.00
12,400,000.00	12,400,000.00
13,400,000.00	13,400,000.00
14,400,000.00	14,400,000.00
15,400,000.00	15,400,000.00
16,400,000.00	16,400,000.00
17,400,000.00	17,400,000.00
18,400,000.00	18,400,000.00
19,400,000.00	19,400,000.00
20,400,000.00	20,400,000.00
21,400,000.00	21,400,000.00
22,400,000.00	22,400,000.00
23,400,000.00	23,400,000.00
24,400,000.00	24,400,000.00
25,400,000.00	25,400,000.00
26,400,000.00	26,400,000.00
27,400,000.00	27,400,000.00
28,400,000.00	28,400,000.00
29,400,000.00	29,400,000.00
30,400,000.00	30,400,000.00
31,400,000.00	31,400,000.00
32,400,000.00	32,400,000.00
33,400,000.00	33,400,000.00
34,400,000.00	34,400,000.00
35,400,000.00	35,400,000.00
36,400,000.00	36,400,000.00
37,400,000.00	37,400,000.00
38,400,000.00	38,400,000.00
39,400,000.00	39,400,000.00
40,400,000.00	40,400,000.00

NEW HAMPSHIRE FIRE INSURANCE CO.

3,779,569.67	1,154,810.10
3,877,944.70	1,257,058.25
3,976,319.73	1,359,306.40
4,074,694.76	1,461,554.55
4,173,069.79	1,563,802.70
4,271,444.82	1,666,050.85
4,369,819.85	1,768,299.00
4,468,194.88	1,870,547.15
4,566,569.91	1,972,795.30
4,664,944.94	2,075,043.45
4,763,319.97	2,177,291.60
4,861,694.00	2,279,539.75
4,960,069.03	2,381,787.90
5,058,444.06	2,484,036.05
5,156,819.09	2,586,284.20
5,255,194.12	2,688,532.35
5,353,569.15	2,790,780.50
5,451,944.18	2,893,028.65
5,550,319.21	2,995,276.80
5,648,694.24	3,097,524.95
5,747,069.27	3,199,773.10
5,845,444.30	3,302,021.25
5,943,819.33	3,404,269.40
6,042,194.36	3,506,517.55
6,140,569.39	3,608,765.70
6,238,944.42	3,711,013.85
6,337,319.45	3,813,262.00
6,435,694.48	3,915,510.15
6,534,069.51	4,017,758.30
6,632,444.54	4,120,006.45
6,730,819.57	4,222,254.60
6,829,194.60	4,324,502.75
6,927,569.63	4,426,750.90
7,025,944.66	4,528,999.05
7,124,319.69	4,631,247.20
7,222,694.72	4,733,495.35
7,321,069.75	4,835,743.50
7,419,444.78	4,937,991.65
7,517,819.81	5,040,239.80
7,616,194.84	5,142,487.95
7,714,569.87	5,244,736.10
7,812,944.90	5,346,984.25
7,911,319.93	5,449,232.40
8,009,694.96	5,551,480.55
8,108,069.99	5,653,728.70
8,206,445.02	5,755,976.85
8,304,820.05	5,858,225.00
8,403,195.08	5,960,473.15
8,501,570.11	6,062,721.30
8,600,945.14	6,164,969.45
8,699,320.17	6,267,217.60
8,797,695.20	6,369,465.75
8,896,070.23	6,471,713.90
8,994,445.26	6,573,962.05
9,092,820.29	6,676,210.20
9,191,195.32	6,778,458.35
9,289,570.35	6,880,706.50
9,387,945.38	6,982,954.65
9,486,320.41	7,085,202.80
9,584,695.44	7,187,450.95
9,683,070.47	7,289,699.10
9,781,445.50	7,391,947.25
9,879,820.53	7,494,195.40
9,978,195.56	7,596,443.55
10,076,570.59	7,698,691.70
10,174,945.62	7,800,939.85
10,273,320.65	7,903,188.00
10,371,695.68	8,005,436.15
10,470,070.71	8,107,684.30
10,568,445.74	8,209,932.45
10,666,820.77	8,312,180.60
10,765,195.80	8,414,428.75
10,863,570.83	8,516,676.90
10,961,945.86	8,618,925.05
11,060,320.89	8,721,173.20
11,158,695.92	8,823,421.35
11,257,070.95	8,925,669.50
11,355,445.98	9,027,917.65
11,453,821.01	9,130,165.80
11,552,196.04	9,232,413.95
11,650,571.07	9,334,662.10
11,748,946.10	9,436,910.25
11,847,321.13	9,539,158.40
11,945,696.16	9,641,406.55
12,044,071.19	9,743,654.70
12,142,446.22	9,845,902.85
12,240,821.25	9,948,151.00
12,339,196.28	10,050,399.15
12,437,571.31	10,152,647.30
12,535,946.34	10,254,895.45
12,634,321.37	10,357,143.60
12,732,696.40	10,459,391.75
12,831,071.43	10,561,639.90
12,929,446.46	10,663,888.05
13,027,821.49	10,766,136.20
13,126,196.52	10,868,384.35
13,224,571.55	10,970,632.50
13,322,946.58	11,072,880.65
13,421,321.61	11,175,128.80
13,519,696.64	11,277,376.95
13,618,071.67	11,379,625.10
13,716,446.70	11,481,873.25
13,814,821.73	11,584,121.40
13,913,196.76	11,686,369.55
14,011,571.79	11,788,617.70
14,109,946.82	11,890,865.85
14,208,321.85	11,993,114.00
14,306,696.88	12,095,362.15
14,405,071.91	12,197,610.30
14,503,446.94	12,299,858.45
14,601,821.97	12,402,106.60
14,700,197.00	12,504,354.75
14,798,572.03	12,606,602.90
14,896,947.06	12,708,851.05
14,995,322.09	12,811,099.20
15,093,697.12	12,913,347.35
15,192,072.15	13,015,595.50
15,290,447.18	13,117,843.65
15,388,822.21	13,220,091.80
15,487,197.24	13,322,339.95
15,585,572.27	13,424,588.10
15,683,947.30	13,526,836.25
15,782,322.33	13,629,084.40
15,880,697.36	13,731,332.55
15,979,072.39	13,833,580.70
16,077,447.42	13,935,828.85
16,175,822.45	14,038,077.00
16,274,197.48	14,140,325.15
16,372,572.51	14,242,573.30
16,470,947.54	14,344,821.45
16,569,322.57	14,447,069.60
16,667,697.60	14,549,317.75
16,766,072.63	14,651,565.90
16,864,447.66	14,753,814.05
16,962,822.69	14,856,062.20
17,061,197.72	14,958,310.35
17,159,572.75	15,060,558.50
17,257,947.78	15,162,806.65
17,356,322.81	15,265,054.80
17,454,697.84	15,367,302.95
17,553,072.87	15,469,551.10
17,651,447.90	15,571,799.25
17,749,822.93	15,674,047.40
17,848,197.96	15,776,295.55
17,946,573.00	15,878,543.70
18,044,948.03	15,980,791.85
18,143,323.06	16,083,039.00
18,241,698.09	16,185,287.15
18,340,073.12	16,287,535.30
18,438,448.15	16,389,783.45
18,536,823.18	16,492,031.60
18,635,198.21	16,594,279.75
18,733,573.24	16,696,527.90
18,831,948.27	16,798,776.05
18,930,323.30	16,901,024.20
19,028,698.33	17,003,272.35
19,127,073.36	17,105,520.50
19,225,448.39	17,207,768.65
19,323,823.42	17,310,016.80
19,422,198.45	17,412,264.95
19,520,573.48	17,514,513.10
19,618,948.51	17,616,761.25
19,717,323.54	17,719,009.40
19,815,698.57	17,821,257.55
19,914,073.60	17,923,505.70
20,012,448.63	18,025,753.85
20,110,823.66	18,128,002.00
20,209,198.69	18,230,250.15
20,307,573.72	18,332,498.30
20,405,948.75	18,434,746.45
20,504,323.78	18,536,994.60
20,602,698.81	18,639,242.75
20,701,073.84	18,741,490.90
20,799,448.87	18,843,739.05
20,897,823.90	18,945,987.20
20,996,198.93	19,048,235.35
21,094,573.96	19,150,483.50
21,192,949.00	19,252,731.65
21,291,324.03	19,354,979.80
21,389,699.06	19,457,227.95
21,488,074.09	19,559,476.10
21,586,449.12	19,661,724.25
21,684,824.15	19,763,972.40
21,783,199.18	19,866,220.55
21,881,574.21	19,968,468.70
21,979,949.24	20,070,716.85
22,078,324.27	20,172,965.00
22,176,699.30	20,275,213.15
22,275,074.33	20,377,461.30
22,373,449.36	20,479,709.45
22,471,824.39	20,581,957.60
22,570,199.42	20,684,205.75
22,668,574.45	20,786,453.90
22,766,949.48	20,888,702.05
22,865,324.51	20,990,950.20
22,963,699.54	21,093,198.35
23,062,074.57	21,195,446.50
23,160,449.60	21,297,694.65

American Life Convention at Des Moines

DES MOINES, Ia., Sept. 21.—Those who have been connected with the American Life Convention since its organization regard the meeting which closed here last Saturday as the best ever held by the association. Sixty-four companies are now members of the convention and forty-six of these were represented by delegates at this meeting. In addition ten other companies were represented by visiting delegates, the latter for the most

part being young or small companies which eventually will be eligible to membership in the convention.

But it was not alone the attendance which made this a good meeting. There is a feeling among the members that the convention is getting down to "brass tacks," that its aims are becoming more clearly defined and that greater efficiency in carrying out those aims is developing.

One listening to the proceedings might easily have mistaken the convention at times for an organization of the old line companies of the East. There was denunciation of companies organized purely as promotion enterprises, and two or three of the speakers brought up the question of the expense of the business and the feasibility of securing an agreement on the limitation of commissions. To be sure, a resolution looking to a canvass of members to learn their views on the commission question with the idea of taking action, failed to receive sufficient support to get it before the open sessions of the meeting. Yet it received considerable support and the opposition was due partly to the belief that the proper place for considering it was in executive session. It is evident, however, that the expense question is receiving serious attention from the members, and some of them apparently are now ready for statutory limitation, though perhaps not on the lines of the New York laws.

One of the best discussions was on the subject of legislation. L. A. Dean, general counsel of the State Life of Rome, Ga., read a paper on the benefits of uniform legislation and the subjects on which such legislation should be encouraged by the life companies. His arguments to prove the desirability of uniform legislation were perhaps unnecessary, though they were forceful and well presented. He singled out over a dozen subjects on which it would be especially desirable to have uniform laws in the

States, but advised against taking up more than three of them at once, and in a motion finally named taxation as the one subject which should be taken up first.

Supplementing Mr. Dean's paper, Hope Thompson, President of the Northern Life of Illinois, discussed the best methods for securing uniform legislation. Quoting from a speech by Commissioner Hartigan, of Minnesota, he pointed out the chief obstacles which had blocked efforts in the past. He recommended a legislative programme to be agreed upon by the Association of Life Insurance Presidents, the National Convention of Insurance Commissioners and the American Life Convention, and then the combined efforts of these three organizations to carry it through.

The medical men presented some valuable papers, that of Dr. Armand Ravold, medical director of the Missouri State Life, on "The Short Life History" creating special interest.

The actuarial side again discussed the permanent disability risk, which received so much attention at last year's meeting. The main paper was presented by Lucius McAdam, Actuary of the United States Annuity and Life. Starting with a discussion of the reserves necessary for the total disability clause attached to the life insurance contracts, the debate drifted into a legal one on the advisability of the use of this clause at all, and, if it is advisable, in what form. Guilford A. Deitch, of Indiana, whose long experience as an insurance lawyer, especially as the attorney of accident companies, enabled him to speak with authority on litigation arising from disability claims, pointed out the grave danger of using a loosely drawn disability clause, which may involve the companies in lawsuits over fraudulent claims and over others, not fraudulent, but arising from honest difference of opinion, in which the companies are likely to be worsted.

The purely legal discussion was on the attitude of the courts toward insurance companies. While the reviews of decisions by the lawyers holding opposite views were interesting, the discussion was not of great practical value, except as a warning to companies to exercise great care in drawing their policy contracts and in selection of agents who will not involve them in legal difficulties.

The Greater Des Moines Committee gave the visitors an automobile ride over the city, the four leading Des Moines life companies gave them a dinner at the Country Club, and Mrs. L. C. Rawson, Vice-President of the Des Moines Life, gave the ladies a reception and matinee party.

201st YEAR.

SUN Insurance Office OF LONDON.

FOUNDED 1710.

UNITED STATES BRANCH:

54 PINE STREET, NEW YORK.

WESTERN DEPARTMENT:

171 LA SALLE ST., CHICAGO.

PACIFIC DEPARTMENT:

Sansome & Sacramento Sts.,
SAN FRANCISCO, CAL.

AGENTS WANTED
AT UNREPRESENTED POINTS

The Connecticut Mutual

That means the best life insurance to have and the best to sell. If you can sell life insurance, you can sell more of it for the CONNECTICUT MUTUAL.

Men of Character and Ability are invited to apply.

Conn. Mutual Life Ins. Co.,
Hartford, Conn.

Please mention this paper.

THE FRANKFORT
MARINE, ACCIDENT
AND PLATE GLASS **INSURANCE CO.**
OF FRANKFORT-ON-THAINE GERMANY
ESTABLISHED 1865.

United States Department, 100 William Street, New York, N. Y.

TRUSTEES:

RICHARD DELAFIELD, Pres. of National Park Bank
ERNST THALMANN, of Ladenburg, Thalmann & Co.
STUYVESANT FISH, 52 Wall Street, New York City.

C. H. FRANKLIN, U. S. Mgr. and Attorney JNO. M. SMITH, Sec. U. S. Branch

INSURANCES TRANSACTED

LIABILITY—
Employers, General, Vessel Owners, Burglary
Public, Landlords, Contingent, Workmen's Collective
Teams, Elevator, Druggists & Physicians. Individual Accident & Health
Industrial Accident & Health

AGENTS WANTED FOR UNOCCUPIED TERRITORY

Bardoe's Column

THE London and Lancashire Fire Insurance Company of Liverpool is about ready to enter the casualty field here through the medium of the London and Lancashire Guarantee and Accident Company of Canada, which is a subsidiary institution of the London and Lancashire Fire. The entry of the London and Lancashire Guarantee and Accident of Canada will be consummated as soon as the necessary formalities are complied with. This company has its head office in Toronto and began business in July, 1908, with an authorized capital of \$500,000. While the arrangements regarding its business here have not yet been completed, it is stated that at the outset the company will confine its operations to personal accident and plate glass risks.

* * *

Supreme Court Justice Whitney refused the application of William Henry Hall for permission to sue the State Department of Insurance and Superintendent Hotchkiss on transactions arising out of the trouble over the affairs of the People's Mutual Life Insurance Association and League of Syracuse. Hall held a promissory note of John A. Tevis, who deposited \$150,000 of Canadian money in a Syracuse bank with which to purchase the company. Hall said Lieutenant-Governor Horace White paid out all but \$18,000 of this money and that the State Insurance Department seized the rest. He tried to attach \$13,500 which he said was still left in a Syracuse bank, but asserted that the Sheriff of Onondaga County had failed to execute process. Justice Whitney advised Hall to lay his grievance before the courts in Albany or Onondaga County.

* * *

The Poughkeepsie jury which had the case of Lewis H. Vail, President of the Dutchess Fire Insurance Company, charged with forgery in the

third degree, reported early last Saturday morning that it was unable to agree and was dismissed. It stood six for acquittal and six for conviction.

* * *

The directors of the National Surety Company have declared the usual quarterly dividend of 2 per cent and an extra dividend of 4 per cent, making 10 per cent thus far this year. This is on the increased capital which was effected last Fall. It is now understood that the directors of the National Surety are preparing to further increase the capital of the company by the issue of additional stock.

* * *

Beyond doubt the writing of surplus lines, which for a while was rather taking a back seat, is now rapidly coming to the front again. The enormous growth of this country, together with the inability of authorized and admitted companies to carry the increased insurable values, has brought about a demand for strong and reputable surplus line writing companies. One of the most representative firms of United States attorneys and general agents for this class of business is that of the John L. Dudley, Jr., Co. This concern represents more than half a dozen English companies. The Dudley Company also negotiate and effect treaties with British, American and Continental companies.

* * *

From the report of the Worcester (Mass.) Protective Department for the year ended June 1 last, it appears that the total insurance loss sustained in that city during that period aggravated \$451,015, with insurance involved to the amount of \$4,298,396.

* * *

John J. Downey, general agent of the Massachusetts Fire and Marine, has gone West for the purpose of arranging for the admission of the company into Ohio, Indiana, Illinois, Missouri, Michigan and Wisconsin.

TO CHECK FIRE WASTE.

"Conservation of Utilized Resources from Destruction by Fire" was the subject of the address at the St. Paul (Minn.) convention September 5 to 9 by the special committee of the National Board of Fire Underwriters. The address of the committee covered the ground in a masterly manner, and we append a few of the important points dwelt upon:

"We believe that unless there is an intelligent development and utilization of our natural resources the comfort, prosperity and happiness of future generations will be seriously impaired, and we are in hearty accord with all legislation having for its object the preservation from destruction of nature's gifts and man's handiwork.

"The address which this committee presented to the joint conservation conference sought to set forth some very important facts concerning the excessive fire waste which persists in the United States and suggested remedial measures, which we still firmly believe, if adopted, would materially diminish the grievous loss of life and the tremendous and unnecessary destruction of created values by fire. We, therefore, beg to reaffirm these suggestions at this time.

"We have persistently endeavored to influence the introduction of improved and safe methods of building construction, to encourage the adoption of better fire protective measures to secure efficient organization and equipment of fire departments, with adequate and improved water systems, and to have adopted rules regulating the storage and handling of explosives and inflammable products; and we contend that successful efforts along these lines will very largely lessen the fire waste of the utilized resources, the destruction of which at the rate of over \$216,000,000 annually (1900-09 inclusive) is one of the greatest drains upon our natural resources and one which can be corrected, if the nation, state, city and citizen will co-operate along the lines indicated above."

COMMERCIAL - UNION
ASSURANCE CO.,
(LIMITED)

OF LONDON.

OFFICE;

Cor. Pine & William Sts.

NEW YORK.

THE HOME LIFE INSURANCE COMPANY OF AMERICA

Incorporated 1899.



JOHN LANGHAM, Jr., President.
JOSEPH L. DURKIN, Secretary.
EDWARD P. MADDEN, Treas.

General Agents and District Managers who can produce ordinary business can secure "Ground Floor" contracts with **GUARANTEED RENEWALS** and an assignment of territory limited only by capacity to produce agency organization and business. Send for Sample Policy. **IT IS ONE YOU CAN SELL.** New business, \$1,500,000—January 1-June 30, 1910.

Address;

G. M. NETTLESHIP,
General Manager,

416-18-20 Walnut St., : PHILADELPHIA, PA.

1860 50th YEAR 1910

HOME LIFE

Insurance Company of New York.

GEORGE E. IDE, President.

Assets	\$23,626,018.63
Liabilities	21,858,691.52
(Including Deferred Dividend Fund)	
Dividend Endowment Fund	
(Deferred Dividends)	2,119,044.00
Net Surplus	1,767,327.00
Insurance in Force.....	92,532,583.00

The record for 1909 shows the following GAINS:

Insurance in Force	\$4,164,239.00
Assets	1,917,117.00
Deferred Dividend Reserve...	148,581.00
Contingency Reserve (Surplus)	655,149.17

"The Leading Fire Insurance Company of America."



WM. B. CLARK, President.
W. H. KING, Vice-President.
HENRY E. REES, Secretary.

Assistant Secretaries,

A. N. WILLIAMS, E. S. ALLEN,
E. J. SLOAN, GUY E. BEARDSLEY.

FEDERAL LIFE INSURANCE COMPANY CHICAGO

ISAAC MILLER HAMILTON, ; ; President

Admitted assets.....	\$2,447,499.17
Capital stock.....	177,300.00
Surplus apportioned and unapportioned	77,510.61
Excess security to policy holders	254,810.61
1909 insurance in force increased over.....	\$6,300,000.00
Surplus increased over....	100,000.00

HIGH-GRADE MANAGERS AND AGENTS WANTED.

ATTRACTIVE POLICIES
DESIRABLE CONTRACTS.

WILL ENTER NEW TERRITORY.

Address,

CHARLES M. TURNER,
General Manager.

Marquette Building, CHICAGO, ILL.

National Gets Shawnee

TOPEKA, Kan., Sept. 21.—The Shawnee Fire Insurance Company, of this city, has reinsured its outstanding risks in the National Fire Insurance Company of Hartford and will discontinue business. General Agent Fred S. James, of the National, has been in town for several days consummating the matter, and has arranged to take over desirable special agents and several members of the Shawnee. Sumner Ballard was the intermediary in the negotiations of the reinsurance. The Shawnee's unearned premium fund is approximately \$1,400,000, or about \$500,000 more than the sum given in its last annual statement.

The deal gives the National of Hartford a particularly large and choice business in Kansas and Oklahoma. The reinsurance has been approved by Insurance Commissioner Barnes of Kansas. The Shawnee has notified the Insurance Commissioners of Minnesota and Virginia of the reinsurance

and has terminated the examination which has been in process for those States under the direction of S. Herbert Wolfe. Manager James W. Going will retire from the fire insurance business.

The Shawnee Fire was organized in October, 1895, taking over the business of the Kansas Farmers' Fire Insurance Company of Abilene, a mutual company. In 1906 the capital of the Shawnee was increased from \$100,000 to \$200,000 and additional surplus of \$100,000 paid in. The officers of the company are Jacob Mulvanc, President; James W. Going, Vice-President and Manager, and H. S. Morgan, Secretary. In its last annual statement to the New York Insurance Department the Shawnee showed total assets on December 31, 1909, of \$1,460,457, of which \$656,075 was invested in mortgage loans, \$442,546 in bonds and stocks and \$223,884 represented agents' balances on business written after October 1, 1909.

Here and There

JAMES O'Kane, who has been connected with the Western Department of Aetna Fire for 45 years, and has been its cashier for 43 years, retires from its service on September 22. In recognition of this long service he has just received from the office and field force of the Aetna a handsome silver service, suitably inscribed. The presentation address was made by E. W. Brownell, general adjuster for the company, who recently completed fifty years of service with it. Mr. O'Kane will return to his old home in Cincinnati.

* * *

The General Fire Assurance Company of Paris, France, of which Fred S. James & Co. are United States managers, has been admitted to Indiana and appointed Fieber & Reilly its agents at Indianapolis.

* * *

The Eastern Union meeting yesterday developed considerable discussion of the situation and resulted in the decision to appoint a committee of seven to consider the proposition for a change in the commission rule. The committee, which is yet to be named, is to report as soon as possible and not later than October 20.

* * *

Howard C. Forbes has resigned as manager of the accident department of the Aetna Indemnity Company to become managing underwriter of the casualty department of the Alabama Fidelity and Casualty Company of Montgomery, which will have a cap-

ital stock of \$300,000, and plans to operate only in the South.

* * *

At the close of the convention of the agents of the Empire State Surety Company in the city last week a handsome loving cup was presented to President William M. Tomlins, Jr.

* * *

Under the new law requiring the Insurance Department to apply for a receiver for all assessment companies which are more than three months behind in the payment of death claims, the Illinois Department has given notice that it would seek a receiver for the Illinois Grand Lodge of the Ancient Order of United Workmen. The officers of the order have made a protest to the Governor, who has requested a postponement pending the submission of briefs. The Ancient Order of United Workmen officers admit that they are behind \$98,000 in payment of death claims, but insist that the order has ample funds.

* * *

The license of the Citizens Fire of Seattle, Wash., a mutual company started in 1900, has been revoked.

* * *

The eighth chapter in the series of articles on "Employers' Liability Insurance Abroad," by Miles M. Dawson, is entitled "The Insurance of Employers in Belgium" and will appear in THE CHRONICLE in its issue of October 13. The ninth chapter, "The Peculiar Accident Insurance System of Holland," will appear in the issue of October 20.

New York Insurance Stocks

Casualty Companies.

		P.C.	Period.	Bid.	Ask.
Aetna Indemnity (\$25)...	\$350,000	V	V	...	200
Casualty Co. of America...	500,000	6	J&J	120	150
Fidelity & Casualty.....	1,000,000	18	"	450	500
Hartford Steam Boiler....	1,000,000	10	"	255	265
Metropolitan Casualty	200,000	10	"	185	...
N. Y. Plate Glass (\$50)....	200,000	16	"	500	...
United States Casualty....	500,000	10	Q	215	250

Fire Companies.

	Capital.	Div.	Approx. When Annual Pay. able.	Bid.	Ask'd
City of New York.....	\$500,000	10	Q	...	205
Commonwealth	500,000	10	J&J	326	...
Continental	2,000,000	40	"	925	950
Empire City	200,000	8	"	125	...
Fidelity-Phoenix	2,500,000	V	V	265	275
German Alliance	400,000	15	J&J	275	300
German-American	1,500,000	30	"	550	560
Germania (\$50)	1,000,000	18	"	285	295
Glens Falls (\$10).....	200,000	30	"	1,525	...
Globe & Rutgers.....	400,000	40	Q	475	...
Hanover (\$50)	1,000,000	10	J&J	200	205

Home	3,000,000	30	"	640	660
Nassau (\$50)	200,000	10	"	165	175
Niagara (\$50)	1,000,000	20	"	300	305
North River (\$25).....	350,000	10	A&O	155	165
Pacific (\$25)	200,000	14	"	185	...
Peter Cooper (\$20)	150,000	6	"	90	105
Stuyvesant	400,000	10	"	155	160
United States (\$25).....	250,000	V	V	60	70
Westchester (\$10)	400,000	35	F&A	455	...
Williamsburg City (\$50) ..	250,000	20	J&J	380	400

Life Companies.

		P.C.	Period.	Bid.	Ask.
Aetna Life	\$2,000,000	15	Q	650	675
Connecticut General	300,000	8	J&J	250	...
Equitable	100,000	7	A	4,000	...
Germania (\$50)	200,000	12	J&J	210	225
Hartford Life	500,000	10	"	150	...
Home	125,000	12	M&N	275	...
Manhattan Life	100,000	26	O&F	400	425
Metropolitan (\$25).....	2,000,000	7	M&N	155	...
Prudential (\$50)	2,000,000	10	Q	450	...
Travellers' Hartford	2,000,000	20	Q	900	925
United States Life.....	264,000	7	J&J	90	105

A—Annually.

V.—No information.

Q—Quarterly.

Delayed Fire Alarm Victim Sued Telephone Company

THE Supreme Court of Iowa, in a case wherein the plaintiff whose building was burned sought to hold a telephone company liable because he was obliged to wait ten or twelve minutes before he could get a connection to send in an alarm, took occasion to look into many prior decisions along the same line, and ruled that in this case the destruction of the plaintiff's building and machinery was not the direct approximate result of the negligence of the telephone company to provide proper connection, and that defendant was not liable for the loss sustained.

The case was Volquardsen versus the Iowa Telephone Company, and was brought under two sections of the Iowa statutes, one of which provides that a telephone or telegraph company shall be held liable for an unreasonable delay in the transmission of messages, and the other declaring that in an action against a telephone company for damages negligence on the part of the telephone company shall be presumed on proof of unreasonable delay in furnishing a proper connection within reasonable time, the burden being on the defendant to establish by a preponderance of evidence that the delay was not due to its negligence.

The facts showed that the plaintiff was awakened at 1:30 A. M. and found his factory on fire. He went to the telephone and tried to call "Central," but no one responded, although he worked the receiver for nine or ten minutes. Then he handed the receiver to his wife and she got the operator in one or two minutes. The plaintiff, after his failure to get the connection, started for a fire station

four blocks away to give the alarm, but met the hose company on the way, the department having been called by a neighbor. The firemen were on the scene a minute and a half thereafter, but the fire was then beyond control. No proof was furnished at the trial as to the time when the fire got beyond control, nor whether intervening acts might not have prevented the firemen from saving the building had they been warned of the fire at the time.

Referring to decisions in other actions for damages due to fire, the Court says that in *Metallic Manufacturing Company vs. Railway* (109 Mass. 277, 12 Am. Rep. 689) the plaintiff's manufacturing plant took fire and the hose was extended across defendant's track and connected with a hydrant. A freight train came along, and, though duly warned, carelessly ran over the hose and injured it so that it could not be repaired seasonably, and the plant was consumed. The defendant was held liable.

The Court mentions many cases that have followed the rule laid down in the above, and states that in *Kiernan vs. Met. Const. Co.* (170 Mass. 378, 49 N. E. 648) the defendant interfered with the use of a hydrant by firemen, delaying the connection of the hose so that the plaintiff's house was destroyed, when but for such interference probably the house would have been saved. In that case the Court in holding the defendant liable said:

"Though there was no obligation upon the city to extinguish the fire, it does not follow that the plaintiff was not deprived of anything to which she had a legal right if the defendant

obstructed the firemen in getting water from the hydrant. She has a legal right to have the firemen get water if they choose to do so from a supply especially provided for that purpose, and while its obstruction may not have been a crime * * * it was a tortious and wrongful interference with persons engaged in putting out the fire."

In the telephone case the Court concludes:

"In these cases stress is laid on the circumstances that though the firemen or city may not be under legal obligation to extinguish the fire, they were actually engaged therein, and but for the direct interference with the hose or hydrant would have extinguished the fire. It seems unnecessary to elaborate on the distinction between these cases and that at bar, between direct interference with the work of extinguishing fire actually in progress, and the negligent omission of being instrumental in procuring such work to be done by others."

RECTOR 2817

ESTABLISHED 1864

E. S. BAILEY

DEALER IN

INSURANCE STOCKS

A SPECIALTY

66 Broadway

NEW YORK

HARTFORD LIFE

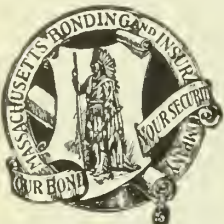
INSURANCE COMPANY,
OF CONN.

1909 Policies are Participating, or Non-participating, with Lower Rates and Values based on FULL RESERVE.

For Right Contracts,
Address, Second Vice-President,
Home Office, HARTFORD, CONN.

OUR BOND—YOUR SECURITY.

T. J. FALVEY, JOHN T. BURNETT,
President. Sec'y & Treasurer.



**Massachusetts
Bonding and
Insurance Co.**

Organized under
the Laws of the
Commonwealth of
Massachusetts.

Home Office, 77-81 State Street, Boston.
Capital\$500,000.00
Surplus\$250,000.00
SURETY BONDS and BURGLARY and
THEFT INSURANCE.

T H E
PROVIDENT
LIFE AND TRUST COMPANY
OF PHILADELPHIA

Insurance in Force, \$214,509,255.00
(Paid for Basis)

Assets \$70,514,350.45
(Market Value, Dec. 31, 1909)

Contingency Reserve . \$9,207,276.38
(Inclusive of Capital Stock, \$1,000,000.)

The Provident has been particularly distinguished for the development of a highly trained force of agents. The systematic instruction which its agents receive has resulted in their being recognized as representatives of exceptional knowledge of the business and of marked efficiency.

Bob's Remarks

ELIJAH R. KENNEDY returned from his trip to Wisconsin rugged and browned up. A large portion of his time was given up to outdoor life and golf. But one of the principal objects of his journey was to meet his associates of the "Mates of Milwaukee High School and Milwaukee University" which occurred early in this month. The call for the meeting was issued by Mr. Kennedy as "The Discoverer of the Milwaukee Schoolboy."

W. Peele Dawson, of the Alliance of London, now in Central America attending to the reorganization of the company's departments, is expected to stop over in this city on his way back to London. Nothing will be done as to the entrance of the Alliance into this country until his return home.

The Royal Exchange Assurance Corporation has issued the following notice: "All holders of unexpired fire insurance policies in the Cosmopolitan Fire Insurance Company can forward same to the Royal Exchange Assurance Corporation, 92 William Street, New York, and have them indorsed as follows if desired: 'The liability of the Cosmopolitan Fire Insurance Company of New York under this policy has been assumed by contract reinsurance with the Royal Exchange Assurance of London from December 31, 1908, at noon, subject in all respects to the terms and conditions of the policy.'"

In Bulletin No. 35 of the Department of Insurance, Bismarck, N. D., September 1 the names of over 130 fire insurance agents were quoted as licensed in the month of August. Some forty life agents were also in the list, besides about twenty-seven for casualty and other kinds of indemnity companies.

According to recent action of the directors of the Security Insurance Company of New Haven its capital stock will be increased to \$700,000 by the issuance of \$200,000 new stock at \$50 a share (par \$25), \$200,000 thus being added to the surplus.

Continuing my series of prominent risks in the metropolitan district with the names of brokers placing the same, I add the following:

Henry Honig & Son—Rothenburg & Co., Ehrlich Brothers. A Haubold & Son—Tiffany & Co. Starkweather & Shepley—Hackett, Carhart & Co. Bagot & Co.—Rogers, Peet & Co. H. F. Poggenburg & Co.—H. C. F. Koch & Co., Rusch & Co. Dutcher & Edmister—Smith, Gray & Co. Benedict & Benedict—Schefer, Schramm &

Vogel, Abraham & Strauss. Hamlin & Co.—Einstein, Wolff & Co. Willard S. Brown & Co.—Park & Tilford, Leshner, Whitman & Co. F. W. Stillman Company—Spielman & Co. Henry Withington, Jr.—John Daniell, Sons & Sons. Johnson & Higgins—Acker, Merrill & Condit. Weed & Kennedy—Calhoun, Robbins & Co., James H. Dunham & Co.

The following decision by the Court of Appeals of the State of Georgia may be of interest: "No contract of insurance on property situated in this State, no matter whether the transaction of insurance is made in this State or elsewhere, is enforceable in this State unless the insurer, when the policy was written, was duly licensed to do business in this State. Premiums alleged to be due on such unauthorized policy contracts are not collectible in the courts of this State."

Albert F. Richards, local secretary of the Hamburg-Bremen Fire Insurance Company, who has been abroad for several months, has returned. He looks well and hearty and will probably resume his former official duties with the company shortly.

Joseph F. Fessenden has been appointed special agent for New England of the Milwaukee Mechanics', the appointment taking effect to-day.

Circular 157, co-operation slip, of the New York Fire Insurance Exchange, cautions members regarding the effort to place in this city at less than tariff rates the property of the Piedmont Oil and Refining Company of Faunsdale, Ala. Members are requested to correct or cancel policies issued at cut rates. The tariff is on Plant 162½, on Cotton Gin 4.25.

WORKINGMEN'S INSURANCE IN EUROPEAN COUNTRIES.

"Workingmen's Insurance in Europe," by Lee K. Frankel and Miles M. Dawson, with the co-operation of Louis I. Dublin, has just been published under the Russell Sage Foundation by the Charities Publication Committee, in this city. It contains nineteen chapters and appendices. The chapters include detailed descriptive matter in regard to Great Britain and the Continental nations on "Insurance Against Industrial Accidents," "Insurance Against Sickness and Death," "Insurance Against Invalidity and Old Age," "Insurance Against Unemployment" and "Complete Insurance Systems." The volume also contains a summary of laws, institutions and administration of "Workingmen's Insurance Systems in Europe."

SAFETY FUND INSURANCE

NIAGARA *

Fire Insurance Company

—OF—

NEW YORK

OFFICE:

46 CEDAR STREET, CITY.

IT PAYS THE AGENT

To represent the best company. There are many excellent standard life insurance companies. Which is the best? In stability, progressiveness, liberal contracts to agents and low cost to policy-holders no company surpasses

The Union Central Life Insurance Co. of Cincinnati.

Assets, \$74,523,966.28
Liabilities, \$72,324,302.92

Good openings are occurring from time to time. Address

JESSE R. CLARK, President.
ALLAN WATERS, Sup't of Agents.

FOUNDED 1792

118th ANNUAL STATEMENT

**INSURANCE COMPANY OF
NORTH AMERICA.**
OF PHILADELPHIA, PA.

ASSETS.

Real Estate	January 1, 1910.	
First Mortgages on Real Estate		\$ 364,410.69
Philadelphia, New York, Boston and other City and State Loans		373,803.43
Pennsylvania, Philadelphia and Erie, Lehigh Valley and other Companies' Bonds and Stocks		1,134,390.00
Cash in Bank and Bankers' hands		8,909,150.32
Notes Receivable and Unsettled Marine Premiums....		1,134,635.88
Net Cash Fire Premiums in course of Transmission....		347,440.69
Accrued Interest, and all other property		1,069,510.62
		52,160.57

Total Assets\$13,385,501.56

LIABILITIES.

Capital Stock	\$ 3,000,000.00
Reserve for Re-Insurance ..	6,813,862.47
Reserve for Losses	877,250.00
All other Liabilities	104,982.45
Surplus over all Liabilities..	2,589,406.64

\$13,385,501.56

Surplus to Policyholders.....	\$5,589,406.64
Increase in Reinsurance Reserve	349,934.71
Increase in Net Surplus.....	838,500.92
Increase in Assets	1,371,456.93

Eugene L. Ellison.....President
Benjamin Rush.....Vice-President
T. Howard Wright.....Secretary
Henry W. Farnum.....Assistant Secretary
John O. Platt.....Assistant Secretary

Agencies in all Prominent Cities & Towns.

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS is unsurpassed for net low cost and care of Interests of all members.

**THE PENN MUTUAL
LIFE INSURANCE COMPANY
OF PHILADELPHIA**

On January 1, 1909, rates were reduced and values increased to full 3% reserve.

INCORPORATED 1833.

British America

Assurance Company

HEAD OFFICE, TORONTO, CANADA

UNITED STATES BRANCH.

JANUARY 1, 1910.

Assets	\$1,556,740.94
Liabilities	902,438.61

Surplus	\$ 654,302.33
---------------	---------------

Hon. GEORGE A. COX, President.
JOHN HOSKIN } Vice-Presidents.
W. R. BROCK }
W. B. MEIKLE, General Mgr.

THE
American Credit-Indemnity Co.
OF NEW YORK.

CREDIT INSURANCE ONLY.

Insures Wholesalers and Manufacturers against Excessive Annual Loss through the Insolvency of their Customers.

We can always use a few high-grade solicitors.

ST. LOUIS, MO.

NEW YORK, N. Y.

Offices in All Principal Cities.

A. B. TREAT, General Agent,

302 Broadway, : : : : : New York.

**OLDEST
IN
AMERICA**

**STRONGEST
IN THE
WORLD**

**THE MUTUAL LIFE
Insurance Company of New York**

Mutual Life Agents Make Most Money
Because Mutual Life Policies Sell Most Freely

For terms to producing agents, address

GEORGE T. DEXTER

2nd Vice-President

34 Nassau Street

New York, N. Y.

Survivorship Annuity Tables

Net Premiums, Mean and Terminal Reserves

American Experience Table,
LIFE OF NOMINATOR

Danish Survivorship Annuitants' Table,
LIFE OF ANNUITANT

And $3\frac{1}{2}$ Per Cent. Interest

BY
MILES M. DAWSON,
Consulting Actuary

SEND ALL ORDERS TO

The Chronicle Co. (Ltd.)

No. 90 William St.

NEW YORK

The Chronicle

1866

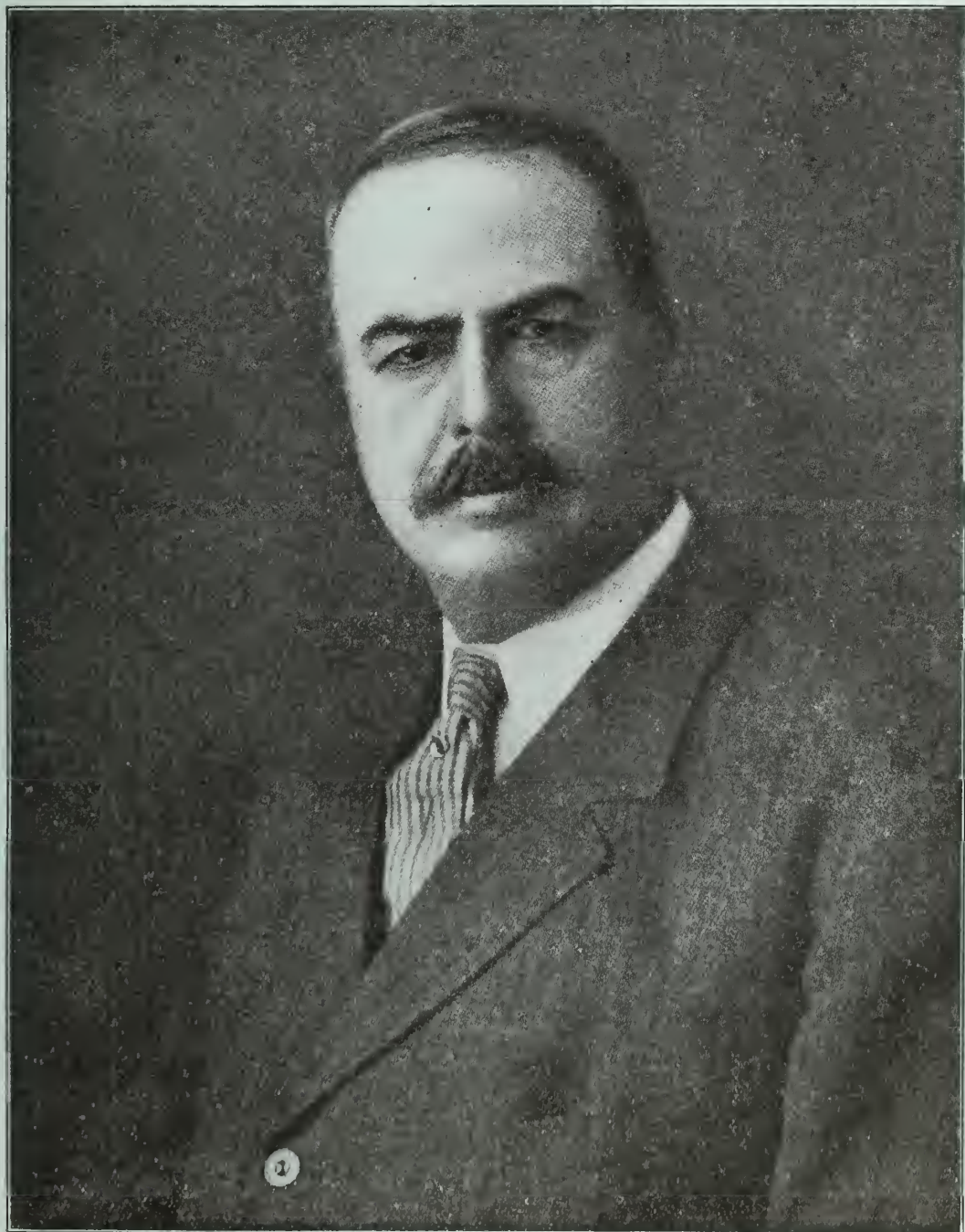
Published by THE CHRONICLE COMPANY (Ltd.), 90 William Street, New York City

1910

VOLUME LXXXVI.

New York, September 29, 1910.

NUMBER 13



FRED S. JAMES
Newly Elected President of the Western Union

Survivorship Annuity Tables

Net Premiums, Mean and Terminal Reserves

American Experience Table,
LIFE OF NOMINATOR

Danish Survivorship Annuitants' Table,
LIFE OF ANNUITANT

And $3\frac{1}{2}$ Per Cent. Interest

BY
MILES M. DAWSON,
Consulting Actuary

SEND ALL ORDERS TO

The Chronicle Co. (Ltd.)

No. 90 William St.

NEW YORK

The Chronicle

VOLUME LXXXVI

NEW YORK, THURSDAY, SEPTEMBER 29, 1910.

NUMBER 13

PUBLISHED EVERY THURSDAY BY
THE CHRONICLE COMPANY, Limited.
No. 90 WILLIAM ST., NEW YORK.
Phone "567 John." Cable Address, "Chronogram," New York.

Subscription Price:
Three Dollars a Year. Single Copies, Twenty-five Cents.
Postage Prepaid in the United States and Canada.

MILES M. DAWSON, President.
R. B. Dawson, Treas. A. C. Harwick, V.-P. A. L. Dern, Sec'y.
Emil Schwab, Manager New England Department,
200 Devonshire Street, Boston, Mass.

All communications should be addressed to and remittances
should be made to The Chronicle Company, Limited.
Entered at the Post Office, New York, N. Y., as Second Class
Mail Matter.

COMMISSIONERS ASSEMBLE AT MOBILE

Hotchkiss of New York Summarizes the Effects of the Armstrong Legislation in his Address to the Official Heads of the Insurance Departments of the Other States.

MOBILE, Ala., Sept. 28.—At the opening of the National Convention of Insurance Commissioners here a report presented by Insurance Commissioner Barry of Michigan, declaring for the flat and contingent plan of commissions for fire insurance agents throughout the country has been unanimously approved. No scale was suggested in the report, but the sentiment generally favors $12\frac{1}{2}$ per cent flat commission and $12\frac{1}{2}$ per cent contingent on profits, although some want 10 per cent flat and 15 per cent contingent.

This action coincides with the recent declaration of the National Association of Local Fire Insurance Agents at Chicago this month, which protested against the variations in different sections, the Commissioners holding that this rate should be uniform all over the country regardless of the size of community.

The companies have foreseen this movement, and at a conference held in Chicago this Summer decided that expenses should be reduced and appointed a committee to prepare a plan. The local agents this month gave the subject careful attention, and urged readjustment as between sections, holding that the 15 per cent scale in the South and some parts of the East would not justify any reduction. In the meantime the Continental has refused to join the new Fire Underwriters' Association in the East unless a contingent commission plan is adopted such as has now been indorsed by the State officials.

The special Committee on Fire Insurance Expenses was appointed last year, following a campaign begun by Insurance Commissioner McGivney, of Louisiana. Chairman Barry's committee took testimony this Spring in Chicago and New York and secured statistics from the companies. Its report held that the present system of agency compensation was grossly erroneous in that it invariably made for increased expenses and increased fire waste. It declared that brokers should be paid by the persons and firms in whose interest they work, instead of by insurance companies, and concluded as follows:

"We therefore recommend the substitution by uniform company action

if possible, but if not possible, then by statute, of a system by which local agents shall be compensated by a flat commission and a further commission contingent upon the profits of their respective agencies, the rate of flat and contingent commission to be uniform throughout the country."

The convention began its sessions yesterday morning with nearly forty States represented. Commissioner Hartigan, of the Minnesota Department, in his address as President of the convention, argued that insurance supervision was much more effective than the State supervision of any other form of business activity at the present time.

F. H. McMaster, of South Carolina, read a paper on the "Uniformity in Rulings and How to Secure Them," urging that the Commissioners secure greater discretionary power and exchange information on principles rather than on details.

The fraternal situation is being fought out to-night by the full committee, with indications that the compromise agreed upon between the fraternal factions will be approved by the Commissioners.

COMMISSIONER HARTIGAN'S ADDRESS

JOHAN A. Hartigan, Commissioner of the Minnesota Department, delivered the President's annual address before the National Convention of Insurance Commissioners at its forty-first meeting at Mobile on Tuesday. He said in part:

Effective supervision means co-operation of all the departments to secure the same end. This co-operation is being rapidly secured through the National Convention of Insurance Commissioners. Before there can be co-operation in administration, there must be unity of opinion and uniformity of requirement. Unity of opinion can only come from full and free discussion and a submission

by all to the best judgment of the majority. Let a commissioner act ever so wisely, if he is not in harmony with the general plan of supervision his work will be largely obstructive. Apparently the best method of procedure is the one recently adopted—to refer important matters to committees, who discuss these matters at length with the interests to be affected, and are then in a position to recommend action that is sane, conservative and effective. The advance in State control of insurance, as I see it, is to come through a greater degree of co-operation between the different departments. If any commissioner have unusual or peculiar views on any sub-

ject they will be modified by the experience and criticism of the others. In the consensus of opinion must lie wisdom.

It is the fashion and custom in some quarters to criticise State supervision. It is said that some things have been done which have been unwise, which have unsettled business conditions and have restricted the action of the companies without corresponding benefits to the people.

Let us admit that legislation has sometimes been hasty and ill-considered; that departments have occasionally looked at the merits of some particular case instead of taking the broad view necessary for the ultimate good of the business. Shall we judge of State supervision by these exceptional cases, or shall we consider what it has accomplished as a whole, recognizing the general desire back of all these efforts to remedy defects and to correct faulty conditions? Mistakes have been made in the supervision and regulation of other activities; legislative enactments controlling other lines of business are not always perfect. Laws are enacted which, after a test, are found unsatisfactory and their repeal required. All legislation is a growth and, like other growths, it must be pruned and trained before it reaches perfection.

Many of the vicious laws on our statute books are due solely to the activities of the insurance companies who have selfishly sought to gain advantage over their competitors. Such are the retaliatory laws which can, I believe, in every instance be traced directly to the desires of the home companies for such laws.

Some problems have been solved; others are in process of solution; some remain untouched. Among the recent achievements are the standard provision law for life insurance policies; a similar law controlling the conditions of health and accident policies; an anti-rebate law applying to all forms of insurance; the taking over by the department of insolvent companies and associations, eliminating the exorbitant expenses of receiverships; and I expect, as a result of the work of one of our most efficient committees during the past year and the action of this convention, the general enactment of a law governing fraternal societies which will enable these associations to establish themselves firmly and fulfill not only the immense obligations which they have at present, but those which they may hereafter assume.

State supervision and regulation of insurance are more effective than is Government regulation of any other line of business. Supervision of the banking business more nearly approaches it than does any other, and the attention of departments is often called to its perfection, and yet during the year 1908 the amount involved in bank failures in this country reached a total of \$127,544,943, a sum vastly greater than that involved in the failures of insurance companies. No old line life insurance company, working continuously under legal reserve laws subject to the test of departmental reserve calculations, has failed in a generation. A short time ago a bank at Biddeford, Maine, failed

owing to losses and misrepresentations covering a period of twenty-five years, and these losses were not discovered through inspection but through failure of the bank. These facts are not quoted as a criticism of bank supervision, but to show that it is not as efficient as is that of insurance. The solvency of a legal reserve life insurance company would be questioned by any live department years before it failed to pay its claims.

The State has for years required the life companies to charge adequate rates and thus guard against failures, receiverships and consequent loss to the public. The departments have urged the same course upon other classes of companies and societies, both by fostering legislation to that end and by constant public agitation of the subject.

Compare for an instant the record of the insurance companies with that of the railroads. Every receivership or reorganization of a railroad has resulted in the road emerging from such receivership with increased financial obligations. The stockholders have eventually profited by this course, as the public had to pay dividends upon the increased capitalization.

The reorganization of an insurance company results in a decrease of capital or an increase of surplus at the expense of the stockholders only. The only recent case where the reserves of a legal reserve life insurance company were impaired, was corrected by the mere suspension of business upon the order of the department.

While the companies are hampered by the lack of uniformity in the insurance laws of the different States, there is not so great a diversity in these laws as in the laws covering other subjects; for example, in the

criminal law, the laws governing divorce, and, in fact, practically every other subject. But the diversity of the law is more noticeable in insurance on account of its being such an important factor of every-day business. This convention has labored long and diligently to bring about practical uniformity, and what uniformity exists is due to it.

State supervision of insurance has come on account of a demand from the people to correct abuses. Its power and scope have been extended for the same reason. To what extent it will ultimately go depends on the attitude and the management of the insurance companies. It will not go, as a whole, further than is needed. Some view the advance with apprehension, exclaiming that it is now approaching government insurance. It may more closely approach that goal and it may even reach it. If under government insurance the people will be more fully protected and at a lower cost, then the public need not view the situation with alarm. The things that are working most strongly now for government insurance are the improper business methods of some insurance companies—high expense ratio and a feeling that the public is not in all cases receiving an equivalent for the sums paid in premiums. The sure avoidance of excessive paternalism in insurance lies in the companies doing more for the individual than the State can do. The constantly increasing and varying needs of the public for insurance must be supplied and supplied on the basis of a reasonable element for expense. When competition increases the benefits and lowers the cost it is welcome; when it increases the cost only, it should be restricted.

SUPERINTENDENT HOTCHKISS AT MOBILE

“SAVINGS in Life Insurance by the Limitations on Expenses Prescribed by the New York Law” was the title of the address delivered by Supt. Hotchkiss of the New York State Department, at Mobile. He said in the main:

How much, theoretically, ought an average life insurance company to spend each year? What, in the United States, is the just ratio between expenses and premiums?

It is not proposed to attempt a definite answer to this question, but rather to give some facts that may be helpful toward that answer. The experience of New York under the limitation laws of 1906, particularly section ninety-seven, is now of but three years. The statistics of these years, however, suggest certain deductions that may point toward the truth.

At the outset, the writer admits that the problem is one of many factors; he is willing to let the experts wrangle over the relative importance of those factors. He is conscious, too, that company executives and actuaries have for years pushed this question aside, for the reason—shall he say it?—that they feared the truth might up-

set their agency forces. And he is not unmindful of Pope's famous characterization of those who rush in where angels fear to tread!

But there must somewhere be the means whereby shall be fixed the ratio by which government may determine, how much, in the economy of things, its citizens should spend that they may have life insurance. Above such ratio any expenditure is economic waste—no matter who carries the burden.

The case of Germany seems to furnish figures based on a sufficient number of similar factors. Its reports show the percentage to be much the same from year to year. Thus from 1897 to 1905 the total expenses of German life insurance companies consumed from 13.5 per cent to 14.5 per cent of the total premiums received, the gross amount of the latter being about one-fourth of those paid to American companies during the same period. The percentage remained approximately constant, the average for the nine years, 1897 to 1905, being 13.9. During the same period, with 1906 excluded, the percentage in the United States, including industrial

(Continued on Page 6.)

EMPLOYERS' LIABILITY INSURANCE IN SWITZERLAND

By Miles M. Dawson

Copyright, 1910, by Miles M. Dawson.



BERNE, Switzerland, Aug. 26, 1910.—Switzerland is the only country of Europe, aside from Turkey, Greece, and the group of small nations lately subject to Turkey, which still has the liability of employers based upon the negligence principle, as in the United States. The reason, originally, for tardiness in this regard was the same as in our country—viz., that it seemed to be a matter which, under the Constitution, could only be dealt with by the cantons—i. e., the “states,” as distinguished from the Swiss Republic.

This could not forever hold back the modernization of Swiss legislation, however; and, accordingly, several years ago the constitution was in this regard amended, and a mandate has been given to the Republic to enact national legislation upon this subject, of the compensation or social insurance type.

Before this mandate was given, however, the Swiss Parliament proceeded to go as far in the direction of liberality toward workmen and their dependents, in applying the principles of the negligence theory, as the utmost stretching of that theory would allow. Thus they made the employer liable unless he could show that the accident was due to the employe's negligence, and, even in that case, if the employer was also negligent, the damages would be apportioned, instead of no award being made. Such a modification not merely throws the burden of proof upon the employer, the mere accident being presumptive proof that he has been negligent and therefore is liable, but also eliminates two of the most important defences—viz., the “fellow servant” rule, which in the United States releases the employer if the accident is due to the negligence of a co-employe, and the rule of “assumption of the risk,” which in the United States releases the employer if the accident is due to a usual risk of the occupation or even an unusual risk if known to the employe who, notwithstanding, continued to work.

These changes, together with the comparative negligence apportionment when there has been contributory negligence, are such as would undoubtedly alarm conservative American insurance companies and employers. Yet two things are noteworthy:

First, that while employers very generally insure, and in private stock companies at that, they much more frequently do so under “collective” policies, covering all accidents, instead of merely their liability, which indicates that both employers and employes desire something more.

Second, that a mandate has been given the Republic by a large majority of the cantons since the liberalization of the negligence laws, that legislation be enacted on the compensation principle.

Under this mandate a complete system of compensation and insurance was some years ago sought to be put into force by means of a bill which passed both houses of Parliament almost without a dissenting vote. A referendum was notwithstanding called for and it was defeated at the polls by a very considerable majority.

This measure provided for covering all accidents, occurring in the course of and arising out of the employment,

without regard to negligence. Employers were required to insure, with free choice of any licensed company, against their direct liability which accrues after a certain number of weeks of disability and in all cases of accidental death; and both employers and employes were required to contribute toward the cost of sickness insurance, as to which there was also free choice among “recognized” societies—i. e., societies found by the state to be solvent.

The last-mentioned feature which was expected to be popular, proved to be the rock upon which the good ship foundered. The “friendly societies,” of which there are many in Switzerland, like their American kinsmen, the fraternal beneficiary societies, did not propose to be brought up to the state's notion of solvency and adequacy of premium rates. Such, to the minds of their members, meant, in plain German, French, Italian and Romanish (for each of these languages is official in some of the cantons) “higher rates”—i. e., more to pay to obtain the same benefits. Accordingly, their members voted down the bill.

The mandate to enact suitable workmen's compensation or insurance legislation yet remained, however, and has not been recalled.

In this quarter-century of development of liability laws, based upon the negligence principle, stock insurance companies, covering the liability of employers and also issuing collective insurance policies, have thriven. They have done splendid work also, and the excellence of these Swiss companies is recognized throughout Continental Europe, in nearly every country of which that is open for the operations of private insurance companies in the field of employers' liability or workmen's compensation insurance, they are doing a good, safe, reasonably profitable business on conservative underwriting lines at a low rate of management and field expense, and are carrying ample and well invested reserves.

Their soundness and good management were also fully recognized in the bill which was defeated upon referendum, in which insurance, while compulsory, was with free choice among licensed companies.

Yet in the new bill which is now near to pass Parliament, compulsory state insurance is provided for, which would, of course, wipe out all the Swiss business of the private companies.

The new bill, the main lines of which have been agreed upon and which is now being further amended in minor respects, provides for:

1. Compensation for all accidents, whether in the course of the employment or not and up to 80 per cent of the wages, both of these features going beyond the provisions in any other country.

2. Compulsory insurance. (a) Covering the earlier weeks of disability by reason of accident, in sickness insurance societies, with free choice among approved societies which are not required to maintain full commercial solvency, as if on a purely voluntary basis, except as to “claim reserves” for accident cases. (b) Covering later weeks of accident disability and widows' and orphans' pensions for accidental death in a fund managed and guaranteed by the state.

Both employers and employees are to contribute—employees an amount estimated to be sufficient to cover the non-occupation claims—and the state is also to contribute a fixed portion of the cost out of funds raised by general taxation.

Three things are troubling the Government in framing this legislation—which has passed one house and is being amended in the other. They are:

1. The task of appeasing "friendly societies" and their members, who, even under the modified provisions, are incredulous that the proposed "solvency" requirements do not mean needlessly greater cost to the members.

2. The danger that workmen will be unwilling to be taxed, even indirectly, by the employers making a deduction from their wages as a condition to employment and also even though all they pay is for accidents other than occupation and for sickness.

3. The opposition of the stock companies, their managers, employees, shareholders and agents, and of employers who are pleased with their service and prefer to have freedom to choose their own companies.

The last-mentioned objection might not weigh so much if it were proposed to adopt the German assessment system, which starts at a very low annual cost and slowly increases. But, instead, the proposal is to use the "Kapital-Deckung" method and to set up adequate "claim reserves" as in the Rigsversikeringsanstalt of Norway. This means high premiums from the outset, big accumulations—which the insured employers persist in deeming unnecessary—and the creation of a great, new investment bureau in the state government. Switzerland is a country of multifarious direct taxes and the imposition of a new one is not popular. It is also a democratic country,

the oldest existing republic, and its people are always suspicious that each new public office may become a source of private graft.

All this renders it very probable that the bill will be sent to a referendum, which results if a relatively small number of voters petition for it, and it is extremely uncertain that it will be approved by the voters. The fact that Norway's successful state insurance on the "Kapital-Deckung" basis is scarcely known in Switzerland, while the failure and virtual abandonment of that plan in Austria are well known, will hardly improve the bill's chances. The nearness to Switzerland of German employers operating under the system in that country may also have their influence.

Of the three elements of opposition the supporters of the measure assert that the companies and those interested in private insurance or for any reason favoring it will not have much strength in case the "friendly societies" and their members can be pacified and the measure shall please the workmen themselves, instead of antagonize them.

N. Y. Casualty Report

WILLIAM H. HOTCHKISS, Superintendent of Insurance, made public on Monday Volume III of the Annual Department Report, covering the business of casualty, fidelity and surety, credit, real estate title and mortgage guarantee companies for the year ending December 31 last.

This report carries the audited statement of these com-

THE BEST PAID HARD WORK IN THE WORLD

Life Underwriting has been described as "The Best Paid Hard Work in the World" and consequently one of the most remunerative vocations in which anyone without capital can engage.

THE EQUITABLE LIFE ASSURANCE SOCIETY OF THE UNITED STATES

has several openings for men who possess organizing ability and who can work up a business from territory at present inadequately developed. Plenty of hard work and commensurate remuneration to those who possess the necessary qualifications.

Address

GEORGE T. WILSON, 2nd Vice-President,

120 Broadway

New York

panies and accompanying statistical tables, fixing the valuation of their stock and bond holdings in accordance with the allowed appraisal of the department, as arrived at by its expert, thus placing the valuations of said holdings on a uniform basis. In auditing these statements the department has gone into great detail as to the valuation and allowance of any items claimed therein as salvages.

This report indicates that the department's audit of the companies' statements has in many instances materially changed the figures as published in the preliminary tables issued in pamphlet form by the department in April last, when for the early information of the public the returns of the companies were published without audit.

Four general casualty insurance companies of other States were authorized by the department during 1909, and the license of one was revoked.

Table I of the report gives the assets of the Casualty, Fidelity, Surety and Credit Insurance companies doing business in this State on December 31, 1909. The total admitted assets were \$117,818,570.15, an increase over 1908 of \$12,076,118.56. Of this amount the New York State companies (15) had \$36,401,178.14, an increase of \$2,933,059.02; companies of other States and countries (39) had \$81,417,392.01, an increase of \$9,143,059.54 over the previous year.

Table II gives the liabilities of these companies. Excluding capital, the figures are: New York companies, \$17,933,003.26; companies of other States and countries, \$44,116,465.60, an aggregate of \$62,049,468.86. The total amount of capital was \$26,179,225, divided as follows: New York State companies, \$8,164,400; companies of other States and countries, \$18,014,825.

Table III gives the character and sources of the income for the year, the aggregate being \$90,945,023.57. Fifty-two companies received \$19,842,065.38 more than they disbursed, and two companies disbursed \$338,755.59 more than they received. The net excess of income over disbursements being \$19,453,309.79. The total premium income for 1908 was \$65,034,588.63; for 1909, \$84,118,226.73.

Table IV shows the disbursements itemized and in gross, the total amount being \$71,491,713.78, an increase of \$5,986,504.08 over the preceding year.

The following is an abstract of the statements, as tabulated, rendered by the Casualty, Fidelity, Surety and Credit companies for the year 1909, compared with similar companies for 1908:

	1908.	1909.
Number of companies.....	50	54
Assets	\$105,742,452	\$117,818,570
Unearned premiums	\$30,986,683	\$34,970,472
All other liabilities.....	23,463,524	27,078,997
Total liabilities	\$54,450,207	\$62,049,469
Capital stock	\$24,981,000	\$26,179,225
Surplus	26,311,245	29,589,876
Premiums	\$65,034,589	\$84,118,227
All other receipts.....	6,556,283	6,826,797
Total income	\$71,590,872	\$90,945,024
Claims paid	\$24,737,649	\$26,422,262
Dividends to stockholders.....	2,302,074	3,005,066
Expenses	38,465,397	42,064,386
Total disbursements	\$65,505,120	\$71,491,714

Bardoe's Column

THE Ohio National Life Insurance Company, of Cincinnati, a newly organized concern, has received its Ohio license from Insurance Commissioner Lemert. The company will also make application in Kentucky, Indiana and Illinois for licenses. The recent agitation in Ohio in connection with the organization of insurance companies has made it necessary for a new company to come before the department with extremely clean hands before a license will be issued. Insurance Commissioner Lemert issued a statement the other day that licenses will not be granted to companies organizing on a basis of great expense, and the payment of excessive commissions to promoters. The Ohio National has deposited \$300,000 worth of Ohio municipal bonds with the State Insurance Department. The capital of the company is \$500,000 and the surplus \$500,000.

* * *

A London insurance company has decided that it will try to get some business from the men who are promoting the All-Star series of baseball games, according to a telegram which has been received in Cincinnati by the promoters of the scheme to take two teams from the major league on a tour this fall, including New York players. The company agrees to insure the players, indemnify the owners of the National and American League clubs, and named a price

which is considered very low. The promoter says that he will have the men insured that they may return to their clubs next year, unless they wish to join his league, which will probably be in operation at that time.

* * *

Judge Ward, in the United States Circuit Court last week, fixed to-morrow at 11 o'clock in the morning as the time, and Room 124 in the Federal Building as the place at which exceptions to the supplemental report of Edward S. Rapallo, the special master in the case of the Mutual Reserve Life Insurance Company, will be heard. The order was granted on the court's own motion and is for the purpose of expediting the hearing, so that a distribution of the funds may be made to the parties entitled thereto. The receivers are directed to notify the solicitors of all parties, including the solicitors of the interveners of all exceptants.

* * *

The examination by the New York Insurance Department into the affairs of the New York Safety Reserve Fund, a co-operative assessment concern, disclosed that its statement to the department as of December 31, 1909, was correct except the following items: "The society neglected to carry either as an income or disbursement the first premium paid by the policyholders on all policies written during 1909, all of which premiums are paid as a commission to agents,

By making this correction the cost of management is increased from 34.6 per cent to 35.8 per cent. The society took credit as a non-ledger asset for \$12,000, which is the gross amount of the uncollected premiums, not over thirty days due. This asset should be reduced by \$3,000 due agents for commissions, or an item for that amount should be carried in the statement as a liability. The society did not carry a liability for salaries or bills and accounts due or accrued. These items amounted to \$930.05 Dec. 31, 1909."

* * *

The refusal of the New York bankers to guarantee cotton bills in accordance with the demand of English and Continental bankers, is being followed by bids at low rates on the part of American surety companies for the business of giving the further guarantee which is demanded of the banks on this side, but which they refuse to give because of legal restriction. It was said yesterday that the charge of the surety companies might not amount to more than five cents a bale.

* * *

Duer & Gillespie, agents for the General Accident, Fire and Life Assurance Corporation of Perth, Scotland, have moved their offices to the Golden Hill Building, at 59 John Street.

* * *

The seventh chapter in the series of articles on "Employers' Liability Insurance Abroad," by Miles M. Dawson, is entitled "Workmen's Compensation Insurance in France," and will appear in THE CHRONICLE next week.

COMMISSIONERS AT MOBILE.

(Continued from Page 2.)

business, fell from 29 per cent in 1897 to 25.3 per cent in 1906. Concededly, the American percentage, due to high pressure methods now admitted, and full weight being given to the factor of a business which increased in volume here more rapidly than in Germany, was in 1906 too high, perhaps much too high. Statistics drawn from the recent reports to the New York department appear to demonstrate this. Indeed, while the range is a wide one, I venture to suggest that the normal percentage, which represents what we Americans as a mass ought to pay for life insurance—giving weight, of course, to American standards of living, earnings and expenditures—cannot justly, under a system of quasi-public corporations, vary greatly from between 15 and 20 per cent of the premiums. Against any expenditure above this latter figure, policyholders, again, as a mass, seem to have the right to protest. Indeed, it may be that in present conditions they may well insist, in an average company writing an average proportion of new business, on a percentage somewhere between sixteen and eighteen.

These observations are, however, only by way of introduction. The New York investigation of 1905 emphasized two classes of expenditures as conducing largely to the unsatis-

factory conditions in life insurance—managerial waste (salaries, office buildings, syndicates, political contributions, lobbying expenses and the like), and agency waste (excessive commissions, principally on the first year's premiums, rebates, expense allowances, prizes, bonuses, rewards, and the other accompaniments of forced-draft methods). Of the two, the second was both the more important and much the more difficult of treatment.

The result was legislation which some have called sumptuary, but which surely was summary. The companies had shown themselves unable or unwilling to grapple with the problem. The system's principal beneficiaries—the field force itself—could scarcely be expected to do so. Natural laws, so long as the companies were struggling one with the other after the bubble bigness, seemed to increase rather than diminish the expenditure. And the Legislature stepped in! It is not the province of this paper to discuss whether the State should thus have interfered. The statistics of the first three years seem, however, fully to justify the action taken. Insurance is now being furnished those who wish it at a ratio of expense to premium for all companies doing business in New York of 17.3 per cent, as against 22.9 per cent six years ago.

In a report to the New York Department made in 1909, its auditor stated:

"It is clearly an advantage to society that a company should be permitted to spend, in selling its policies, an amount so fixed that the difference between the value of the aggregate satisfaction conferred by the company's operations and the wealth consumed in producing that satisfaction is a maximum. Up to a certain point, the more money a life insurance company spends in getting business, the more beneficial to society are its operations. This relation, however, is subject to the law of diminishing return, and after the maximum point is reached, each addition to the rate of expenditure is increasingly injurious."

This statement was hailed with derision in several quarters. It contains, however, an economic truth. Clearly, the real measure of the value of an institution to the society which creates it is the difference between what it gives and what it takes. Now, we are yet far from the day when life insurance will sell itself. Hence, the middleman—the agent in all his grades; and, consequently, his compensation.

How much the purchaser of a commodity should pay for salesmanship is always a relative question; the modern excesses in this direction are finding their reaction in the factory-to-family idea. Salesmanship being, however, the largest single element in the expense of life insurance, it was natural that in seeking to eliminate economic waste, inquiry was focused on it. The result is well known. The expense of insurance salesmanship was found too high. It was struck at by the now famous section ninety-seven. A cutting down of incomes resulted; a weeding out of each company's agency force. But who will say, even after but three years, that

the savings from salesmanship and at the home office resulting from the New York law of 1906, have not made the difference between the aggregate satisfaction to the insured and the wealth of such insured consumed in producing that satisfaction much nearer the maximum?

The New York Investigating Committee did not, however, recommend any upward limit on the rate of commissions. It assumed that competition between companies would continue to set an effective limit on the loadings, and took such loadings as a basis. In accordance with its recommendations, the Legislature of 1906, in substance, (1) provided that the principal items of the annual acquisition expenses of companies doing business in New York should not exceed (a) the loadings on the first-year premiums, and (b) the present values of the assumed mortality gains for the first five years of insurance, and (2) prohibited any expenses, other than investment expenditures and taxes and other real estate outlays, in excess of the aggregate amount of the actual loadings upon premiums received during the year and the present values of the assumed mortality gains as previously mentioned. Renewal commissions on other than endowment policies were limited to 7½ per cent for the first nine years, and collection fees, after the tenth year, to 2 per cent. The committee, however, did recommend an upward limit on the annual writings of companies doing business in New York, and the Legislature of 1906 adopted its recommendation, so far as New York companies were concerned, fixing the limitation at \$150,000,000.

This is the gist of the now well-known, and in some quarters much-criticized, sections ninety-six and ninety-seven of the New York Insurance Law. Such sections constitute together the important checks on extravagance and waste developed by the investigation of 1905. Neither was perhaps in a strict sense scientific. Both were at the time apparently necessary. Of the two, section ninety-

"The Leading Fire Insurance Company of America."



WM. B. CLARK, President.

W. H. KING, Vice-President.

HENRY E. REES, Secretary.

Assistant Secretaries,

A. N. WILLIAMS,

E. S. ALLEN,

E. J. SLOAN,

GUY E. BEARDSLEY.

1860

50th YEAR

1910

HOME LIFE

Insurance Company of New York.

GEORGE E. IDE, President.

Assets	\$23,626,018.63
Liabilities	21,858,691.52
(Including Deferred Dividend Fund)	
Dividend Endowment Fund	
(Deferred Dividends)	2,119,044.00
Net Surplus	1,767,327.00
Insurance in Force	92,532,583.00

The record for 1909 shows the following GAINS:

Insurance in Force	\$4,164,239.00
Assets	1,917,117.00
Deferred Dividend Reserve	148,581.00
Contingency Reserve (Surplus)	655,149.17

No property owner need look beyond the advertising columns of THE CHRONICLE for FIRE INSURANCE.

MEN OF ENERGY ARE OFFERED WORK OF MOMENT

In desirable localities representing a sixty-year old institution, with modern, liberal, law-conforming policies, and helpful Home office co-operation. Much good territory available. Many opportunities for advantageous positions. Inquire NOW.

UNION MUTUAL LIFE INSURANCE COMPANY

PORTLAND, MAINE

FRED E. RICHARDS, President.

Address either:

ALBERT E. AWDE,
Supt., 396 Congress St.,
Portland, Maine.
THORNTON CHASE,
Supt., 405 Exch. Bldg.,
Los Angeles, Cal.

seven is clearly still the more important. While minor changes in it may later be found to be wise, such section contains the germ of the economic truth that declares that all expense not necessary to the maximum pecuniary efficiency of the company to the public is economic waste. It thus is the arch of the new edifice of life insurance. The limitations of section ninety-six are only the buttresses.

Total Expense Ratio.

The following summary brings out clearly the effect of the New York law on the percentage of total expenses to total premiums of the companies authorized to do business in New York:

Summary of Percentages.

Year	Nine New York companies	Other companies doing business in New York	Averages, all companies
1904.....	24.1	20.6	22.9
1905.....	22.1	20.1	21.5
1906.....	17.6	19.7	18.4
1907.....	14.9	17.9	16.2
1908.....	14.5	18.3	16.1
1909.....	16.5	18.2	17.3

Considered thus from the viewpoint of total expenses to total premiums, the following seem to be obvious deductions: If there was prior to 1906 economic waste in marketing this necessity of life, life insurance, the New York companies were, other things being equal, much more wasteful than the companies of other States operating in New York. Conversely, it seems that since 1906, the New York companies have been more economical than their competitors from outside; but the effect of the falling off in new writings, particularly by the New York companies, due to the exposures of the investigation, is doubtless a considerable factor. The sharp rise of the New York percentage in 1909 suggests the importance of such factor. The narrowing of the gap between the New York percentage and the non-State percentage and the relative steadiness of the latter for the past three years may

well suggest that the companies authorized in New York, with business again normal but under new conditions, are quite rapidly reaching a fairly constant expense ratio.

First-Year Expense Ratio.

The figures shown in this table are taken for the years 1906-1909, inclusive, from the companies' "Schedule Q" for the year in question. For the years 1904 and 1905 the first-year expenses have been taken to be the sum of commissions on first-year premiums and the amounts expended for medical examinations and inspections of risks. In considering the facts shown by this table, it should therefore be remembered that the first-year expenses shown therein do not include considerable sums that should, strictly speaking, be charged against first-year premiums. It should also be remembered that the items of first-year expenses enumerated in section ninety-seven of the insurance law do not include any allowance for that proportion of the general administration or overhead expenses of the company which, as a matter of fact, have a great deal to do with the cost of getting business.

Summary of Percentages.

Year	Nine New York companies	Other companies doing business in New York	Averages, all companies
1904.....	63.4	55.5	60.9
1905.....	73.9	57.4	67.4
1906.....	79.5	60.6	69.8
1907.....	41.3	46.8	44.5
1908.....	52.7	48.4	50.4
1909.....	53.2	48.6	50.7

Examined thus from the viewpoint of first-year's expenses and premiums, the effect of the new laws in reducing the percentage cost is equally noticeable; likewise, the higher expenditure of New York companies before the cataclysm of 1905-6 and the proportionately greater fall of the percentage in such companies to, or, at any rate, toward, the constant percentage, say about 50. Save in 1907, the New York

percentage has been higher than that of the companies of other States.

Renewal Expense Ratio.

The renewal expenses shown in this table were determined by taking the difference between the company's total insurance expenses and the first-year expenses as shown in "Schedule Q"; hence, to the extent that Table B understates the first-year expenses, Table C overstates the renewal expenses. The difference expressed as a percentage, however, would, of course, be much larger in Table B than in Table C. These tables do not check exactly with Table A since that table is constructed on a cash basis. It should also be noted that the renewal premiums shown in this table include dividends and surrender values applied to pay renewal premiums.

Summary of Percentages.

Year.	Nine New York companies	Other companies doing business in New York	Averages, all companies
1904.....	17.9	15.8	17.1
1905.....	16.3	15.8	16.1
1906.....	12.6	14.5	13.3
1907.....	13.0	14.0	13.4
1908.....	12.7	14.7	13.5
1909.....	12.5	14.9	13.5

The noteworthy feature of this table is the drop in the percentage in the case of the New York companies between 1905 and 1906; i. e., nearly four points, while the percentage of the non-State companies fell less than a point and a half. Here also the New York companies seem now to be more economical than their competitors from other states, though the naturally small renewal expense of the Mutual and the New York Life, for reasons later indicated, may somewhat account for this. The steadiness of the average percentage for all companies at about 13.5 during the past four years suggests that the constant renewal expense ratio may be in the neighborhood of that figure.

First-year Commission Ratio.

The statistics in this table are on a cash basis up to and including the

The Connecticut Mutual

That means the best life insurance to have and the best to sell. If you can sell life insurance, you can sell more of it for the CONNECTICUT MUTUAL.

Men of Character and Ability are invited to apply.

Conn. Mutual Life Ins. Co.,
Hartford, Conn.

Please mention this paper.



Insurance Brokers

Place Your SURETY and CASUALTY business in the "EMPIRE."

CAPITAL, \$500,000

Business Producers not now under contract wanted for open Territory.

Address Agency Department,
THE EMPIRE STATE SURETY CO.,
84 William Street, New York

year 1907; for 1908 and 1909 they are on a revenue basis, being taken from "Schedule Q." The effect of this discrepancy of method on the percentage is, however, negligible.

Summary of Percentages.

Year	Nine New York companies	Other companies doing business in New York	Averages, all companies
1904.....	54.8	48.1	52.6
1905.....	65.8	49.7	59.5
1906.....	65.2	51.9	58.4
1907.....	46.7	42.9	44.5
1908.....	43.9	41.1	42.4
1909.....	45.0	42.6	43.8

The striking feature of this table is the decrease in first-year commissions for the period 1907-1909 as compared with the period 1904-1906. It is, of course, possible that this decrease in commissions may not wholly represent a real saving in expense but may be in part neutralized by a change in the mode of compensation for obtaining business. The effect of high-pressure methods, particularly by the New York companies, before the taking effect of the new laws in January, 1907, is noticeable, as is also the similarity of the percentages for both domestic and non-State companies in 1909. It is worthy of note, however, that in every year, the non-State percentage is lower than that of New York, and in 1905 and 1906—the so-called hothouse years—very much lower.

Renewal Commission Ratio.

This table offers a good illustration of the many difficulties in the way of satisfactory comparison of expenses in life insurance.

Summary of Percentages.

Year	Nine New York companies	Other companies doing business in New York	Averages, all companies
1904.....	5.9	6.2	6.0
1905.....	4.8	6.3	5.4
1906.....	4.0	6.6	5.0
1907.....	3.6	6.2	4.6
1908.....	3.3	6.3	4.5
1909.....	3.4	6.1	4.5

The effect of the law of 1906 is here not so marked. While the ratio is lower, the changes in the past four years are slight. The noticeable feature is that the percentage of the New York companies is here much lower than the percentage of the companies of other States. This is due to the very low percentages of the New York Life and the Mutual. In the former, the "Nylie" plan took the place to a large extent of renewal commissions, while the Mutual had, previous to the amendments of 1906 (it no longer does), adopted the policy of paying for most or all of its business

with a high brokerage, thus securing it free from obligation to pay any one more than a small collection fee on renewal premiums.

A Shaking Down of Business.

That there was a shaking down of the business following the investigation of 1905 is clear, as is the fact that the shaking down was much more vigorous in the New York companies than in the non-State companies authorized in New York. Still, following a net decrease of business in force of \$127,000,000 in 1906, \$89,000,000 in 1907 and \$15,000,000 in 1908, New York companies gained \$100,000,000 in insurance in force in 1909. The gain of the non-State companies, on a total of insurance in force but slightly less, was \$363,000,000. But the striking fact is that these large gains were made without much increasing the expense ratio, thus apparently indicating that the thirty-five companies now doing business in New York can each year add largely to their insurance in force at a much lower expense ratio than in the past.

Indeed, if the population estimates are correct—and they are, of course, but estimates based on the census of 1900 and 1905—the per capita insurance in force in New York, while practically stationary for 1905, 1906 and 1907, began rising again in 1908 and went up with a bound in 1909. Other forces than the exposures of 1905 have, of course, affected this per capita. But the fact to be remembered is that, in New York at least, life insurance is increasing faster than population.

Summary of Statistics.

Clearly, then, in twenty-six companies doing business in New York from 1904 to 1909, including practically all the large American life companies:

The percentage of total expense to total premiums in 1904 was 22.9; in 1909, it was 17.3.

The percentage of certain items of first-year expenses to first-year premiums in 1904 was 60.9; in 1909, it was 50.7.

The percentage of renewal expenses to renewal premiums in 1904 was 17.1; in 1909, it was 13.5.

The percentage of first-year commissions to first-year premiums in 1904 was 52.6; in 1909, it was 43.8.

The percentage of renewal commissions to renewal premiums in 1904 was 6.0; in 1909, it was 4.5.

But statistics with their tables and their ratios mean little to the ordinary policyholder. Here, fortunately, it is possible also to speak to him in terms of dollars and cents. Applying the 10 to 1 rule assumed by the Connecticut department as indicating the relation between the cost of new business and the cost of caring for old business:

The initial expense per \$1,000 of policy obligation in force against all companies doing business in Connecticut for 1906, \$36.10; the renewal expense, \$3.61; while

The initial expense of such companies in 1909 was \$31.51, and the renewal expense \$3.15.

Thus the annual saving to policyholders in 1909 as compared with 1906 is \$4.59 per \$1,000 of new business and 46 cents per \$1,000 of old business on the books.

Or, applying these figures to the \$1,219,212,048 of insurance written by the thirty-five companies doing business in New York in 1909 and to the \$10,647,240,069 of insurance in force on the books of these companies at the beginning of the year, it is evident that, assuming that the expense rate of the companies would not have continued to increase after 1906, there has been a saving to policyholders during the year 1909 of \$5,596,183 in acquisition expenses, and of \$4,897,730 in general management expenses, a total of \$10,493,913 saved over what would have been expended, other things being equal, had the limitations imposed by the New York Insurance Law not existed. (While the 10 to 1 ratio on which these figures are based undoubtedly had high actuarial authority at the time of its adoption, it is perhaps not entirely reliable at the present day. For an average company a ratio of, say, 7 to 1, or even 8 to 1, would presumably be now nearer the true facts. Estimates based on these latter ratios are not, however, available and the still recognized and older ratio has therefore been used.)

Similar figures, accumulated over a series of years, point to a total saving that will be stupendous in its aggregate. This is conservation of the highest type. Indeed, it may be that in the summing up by the historian of the future of the progress of the twentieth century's first decade, the New York insurance limitation laws of 1906 may be given as high rank as any of the statutes of recent years passed to prevent waste and thus to conserve the general welfare.

Limitation of Volume.

It has been noted that section ninety-seven, thus solid in economic advantage, was buttressed by the limitation on annual writings known as section ninety-six. The reason for this is well known; is still eloquent of waste and loss, and need not be restated here. In 1906 came the recommendations of the Armstrong Committee. It recognized the truth of the law of diminishing return. It knew that pressure from the agency field might some time sweep away the limitations of section ninety-seven. And so the Legislature of 1906 put up the bars on mere bigness. Granted, the action was arbitrary; just as much so

THE LEADING FIRE COMPANY OF THE WORLD



as was the rivalry of the companies unreasoning. But section ninety-six was a war measure.

And it had its effect! While but one company has perhaps yet found its progress barred, all have known that the old clamor and crowding would no longer be tolerated. It was appropriate, therefore, that as several of the great companies approached in 1910 the \$15,000,000 limit, some change should be made. How better than by abandoning the arbitrary, "Thou shalt not!" and writing over it: "You may, if you but save!" This is the essence of the amendatory law of 1910.

The words, which were in effect made applicable also to non-State companies doing business in New York, are:

"If the total amount of insurance by said corporation in force on the thirty-first day of December of the preceding year is * * * more than six hundred million dollars, [it may write] not more than one hundred and fifty million dollars, or it may increase

its new business over the largest amount issued in any one of the three years immediately preceding in the proportion in respect to said amount which the difference between twenty-five per centum of its net renewal premiums computed according to the bases of mortality and interest assumed in calculating its liabilities, and its total expenses for such preceding year, after deducting from said total expenses, (1) the items of first year expenditure specified in the first sentence of section ninety-seven of this chapter, (2) its actual investment expenses (not exceeding one-fourth of one per centum of the mean invested assets) and (3) taxes on real estate and other outlays exclusively in connection with real estate, bears to said net renewal premiums;" * * *

The purpose is clearly to put a premium on economy and on business that sticks. The company which keeps well within the expense limitations of section ninety-seven may increase more rapidly than the com-

pany which is just within such limitations; but in no event may it increase its business written by a greater percentage than the difference between twenty-five per cent. of the net renewal premiums and the per cent. of its total expenses (after deducting certain specified items) to such net renewal premiums. Thus, in general, a well-managed company is allowed to write each year an amount of new business, increasing as the business in force grows; waste is penalized and the limitation becomes less arbitrary.

These are some of the truths that a layman reads in the statistics and out of the turmoil of recent years. He reads, too, that life insurance is stronger, far stronger, to-day than it was before that turmoil. And as one of the millions of Americans holding insurance policies, he finds satisfaction and hope in that there has at last come peace, a better understanding, and a growth that is true to the slogan of the economist: Spend, but, in spending, save!

The Feasibility of Federal Supervision

ON the last day's session of the twenty-third convention of the International Association of Accident Underwriters at Bretton Woods, N. H., last week, the delegates listened to an address by James C. Jones, of the St. Louis Bar, on "Federal Supervision: Is It Feasible Without an Amendment to the Constitution?" Mr. Jones began by saying that it is little consolation to discuss the legality of State supervision, as we have it, legal or otherwise, already with us, while the only avenue of escape—national supervision—seems barred by numerous legal objections, which have had years of profound consideration, but are apparently as far from removal as when national supervision was first broached. A careful study of the Constitution leaves the matter of national supervision to follow the establishment of the status of insurance under the commerce clause. The Paul v. Virginia decision in 1868 declares that

insurance is not commerce, and this has been the basis of all decisions since. From an exhaustive review of all cases bearing on the subject since, and by comparison with cases involving the telegraph and lottery tickets, Mr. Jones arrived at the following conclusions:

"I have thus considered, and I believe fully and fairly considered, every argument that has been advanced in favor of national supervision without a constitutional amendment. Every positive declaration of the Supreme Court emphatically condemns the suggestion. Each argument in its favor is, in the last analysis, but a straw and rests upon a mere intimation (real or fancied) or an inference drawn from argumentative statements found in opinions in cases that relate to an entirely different, though an allied, subject; and all of them combined amount to mere patchwork which is insufficient in substance and force to justify any belief that the Supreme

Court either has overruled Paul v. Virginia and the kindred cases, or ever will do so.

"I do not say that Paul v. Virginia should not be overruled (nor do I say it should). I simply say it has not been overruled and that there is no substantial suggestion or intimation in any of the opinions of the Supreme Court that it will be overruled. The case has been often affirmed by the Supreme Court, frequently followed, and never criticised. The only logical inference is that it is the law and always will be followed.

"But those who advocate congressional action providing for national supervision urge that as the decision in Paul v. Virginia is inherently wrong and was not carefully reasoned out, it should be overruled, and insist that we can safely depend upon the Supreme Court to do what it should do. But, though the decision in Paul v. Virginia may be inherently wrong, it does not necessarily follow that the

THE Philadelphia Casualty Co.

WALTER LE MAR TALBOT, Pres't.

Our New Accident Policy Is Perfection.

It's the Policy Your Client Wants.
It's the Policy That's Easy to Sell.

Personal Accident, Health, Liability
Automobile, Plate Glass and
Credit Insurance.

Agency Correspondence Solicited.

THE HOME LIFE INSURANCE COMPANY OF AMERICA

Incorporated 1899.



JOHN LANGHAM, Jr., President.
JOSEPH L. DURKIN, Secretary.
EDWARD P. MADDEN, Treas.

General Agents and District Managers who can produce ordinary business can secure "Ground Floor" contracts with **GUARANTEED RENEWALS** and an assignment of territory limited only by capacity to produce agency organization and business. Send for Sample Policy. **IT IS ONE YOU CAN SELL.** New business, \$1,500,000—January 1-June 30, 1910.

Address:

G. M. NETTLESHIP,
General Manager,

416-18-20 Walnut St., : PHILADELPHIA, PA.



of New York

SUPERIOR POLICIES

KIMBALL C. ATWOOD, President
290-292 Broadway, New York.

New England Mutual Life

Insurance Company

BOSTON, : : : MASS.

Chartered 1835

Assets, January 1, 1910..\$51,316,543.00
 Liabilities 47,050,672.15

Surplus \$4,265,870.85

Sixty-six years of honorable dealing with its policyholders has placed the **NEW ENGLAND MUTUAL LIFE INSURANCE COMPANY** in the front rank of Life Insurance Companies of the Country.

ALFRED D. FOSTER, President.
D. F. APPEL, Vice-President.
J. A. BARBEY, Secretary.
WM. F. DAVIS, Assistant Sec'y.
J. G. WILDMAN, Assist. Sec'y.

EDWARD W. ALLEN, Manager.
 220 Broadway, New York.
LATHROPE E. BALDWIN, Manager.
 141 Broadway, New York.
CHARLES H. STRAUSS, Gen. Ag't.
 200 Fifth Ave., New York.

FOUNDED 1792

118th ANNUAL STATEMENT

I NSURANCE COMPANY OF NORTH AMERICA. OF PHILADELPHIA, PA.

ASSETS.

	January 1, 1910.
Real Estate	\$ 364,410.00
First Mortgages on Real Estate	373,803.48
Philadelphia, New York, Boston and other City and State Loans	1,134,390.00
Pennsylvania, Philadelphia and Erie, Lehigh Valley and other Companies' Bonds and Stocks	8,909,150.32
Cash in Bank and Bankers' hands	1,134,635.88
Notes Receivable and Unsettled Marine Premiums....	347,440.69
Net Cash Fire Premiums in course of Transmission....	1,069,510.62
Accrued Interest, and all other property	52,160.57

Total Assets\$13,385,501.56

LIABILITIES.

Capital Stock	\$ 3,000,000.00
Reserve for Re-Insurance ..	6,813,862.47
Reserve for Losses	877,250.00
All other Liabilities	104,982.45
Surplus over all Liabilities..	2,589,406.64

\$13,385,501.56

Surplus to Policyholders.....	\$5,589,406.64
Increase in Reinsurance Reserve	349,934.71
Increase in Net Surplus.....	838,500.92
Increase in Assets.....	1,371,433.93

Eugene L. Ellison.....President
Benjamin Rush.....Vice-President
T. Howard Wright.....Secretary
Henry W. Farnum.....Assistant Secretary
John O. Platt.....Assistant Secretary

Agencies in all Prominent Cities & Towns.

Supreme Court should overrule it. Though wrong, the rule of Paul v. Virginia has been followed (consciously or subconsciously) by every State in the Union. Much of the insurance legislation since the Civil War is based upon the doctrine of Paul v. Virginia, the substance of which is that each State is free to exclude all foreign corporations or admit them to do business upon such terms as they are severally pleased to enact (save where they are engaged in interstate commerce) and that as insurance between citizens of different States is not interstate commerce the States are entirely free to deal as they please with insurance companies. But for the doctrine of Paul v. Virginia, we would have (practically speaking) no such thing as the valued policy law, the non-forfeiture laws and the pernicious suicide statutes of Missouri and Colorado, the major part of the occupation of State Insurance Commissioners would never have arisen and many of these officials would never have been born. These things, and others, may be good or bad—as to some of them I know they are bad and that they should never have been; but they have arisen and exist and they were not only encouraged by the rule of Paul v. Virginia, but without the rule there enunciated they could not have been. Paul v. Virginia established a national policy and made possible the various and varying State policies which exist to-day; and it is extremely improbable that the Supreme Court, even if it should be convinced that Paul v. Virginia was erroneously decided, will at this late date overrule it, when to do so would be to upset the several State policies that are the legitimate outgrowth of that and kindred decisions. To set aside all State legislation on the subject of insurance would produce a condition of chaos in every State in the Union in respect to nearly every question that has to do with the subject in all its multifarious forms.

"These are the obstacles in the way of a favorable decision by the Supreme Court upholding federal supervision, when the question as to the legality or illegality of federal supervision has assumed such form and is presented in such manner that the Supreme Court can consider the arguments which the advocates of federal supervision have advanced or may advance.

"However, before the question can be thus presented to or considered by the Supreme Court, the Congress must enact a law providing for federal supervision and declaring that insurance is commerce. It must do this in the very teeth of the opinion of the United States Supreme Court in the hope that the Supreme Court will part its teeth and swallow this congressional fiat and accept a congressional opinion on a judicial question (or what has been uniformly treated

as a judicial question) in preference to its own opinion. Those who believe that Congress can be induced to do this have more confidence in the force of their position and in the fearlessness of Congress than I have.

"State supervision provides a plentitude of place and profit for the politician, increased political power to present incumbents and increased taxation to individual States. These will be potent powers to prevent congressional action. Furthermore, there is the entirely legitimate argument that State policies and State bureaus, established under powers heretofore conceded to be in the States, ought not to be disturbed by a mere congressional opinion at variance with the opinion of the Supreme Court, or even by a change in the opinion of that court. And, candidly, a rule of law so long established and so often affirmed, which has been the foundation of so much independent action by the States, ought not to be altered merely because the Congress, or the judges of to-day, differ in opinion with the judges of the past forty years. The doctrine of stare decisis should be applied to this question, if it is ever to be applied again. In the language of the Supreme Court in the Income cases (157 U. S. 429): 'The doctrine of stare decisis is a salutary one and is to be adhered to on proper occasions.'

"What occasion is more proper than one where by reason of an unbroken line of decisions covering a period of over forty years all of the States, some fifty subordinate governments, have built up a system of laws regulating all the various forms of insurance to the uttermost detail pursuant to a rule first announced by national authority. Can it be that a mere change of opinion at this late date is a sufficient warrant for upsetting this entire course of legislative action and judicial decision in all of the States? Ordinary fair dealing, regardless of the doctrine of stare decisis, would seem to require a negative response.

"You may ask then wherein is the remedy from the evils of the multiplicity of supervision which is the result of State supervision. That there are many evils of State supervision I concede. That national supervision would be attended with many evils, however, I very much fear, and, what is worse, from the evils of national supervision you would be practically remediless. Iniquitous legislation or official oppression by the States is remediable by withdrawal from the State—a remedy that has been resorted to by many companies more than once; but iniquitous national legislation or oppression by a national official must be submitted to, and extinction is the only alternative, practically speaking.

"An amendment of the Constitution, in my judgment, is the only means of securing national supervision. If fed-

eral supervision is desirable, and if, by federal supervision, you mean supervision from Washington to the exclusion of supervision from any other source (and this is what you should have, if you are to have federal supervision at all), the Constitution should be amended, so as to give Congress the power to regulate all insurance, interstate or intrastate.

"Is it reasonable to hope that such an amendment can be secured? Perhaps so and perhaps not. But, in any

event, it is at least as reasonable as the hope of federal supervision without a constitutional amendment; for this is, I fear, a delusion and a snare that will entail great effort, vast expense and yield nothing.

"However, the advisability of federal supervision, with or without a constitutional amendment (which is not discussed in this paper), may not prove to be a blessing unalloyed, and my final word to you is: Beware, lest you fly to ills you know not of."

Pursuing the Shawnee

MOBILE, Ala., Sept. 28.—Commissioner Hartigan, of Minnesota, and Commissioner Button, of Virginia, in a joint memorandum presented to-day to the National Convention of Insurance Commissioners, relative to the examination of the Shawnee Fire Insurance Company of Topeka, Kan., attacked James W. Going, Vice-President and Manager of the Shawnee, and also reflected upon Secretary Morgan, of the Shawnee. The findings in the report include charges that the annual statements sworn to with the departments have been false for a number of years in important and vital particulars, and that on December 31, 1909, instead of the reported surplus of about \$200,000 the entire capital and surplus had been wiped out and there was an additional deficit of about \$100,000.

This false statement of conditions was accomplished, the record declares, by deliberate forcing of balances and intentional falsification of the unearned premiums and outstand-

borrowed large sums on its notes issued by the officers without record or authority. Although Manager Going's salary was fixed by law, large sums have been credited monthly in addition on orders signed by him. The report closes with the statement that there are evidences of criminality in some of these transactions, and urges each Commissioner to examine the statutes of his State to determine whether indictments for perjury will properly lie.

The convention directed that the facts be laid before the Kansas department, and it was evident that the Commissioners believed the Kansas department was responsible for not finding out the company's condition.

GOES TO PROVIDENT SAVINGS

The Provident Savings Life Assurance Society of New York announces the appointment of Ralph H. Gorsline as manager at its Rochester agency. Mr. Gorsline leaves the Penn Mutual to go with the Provident Savings.

CITY FIRE ESCAPES.

John J. Murphy, Commissioner of the Tenement House Department of the City of New York, has prepared the following notice to the public as a means of helping to produce a betterment of fire escape conditions:

"The Fire Department records show that the approach of cold weather brings a great increase in the number of fires, and hence increased danger to the lives of occupants of apartment and tenement houses. Hence fire escapes must be kept clear.

"The indifference and carelessness of many citizens now using fire-escapes as a storage place for boxes, bedding and discarded furniture endanger not merely their own lives but those of other occupants of the buildings in which they live. The continuous efforts of the Tenement House Department to keep fire-escapes clear of such obstructions are defeated by the restoration of these articles to their place on the fire-escapes within an hour or two after the time when they have been removed by the orders of the Tenement House Officer.

"An objectionable habit is growing up in many sections of the city of hanging clothes lines from fire-escape balconies. These not only give the street in which such practices are permitted an unsightly appearance, but it is a constant fire danger if people are careless in throwing lighted matches, cigars or cigarettes from windows."

No institution employing men in positions of financial trust need look beyond the advertising columns of THE CHRONICLE for FIDELITY INSURANCE.

THE COMPANY WITH THE PYRAMID

40 CONSECUTIVE YEARS OF PYRAMIDAL PROGRESS

ASSETS	SURPLUS
1,800,000.00	1,800,000.00
2,000,000.00	2,000,000.00
2,200,000.00	2,200,000.00
2,400,000.00	2,400,000.00
2,600,000.00	2,600,000.00
2,800,000.00	2,800,000.00
3,000,000.00	3,000,000.00
3,200,000.00	3,200,000.00
3,400,000.00	3,400,000.00
3,600,000.00	3,600,000.00
3,800,000.00	3,800,000.00
4,000,000.00	4,000,000.00
4,200,000.00	4,200,000.00
4,400,000.00	4,400,000.00
4,600,000.00	4,600,000.00
4,800,000.00	4,800,000.00
5,000,000.00	5,000,000.00
5,200,000.00	5,200,000.00
5,400,000.00	5,400,000.00
5,600,000.00	5,600,000.00
5,800,000.00	5,800,000.00
6,000,000.00	6,000,000.00

NEW HAMPSHIRE FIRE INSURANCE CO.

2,837,319.76	840,940.17
3,163,880.05	946,783.34

3,779,569.67 1,184,610.10

3,871,453.70 78

3,963,347.80 49

4,055,241.90 1,251,261.06

4,147,136.00 1,257,058.25

4,239,030.10 1,322,978.14

4,330,924.20 1,408,681.64

5,196,017.46 1,510,064.23

TOTAL LIABILITIES \$2,585,953.23

POLICY-HOLDERS SURPLUS \$2,610,064.23

OLDEST
IN
AMERICA

STRONGEST
IN THE
WORLD

THE MUTUAL LIFE Insurance Company of New York

Mutual Life Agents Make Most Money
Because Mutual Life Policies Sell Most Freely

For terms to producing agents, address

GEORGE T. DEXTER

2nd Vice-President

34 Nassau Street

New York, N. Y.

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS is unsurpassed for net low cost and care of interests of all members.

THE PENN MUTUAL LIFE INSURANCE COMPANY OF PHILADELPHIA

On January 1, 1909, rates were reduced and values increased to full 3% reserve.

RIGHT NOW ——— WRITE NOW LIVE ASSETS for LIVE AGENTS

Live, not Life Insurance, is the only necessity of life that has not increased in cost.

It is a great asset for a Live Agent to represent the *largest* health and accident insurance company in the world, especially at this time with compulsory workmen's insurance imminent and employers' liability insurance becoming costlier every day. Up-to-the-second policies. Most liberal contracts to agents.

CONTINENTAL CASUALTY CO..

H. G. B. ALEXANDER,
President.

1208 Michigan Ave. : : Chicago
"Often Copied - Never Equalled."

NATIONAL LIFE Insurance Company, MONTPELIER, VERMONT.

Established in 1850.
Operating in 37 States.

JOSEPH A. DE BOER, President.

FRED A. HOWLAND, Vice-President
JAMES B. ESTEE, 2nd Vice-President
OSMAN D. CLARK, Secretary
H. M. CUTLER, Treasurer
A. B. BISBEE, Medical Director
C. E. MOULTON, Actuary

This Company held January 1, 1910,
and gained during the past decade:

ASSETS . . .	\$47,490,998.98
GAIN, 167 PER CENT.	
LIABILITIES . .	\$41,661,130.12
GAIN, 162 PER CENT.	
SURPLUS . . .	\$5,829,868.86
GAIN, 211 PER CENT.	
INSURANCE .	\$161,423,115.00
GAIN, 79 PER CENT.	

**Absolute Security and
Economy of
Management**

Along the Shores of Lake Michigan

CHICAGO, Sept. 28.—Whatever reasons Superintendent Barnes of Kansas had to "point with pride" to his administration of the Insurance Department, he has one less now. The reinsurance of the Shawnee adds nothing to Mr. Barnes's prestige. That a company should be allowed to run along for years underestimating its reinsurance reserve until it was about half a million less than it ought to be does not speak well for supervision in the State where this occurred, especially when the undercalculation was so palpable that managers of other companies have noticed it for years.

No tears have been shed in Chicago over the demise of the Shawnee. While the managers of two or three companies were in Topeka negotiating for the business, and the reinsurance was but a matter of a few hours, managers in Chicago were asking for the news with grins on their faces and every appearance of lightness in their hearts. While they may not have said as much in words, it was easy to draw the inference that they were satisfied to have Mr. Going "get his." For more than a year Vice-President Going of the Shawnee has been persona non grata among his managerial associates on account of his support of the Kansas rating law. His position for some time past has been very unenviable. Mr. Barnes had it in his power to break the company by examining it, therefore, it is intimated, it was good politics for Mr. Going to support the Barnes policies with vigor. On the other hand, in so doing he was offending the managers of other companies, and it is believed by some that the tip went out from Chicago to some insurance department that the Shawnee ought to be examined, "resulting in Mr. Wolfe's being sent to Topeka and the speedy discovery that reinsurance was the company's only way out.

Mr. Going was in Chicago just before the Union meeting, trying to negotiate reinsurance with a prominent company, but failed. Some other managers knew of this, but the terms he offered did not appeal to them. Apparently they thought more satisfactory ones could be secured after the examination had proceeded a little further. Immediately on reaching home from the Union meeting Fred S. James, of the National of Hartford, hastened to Topeka and in about three days he had the deal closed.

What the National will do with the business is a matter of speculation here. The National has not maintained a farm department in the West. As the reinsurance brings to it a very large volume of Kansas farm busi-

ness, it may open a farm department with the Shawnee business as a nucleus. That, however, is not known and will not be known until Mr. James sees fit to announce his plans. The Shawnee has on its books much farm business the National will not want; at least this is the opinion expressed by some men who know the farm proposition in the West and know something about the Shawnee's farm business. It has written it in many States through recording agencies, while the leading farm companies write this business on application and express a strong distrust of letting recording agents write it.

The Shawnee was one of the very worst examples of a young company wanting in financial strength spreading all over the country. The poor little Freeholders of Kansas, which went the same route a few weeks ago, erred in the same direction, but only about a fifth as far, for the Shawnee was in forty States.

The passing of the Shawnee, following so closely that of the Freeholders, has started numerous rumors of other likely reinsurances. Several companies are being quite freely discussed in Chicago, and to some of them doubtless a grave injustice is being done. The writer has in mind one company, now in better condition than at any time in years past and with brighter prospects than it has ever had before, which has been whispered about to the discomfort of its friends. But it will not surprise Chicago underwriters if a few more companies have to seek relief before statement time, at least to the extent of reinsuring their liability in part of their territory and retiring to smaller fields. This may seem like a hardship to them, but it will be the best thing that could happen to some of them, and will be good also for general conditions in the Western field.

* * *

Announcement that the National and the Ben Franklin of Pittsburg are to be consolidated may have been the cause of the report that this merger is to be followed by others in Pittsburg. Whether well founded or not, the report has reached Chicago that three additional companies are to be parties to this consolidation eventually. It has been a cause for comment more than once that such action was not taken in Pittsburg before this. There is enough insurance capital in the city to make two or three large

**No head of a family need look
beyond the advertising columns of
THE CHRONICLE for LIFE
INSURANCE.**

companies, but it has been scattered among a dozen or so, of which only three or four could boast of being other than little concerns. Years have passed since the Pittsburg steel companies saw the benefits of consolidation, but insurance companies move slowly in that direction.

* * *

The various applicants for the position of Western manager of the Sovereign Fire are growing weary of the long delay in General Manager Wilson's coming to Chicago to make the appointment. For several weeks he has been expected within a few days.

* * *

It is a safe assertion that not in a

long time has the Western Union had a stronger President than Fred S. James. For years he has towered up as one of the largest figures in Western fire underwriting. As general agent of the National of Hartford he has shown a force and resourcefulness that have caused much admiration and not a little envy. Leading agents have recognized in him a man with thorough understanding of the business and an exceedingly powerful influence.

* * *

The Queen City Fire of Sioux Falls, S. D., which was making a spectacular career for itself about four years ago, and then suddenly drew in its horns, is fortunate in securing as its Secretary and General Manager Theodore F. Grefe, who has just retired as Secretary of the State of Des Moines. The first administration of the Queen City gave a fine exhibition of what a young company ought not to do. Then came a couple of years while the company has been very much out of the public notice. Now Mr. Grefe will take hold and apply the conservative methods that he used successfully with the State. The company, aside from doing a little Eastern business, is operating only in the two Dakotas, Nebraska and Iowa, and there it is likely to remain for some time to come. Mr. Grefe is no expansionist.

* * *

The inability of the Employers' Liability Commission of Illinois to recommend a Workmen's Compensation bill, because two of the labor members, reflecting the sentiments of the Chicago Federation of Labor, would not agree to it, has caused considerable adverse comment in Chicago. Last week the two leading political parties held their Illinois State conventions. The Republicans, expressing regret that the commission failed to agree upon recommendations, "urge the General Assembly to take such steps as will lead to the enactment of laws governing the relations of employers and employees which will be fair alike to all parties in interest."

The Democrats are more specific, saying: "We favor the passage by Congress and the General Assembly of this State of adequate and just workmen's compensation acts. We favor a Federal and State employers' liability act, as well as safety appliance legislation calculated to protect the lives and persons of those who toil."

From these platform declarations it looks as if the General Assembly would undertake some sort of legislation on employers' liability and workmen's compensation, whichever party may be in control. If the Chicago labor leaders have their way a law will first be passed depriving employers of their present defenses.

LA SALLE.

Life Ins. Co. of Virginia

Home Office, Richmond, Virginia.

J. G. WALKER, President.
T. W. PEMBERTON, 1st Vice-President.
W. L. T. ROGERSON, 2d Vice-President.
E. D. HARRIS, Secretary.

The OLDEST Southern Life Insurance Company.
The LARGEST and STRONGEST Southern Life Insurance Company.
The PIONEER Southern Industrial Life Insurance Company.
Its policies are clear and definite in their provisions and their values are absolutely guaranteed.

Assets Dec. 31, 1909..... \$5,372,691.99
Liabilities Dec. 31, 1909..... 4,312,406.32
Insurance in Force Dec. 31, 1909 68,337,613.00
Total Payments to Policyholders since Organization 9,820,412.48

The Employers' Liability Assurance Corporation, Ltd.

LIABILITY, STEAM BOILER, ACCIDENT, HEALTH, FIDELITY and BURGLARY INSURANCE.

UNITED STATES BRANCH.
SAMUEL APPLETON, United States Manager,
Employers' Liability Building,
33 BROAD STREET, BOSTON, MASS.

EDMUND DWIGHT,
Resident Manager for New York State,
66 MAIDEN LANE, NEW YORK.

AGENTS WANTED.

NOTEWORTHY ADVANCE.

The BERKSHIRE LIFE Insurance Company,

OF PITTSFIELD, MASSACHUSETTS,
takes an advanced step in the interest of the policyholder by the adoption of the following liberal features in its new policy contract:

Low premium rates.
Large surrender values.
Dividends at the end of each policy year.

Thirty-one days of grace in payment of all premiums after the first year.

Paid-up insurance or cash surrender value or extended insurance after two years' premiums have been paid.

Loans for the full cash surrender value.

Policy payable in one sum or in instalments for terms of years.

Policy has no restrictions upon residence or travel and is incontestable after the first policy year, except for non-payment of premiums.

Right of the insured to change the beneficiary.

Liberal re-instatement privileges.

Every effort has been made to make this new policy the very perfection in a life insurance contract.

For further information apply to
JOHN H. ROBINSON, General Agent
FRANK ALLEN, Associate General Agent
For New York and New Jersey,
Postal Building,
253 Broadway, NEW YORK.

Ideas Help an Agent Sell Policies

SECURITY MUTUAL LIFE INSURANCE COMPANY

Binghamton, N. Y.

Furnishes Ideas Through an Educational System

For particulars address

HOME OFFICE

201ST YEAR.

SUN Insurance Office OF LONDON.

FOUNDED 1710.

UNITED STATES BRANCH:
54 PINE STREET, NEW YORK.
WESTERN DEPARTMENT:
171 LA SALLE ST., CHICAGO.
PACIFIC DEPARTMENT:

Sansome & Sacramento Sts.,
SAN FRANCISCO, CAL.

AGENTS WANTED
AT UNREPRESENTED POINTS.

IT PAYS THE AGENT

To represent the best company. There are many excellent standard life insurance companies. Which is the best? In stability, progressiveness, liberal contracts to agents and low cost to policy-holders no company surpasses

The Union Central Life Insurance Co. of Cincinnati.

Assets, \$74,523,966.28
Liabilities, \$72,324,302.92

Good openings are occurring from time to time. Address

JESSE R. CLARK, President.
ALLAN WATERS, Sup't of Agents.

HARTFORD LIFE

INSURANCE COMPANY,
OF CONN.

1909 Policies are Participating, or Non-participating, with Lower Rates and Values based on FULL RESERVE.

For Right Contracts,
Address, Second Vice-President,
Home Office, HARTFORD, CONN.

INCORPORATED 1833.

British America
Assurance Company
HEAD OFFICE, TORONTO, CANADA

UNITED STATES BRANCH.
JANUARY 1, 1910.

Assets	\$1,556,740.94
Liabilities	902,438.61
Surplus	\$ 654,302.33

Hon. GEORGE A. COX, President.
JOHN HOSKIN } Vice-Presidents.
W. R. BROCK }
W. B. MEIKLE, General Mgr.

T H E PROVIDENT

LIFE AND TRUST COMPANY
OF PHILADELPHIA

Insurance in Force, \$214,509,255.00
(Paid for Basis)

Assets \$70,514,350.45
(Market Value, Dec. 31, 1909)

Contingency Reserve . \$9,207,276.38
(Inclusive of Capital Stock, \$1,000,000.)

The Provident has been particularly distinguished for the development of a highly trained force of agents. The systematic instruction which its agents receive has resulted in their being recognized as representatives of exceptional knowledge of the business and of marked efficiency.

In New England

BOSTON, Sept. 28.—Action on the "work and material clause," which was on the calendar of last Saturday's meeting of the New England Insurance Exchange, was deferred for the purpose of further conference with other organizations in this field. Article 8 of the by-laws, relating to honorary membership, amended to read as follows, was adopted:

"Article 8. Honorary membership may be conferred on those who have been active members of this Exchange, but no one shall be eligible to honorary membership who is still eligible to active membership. All proposals for honorary membership must be made by active members, and in writing, and must be referred to the Executive Committee, which shall report on the eligibility of the persons proposed, and on whose report the names of the persons proposed shall be placed in nomination and be balloted for at a regular meeting, a majority of the votes cast being necessary to an election. Honorary members shall only be entitled to the privileges of Exchange meetings, but they shall be debarred from voting. Honorary membership may be terminated at any time by vote of the Exchange.

H. H. Clinton, of the home office of the Continental, was elected to honorary membership. Active membership was conferred on John H. G. Williams, special agent of the Fidelity Underwriters, and Frank S. Lake, special agent of the German-American of Baltimore.

The Lecture Committee of the Insurance Library Association has under consideration plans for extending the popularity of its meetings, and to that end will endeavor to arrange for suppers at 50 cents in the restaurant of the Oliver Building, and the use of the assembly room of the Exchange for the meetings. It is also intended, in case these plans are realized, to open the season with a discourse on "Ratemaking by States." An effort will be made to secure some one of commanding authority to consider that particular subject. "Expense Reduction" is also a topic in view for the season.

Massachusetts Local Agents.

At a meeting of the Executive Committee of the Massachusetts Association, held in Boston on September 24, it was decided to hold the annual meeting of the organization in Boston on October 22, 1910. A committee consisting of William Gilmour, of Boston, and T. H. Raymond, of Cambridge, was appointed to select a place of meeting, while William Rogers and Edward F. Woods, of Boston, were appointed a committee on speakers, the President acting ex-officio as a

member of both committees. It was voted that the Secretary of the Association send letters to local boards throughout the State, requesting them to assist in securing a large attendance at this meeting. A special committee consisting of William H. Rogers, Edward F. Woods and George C. Russell was appointed to secure memberships among the Boston agents.

President Edgerton.

Herbert O. Edgerton, for the last nine years identified with the Boston Mutual Life, successively as general agent, Secretary and Vice-President, was elected President of that company, to succeed the late John W. Wheeler, on Wednesday, the 21st inst. William P. Wood was elected Vice-President, Edwin Wilcock Treasurer and William A. Morse Counsel. Mr. Edgerton's long identification with the Boston Mutual Life and his efficient zeal for its interests fit him peculiarly well for the leadership of its affairs.

Uniformity of Laws Urged.

At a largely attended meeting held in the rooms of the Boston Chamber of Commerce last Friday, Governor Draper presiding, a resolution was unanimously adopted favoring the organization of a New England Council of the National Civic Federation and requesting the governors of the New England States to name representatives from their several States. The Federation is actively engaged in promoting uniformity of laws among the States of the Union on a variety of subjects, among them insurance, taxation, compensation for industrial accidents and vital statistics—all touching concerns of the underwriting world—and it is hoped that New England will add a powerful impetus to the movement. Insurance interests have experienced as deeply as any others the hampering and wasteful effects of the dissimilarity of State laws.

New England Brevities.

Two French fire insurance companies have applied for admission to the State of Massachusetts—La Generale, represented in the United States by Fred S. James & Co. of New York, and L'Union, whose American managers are Starkweather & Shepley, of Providence, R. I. The latter will be represented in Boston by S. E. Barton.

* * *

Carl Bradley, formerly manager of the Boston Mutual Life, but now President of the Empire Life of Seattle, has been in Boston the last week renewing old acquaintances. Mr. Bradley's new company promises to be one of the giants of the West, starting with \$1,000,000 capital, and \$500,000 surplus, and will begin writ-

New York Insurance Stocks

Casualty Companies.

	Capital.	Approx. Annual	Div.	Period.	Bid.	Ask.
Aetna Indemnity (\$25)....	\$350,000	V	V	...	200	
Casualty Co. of America...	500,000	6	J&J	120	150	
Fidelity & Casualty.....	1,000,000	18	"	450	500	
Hartford Steam Boiler....	1,000,000	10	"	255	265	
Metropolitan Casualty	200,000	10	"	185	...	
N. Y. Plate Glass (\$50)....	200,000	16	"	500	...	
United States Casualty....	500,000	10	Q	215	250	

Fire Companies.

City of New York.....	\$500,000	10	Q	...	205	
Commonwealth	500,000	10	J&J	326	...	
Continental	2,000,000	40	"	925	950	
Empire City	200,000	8	"	125	...	
Fidelity-Phoenix	2,500,000	V	V	265	275	
German Alliance	400,000	15	J&J	275	300	
German-American	1,500,000	30	"	550	560	
Germania (\$50)	1,000,000	18	"	285	295	
Glens Falls (\$10)	200,000	30	"	1,525	...	
Globe & Rutgers.....	400,000	40	Q	475	...	

Hanover (\$50)	1,000,000	10	J&J	200	210	
Home	3,000,000	30	"	640	660	
Nassau (\$50)	200,000	10	"	165	175	
Niagara (\$50)	1,000,000	20	"	300	305	
North River (\$25).....	350,000	10	A&O	155	165	
Pacific (\$25)	200,000	14	"	185	...	
Peter Cooper (\$20)	150,000	6	"	90	105	
Stuyvesant	400,000	10	"	155	160	
United States (\$25).....	250,000	V	V	60	70	
Westchester (\$10)	400,000	35	F&A	455	...	
Williamsburg City (\$50)..	250,000	20	J&J	380	400	

Life Companies.

Aetna Life	\$2,000,000	15	Q	650	675	
Connecticut General	300,000	8	J&J	250	...	
Equitable	100,000	7	A	4,000	...	
Germania (\$50)	200,000	12	J&J	210	225	
Hartford Life	500,000	10	"	150	...	
Home	125,000	12	M&N	275	...	
Manhattan Life	100,000	26	O&F	400	425	
Metropolitan (\$25).....	2,000,000	7	M&N	155	...	
Prudential (\$50)	2,000,000	10	Q	450	500	
Travellers' Hartford	2,000,000	20	Q	900	925	
United States Life.....	264,000	7	J&J	90	105	

V—No information. Q—Quarterly.

ing life, liability and health insurance on January 1.

* * *

The New England Casualty Company of Boston has been authorized to transact business in Maine and Rhode Island.

* * *

A committee on fire insurance and fire prevention has been appointed by the Boston Chamber of Commerce. Clarence H. Blackall, a noted architect, is chairman of the committee.

* * *

The first hearings before the Massachusetts Commission on Compensation for Industrial Accidents are set for 2 and 7:30 P. M. to-day, at Room 227, State House, Boston.

* * *

The Boston Finance Commission has approved of a loan of \$68,658 for rebuilding the Fire Department repair shop, but does not favor a loan of \$25,000 for an engine house on Parker Hill, a question which has been agitated for years.

* * *

The Massachusetts Fire and Marine has been admitted to Missouri, Illinois and Michigan, and has appointed F. C. Hamlin as its representative at East St. Louis, Ill., and Leo K. Hennies at Detroit. Authorization in Indiana, Ohio and Wisconsin is expected in the near future.

* * *

A disastrous fire early yesterday morning did damage estimated at \$150,000 to the lumber plant of Palmer & Parker, on the Charlestown waterfront, Boston. Thus have the southern and northern ends of the city in

two consecutive months witnessed two destructive fires of this kind.

Boston Life Underwriters.

The Boston Life Underwriters' Association will open the Fall season with a smoke-talk, to take place at the City Club on Tuesday, October 25, from 4 to 6 P. M., followed by a beef-steak supper at 6. It is hoped to have as speakers Judge Waite, of the Massachusetts Supreme Court, and either Bernard Rothwell, President, or

James A. Storrow, Vice-President of the Boston Chamber of Commerce. P. V. Baldwin, chairman of the Executive Committee of the national association, and Charles E. Fish, of the Phoenix Mutual, are also on the speaking programme, which will embrace topics of definite and practical value to the solicitor in the field. A fetching outlook, surely. Let every member respond and be on hand, October 25, at 4 in the afternoon.

EMIL SCHWAB.

Faxon is Re-Elected

THE twenty-third annual convention of the International Association of Accident Underwriters closed its sessions at Bretton Woods, N. H., last Friday with the re-election of Walter C. Faxon, Vice-President of the Aetna Life of Hartford, as President of the association. The other officers for the coming year are as follows: Edward Williams, general manager and Secretary of the Imperial Guarantee and Accident, Toronto, First Vice-President; L. C. Deets, Secretary of the Iowa State Travelling Men's Association, Second Vice-President;

Robert W. Hyman, Vice-President of the Continental Casualty Company, Secretary; Bertram A. Page, Secretary of the accident department, Travellers Insurance Company, Treasurer; Horace B. Meininger, of the German Commercial Accident, Librarian; Alfred E. Forrest, Secretary of the North American Accident Insurance Company, chairman of the Executive Committee.

RECTOR 2817

ESTABLISHED 1864

E. S. BAILEY

DEALER IN

INSURANCE STOCKS

A SPECIALTY

66 Broadway NEW YORK

No New York employer need look beyond the advertising columns of THE CHRONICLE for LIABILITY INSURANCE.

PEOPLE'S SURETY TO ACT.

At a special meeting of the directors of the People's Surety Company of this city, called for to-day, the question of the selection of a President to succeed John H. Sell, who resigned some time ago, will be definitely acted upon. The proposition to be submitted by the Executive Committee to the directors will include the election of John H. McCooley as President and Clarence S. Parker as Resident Vice-President and General Manager.

The
Columbian National Life
 INSURANCE COMPANY
 OF BOSTON, MASS.

**LIFE, ACCIDENT AND HEALTH
 INSURANCE.**

The Only Massachusetts
 Non-Participating Company

The New Columbian Policies are
 Unexcelled in Clearness and Liberality.

Good Contracts and Territory for
 Good Producers.

ARTHUR E. CHILDS, President.

COMMERCIAL - UNION
ASSURANCE CO.,
 (LIMITED)

OF LONDON.

OFFICE;

Cor. Pine & William Sts.

NEW YORK.

FEDERAL
LIFE INSURANCE
COMPANY
CHICAGO

ISAAC MILLER HAMILTON, ; ; President

Admitted assets.....	\$2,447,499.17
Capital stock.....	177,300.00
Surplus apportioned and unapportioned	77,510.61
Excess security to policy holders	254,810.61
1909 insurance in force in- creased over.....	\$6,300,000.00
Surplus increased over....	100,000.00

**HIGH-GRADE MANAGERS AND
 AGENTS WANTED.**

**ATTRACTIVE POLICIES
 DESIRABLE CONTRACTS.**

WILL ENTER NEW TERRITORY.

Address,

CHARLES M. TURNER,
 General Manager.

Marquette Building, CHICAGO, ILL.

Bob's Remarks

OPPORTUNITIES are of two kinds—those which we make for ourselves and those that come to us without effort on our part. There is an old saying that "God and nature love a hustler." This is true in more ways than one. To a large extent the first of the "opportunities" referred to above may be applied to the work and success of the American Casualty Company of Reading, Pa. This company is a "hustler." With its total assets of nearly \$500,000 and conducting business of a general character—personal accident, health, liability, steam boiler, burglary and plate glass—a total premium income, based on conservative lines, foots up close to \$300,000. The company is seeking for active and successful agents in the Eastern and upper Middle States.

* * *

At a recent conference between Superintendent of Insurance William H. Hotchkiss, of New York, and Frank H. Hardison, Insurance Commissioner of Massachusetts, it was arranged to extend the time for filing the rulings on standard provisions on personal accident and health policies.

* * *

George Chesebro, formerly connected with Amerman & Patterson, is now manager of the policy department of Newman & MacBain. His valued services with the former brokerage firm will be well appreciated by both brokers and the new firm, with which he is now connected.

* * *

The retirement of the Shawnee, which company has been an aggressive factor in the local and agency field for the last two years, rather presages a similar result with other companies that have written perhaps more business than their capital and assets warranted. One broker remarked after the Shawnee reinsurance: "We now have a strong company (the National of Hartford) until expiration."

* * *

According to reports from the Pacific Coast, Willcox, Peck & Hughes have captured the entire line of Wells, Fargo & Co. The full commitment of some \$2,000,000 has been covered in the London Mutual Fire Insurance Company of Toronto as a warranty for Lloyds, London. About one-half of the insurable value is situated in San Francisco, Portland and other extreme Western points. It is stated that the rate for the schedule as placed is 50 cents.

* * *

In connection with the local department of the Pacific Coast Casualty Company, under Whilden &

Hancock, as general Eastern managers, W. H. Crolius, formerly secretary of the American Insurance Company, has been installed.

* * *

Elaborate plans for next year's season of the Insurance Society of New York have been announced. There will be four principal meetings—October, January, March and May. The subjects of address or for discussion will embrace all kinds of insurance—marine, casualty, life and fire. Prominent experts on each topic will be the speakers.

* * *

On Thursday last David Rumsey was elected Second Vice-President of the Continental and Fidelity-Phenix Insurance Companies. Mr. Rumsey will give his entire time to these companies, thus relinquishing his former law practice.

* * *

George L. Shepley has been elected President of the Insurance Association of Providence.

* * *

A prominent Jewish broker told me the other day that his wife, who is almost as active in business matters as himself, while purchasing some goods at an uptown department store, handed in her husband's card merely as a memorandum of name and address. After reading the card, the gentlemanly clerk noticed that "insurance" was mentioned. Inquiry proved that the husband of the lady placed life as well as fire business. As the young man had just been married and wanted some life insurance the broker was requested to call. Result: A \$3,000 20-payment life policy. The commission, by the way, was paid by the broker to his energetic and tactful wife.

* * *

Everything is auto nowadays. A new up-to-date automobile fire engine has been installed at Hackensack.

* * *

The Royal Insurance Company has received its license to write marine risks in this State. It will not begin marine business here for several weeks.

* * *

George L. Shepley, of Starkweather & Shepley (Inc.), of Providence, has been elected President of the Insurance Association of Providence.

* * *

The Fidelity and Deposit Company of Baltimore received its certificate from the New York Insurance Department on Tuesday to write health, accident, burglary, plate glass and bonding business. It has upward of 3,000 agents, the metropolitan manager being Chester M. Cloud, 68 William Street.

BOB.

SPECIAL OPPORTUNITIES offered now in Southern States to Representatives of

**CITIZENS
NATIONAL LIFE
INSURANCE
CO.**

W. H. GREGORY,
President.

**Germania Fire
INSURANCE CO.,**

NEW YORK.

ORGANIZED 1859.

Cash Capital.....\$1,000,000.00
Assets\$6,562,329.14
Net Surplus.....\$2,008,419.02
Surplus for Policyholders,\$3,008,419.02

HEAD OFFICE:

Cor. William and Cedar Streets.

**Help Yourself to Better
Financial Conditions**



If your income is small and you are willing to work for a larger one, sell Life Insurance for The Prudential.

Write us to-day about an agency.

THE PRUDENTIAL
Insurance Company of America.

Incorporated as a Stock Company by the State of New Jersey.

John F. DRYDEN. Home Office,
President. NEWARK, N. J.

**WESTERN
ASSURANCE CO.**

**HEAD OFFICE,
TORONTO, - - CANADA.**

Incorporated 1851.

Hon. GEORGE A. COX.....President
W. R. BROCK and JOHN
HOSKIN, K. C. LL. D., Vice-Presidents
W. B. MEIKLE.....General Manager

United States Statement, Jan. 1, 1910.

Assets\$2,377,303.37
Surplus in United States..... 839,268.07

**THE FRANKFORT
MARINE, ACCIDENT
AND PLATE GLASS INSURANCE CO.**
OF FRANKFORT-ON-THE-MAIN GERMANY
ESTABLISHED 1865.

United States Department, 100 William Street, New York, N. Y.

TRUSTEES:
RICHARD DELAFIELD, Pres. of National Park Bank
ERNST THALMANN, of Ladenburg, Thalmann & Co.
STUYVESANT FISH, 52 Wall Street, New York City.
C. H. FRANKLIN, U. S. Mgr. and Attorney JNO. M. SMITH, Sec. U. S. Branch

INSURANCES TRANSACTED
LIABILITY—
Employers, General. Vessel Owners, Burglary
Public, Landlords, Contingent. Workmen's Collective
Teams, Elevator, Druggists & Physicians. Individual Accident & Health
Industrial Accident & Health

AGENTS WANTED FOR UNOCCUPIED TERRITORY

Most agents take a vacation during a part of the Summer months. The agents of the Philadelphia Life, having the advantage of a direct contract with the Company, can generally be placed in territory where they may enjoy a vacation and at the same time have the advantage of writing business and making money.

Write Perry to-day for contract.

BONDS OF SURETYSHIP.

The Guarantee Company of North America
HEAD OFFICE, MONTREAL

Edward Rawlings, President. H. E. Rawlings, Asst. Mgr.
Richard B. Scott, Secretary & Treasurer.

It is the Pioneer Company, was established in 1872, and is conducted under a conservative management of over 55 years experience.

It has recouped to employers over \$2,190,000 for losses sustained by the infidelity of employees and has a surplus of \$1,041,423.23 to credit of shareholders and total resources of \$1,919,892.38 for the security of insured.

Branch Offices:

NEW YORK: 111 Broadway,
D. J. Tompkins, Secretary.
BOSTON: 114 Milk Street,
W. A. Hamilton, Agent and Attorney.
CHICAGO: Room 400, The Temple,
J. R. Pruyn, Resident Sec. and Atty.
PHILADELPHIA: 500 Arcade Bldg.
W. H. Jackson, Res. Secretary.
PITTSBURG: 1120 Farmers Bank Bldg.
E. R. Munro, Resident Secretary.
LOUISVILLE: 316 Columbia Bldg.
P. N. Clarke & Co., Agents.

A GREAT SIX MONTHS

We closed the first half of 1910 with a rousing increase in new business over our record for the first half of highly prosperous 1909.

In policies and dividends we have what the public wants. In literature and canvassing aids we have what the agent wants. And back of all is a reputation gained from 59 years of activity as a Massachusetts Company.

If you are a genuine producer, a *delivering* producer, and wish to join our forces, address

GEORGE D. LANG,
Superintendent of Agencies
Massachusetts Mutual Life Insurance Company,
Springfield, Mass.

Incorporated 1851

COMPARATIVE RESERVE TABLES

BY

MILES M. DAWSON

Consulting Actuary.

Containing Mean and Terminal Reserves for the
usual forms of policies and by the
following standards:

American Experience, Select and Ultimate $3\frac{1}{2}$ per cent.
American Experience, Select and Ultimate 3 per cent.
American Experience, Modified Preliminary Term $3\frac{1}{2}$ per cent.
American Experience, Modified Preliminary Term 3 per cent.
American Experience, Select and Ultimate 4 per cent.
Actuaries', Modified Preliminary Term 4 per cent.
American Experience, Committee of Fifteen, $3\frac{1}{2}$ per cent.
American Experience, Illinois and Tennessee, $3\frac{1}{2}$ per cent.
American Experience, Michigan, $3\frac{1}{2}$ per cent.
American Experience, Wisconsin, $3\frac{1}{2}$ per cent.
American Experience, New Jersey, $3\frac{1}{2}$ per cent.
H^M, Canadian Life Officers' Association, $3\frac{1}{2}$ per cent.
O^[M], Select and Ultimate, $3\frac{1}{2}$ per cent.

THIS covers all the standards, other than the net level
premiums, in use in this country. Tables showing
the first year margins set free by each method of valu-
ation are given.

Send all orders to the Publishers,

The Chronicle Co., Ltd.

No. 90 William St.

NEW YORK

The Chronicle

1866

Published by THE CHRONICLE COMPANY (Ltd.), 90 William Street, New York City

1910

VOLUME LXXXVI.

New York, October 6, 1910.

NUMBER 14

HE WANTS THE SUPREME COURT



TO REVERSE PAUL VS. VIRGINIA

Darwin P. Kingsley

A GREAT SIX MONTHS

We closed the first half of 1910 with a rousing increase in new business over our record for the first half of highly prosperous 1909.

In policies and dividends we have what the public wants. In literature and canvassing aids we have what the agent wants. And back of all is a reputation gained from 59 years of activity as a Massachusetts Company.

If you are a genuine producer, a *delivering* producer, and wish to join our forces, address

GEORGE D. LANG,
Superintendent of Agencies

Massachusetts Mutual Life Insurance Company,
Springfield, Mass.

Incorporated 1851

FOUNDED 1792

118th ANNUAL STATEMENT

INSURANCE COMPANY OF NORTH AMERICA. OF PHILADELPHIA, PA.

ASSETS.

Real Estate	January 1, 1910.
First Mortgages on Real Estate	\$ 364,410.00
Philadelphia, New York, Boston and other City and State Loans	373,903.43
Pennsylvania, Philadelphia and Erie, Lehigh Valley and other Companies' Bonds and Stocks	1,134,390.00
Cash in Bank and Bankers' hands	8,909,150.32
Notes Receivable and Unsettled Marine Premiums....	1,134,635.33
Net Cash Fire Premiums in course of Transmission....	347,440.69
Accrued Interest, and all other property	1,069,510.62
	52,160.57

Total Assets\$13,385,501.56

LIABILITIES.

Capital Stock	\$ 3,000,000.00
Reserve for Re-Insurance ..	6,813,862.47
Reserve for Losses	877,250.00
All other Liabilities	104,982.45
Surplus over all Liabilities..	2,589,406.64

\$13,385,501.56

Surplus to Policyholders.....	\$5,589,406.64
Increase in Reinsurance Reserve	349,934.71
Increase in Net Surplus.....	838,500.92
Increase in Assets.....	1,371,455.93

Eugene L. Ellison.....	President
Benjamin Rush.....	Vice-President
T. Houar Wright.....	Secretary
Henry W. Farnum.....	Assistant Secretary
John O. Platt	Assistant Secretary

Agencies in all Prominent Cities & Towns.



Insurance Brokers

Place Your SURETY and CASUALTY business in the "EMPIRE."

CAPITAL, \$500,000

Business Producers not now under contract wanted for open Territory.

Address Agency Department,
THE EMPIRE STATE SURETY CO.,
84 William Street, New York

Y
O
U

WE WANT MEN

M
O
N
E
Y

The Equitable Life Assurance Society of the United States wants MEN—Men of character and ability, who want Money and who are willing to work for it. Under the Society's system of training and assisting new agents every appointee who possesses "success" qualities is assured of an income, limited only by his capacity for hard work. Address

GEORGE T. WILSON, 2nd Vice-President,
120 Broadway, New York

The Chronicle

VOLUME LXXXVI

NEW YORK, THURSDAY, OCTOBER 6, 1910.

NUMBER 14

PUBLISHED EVERY THURSDAY BY
THE CHRONICLE COMPANY, Limited.
No. 90 WILLIAM ST., NEW YORK.
Phone "567 John." Cable Address, "Chronogram," New York.

Subscription Price:
Three Dollars a Year. Single Copies, Twenty-five Cents.
Postage Prepaid in the United States and Canada.

MILES M. DAWSON, President.
R. B. Dawson, Treas. A. C. Harwick, V.-P. A. L. Dern, Sec'y.
Emil Schwab, Manager New England Department,
200 Devonshire Street, Boston, Mass.

All communications should be addressed to and remittance should be made to The Chronicle Company, Limited.
Entered at the Post Office, New York, N. Y., as Second Class Mail Matter.

IN RE PAUL VS. VIRGINIA

Darwin P. Kingsley, President of the New York Life, to Test His Belief That the Supreme Court Would on Occasion Reverse Historic Decision

EVER since 1868, no matter how much of a tendency there has been toward centralization of power in the Federal Government in regard to other matters, underwriters of all sorts and descriptions have been mostly of the belief that no such tendency would affect them. The reason for this belief was of course the decision of the United States Supreme Court in the case of Paul vs. Virginia, in the course of which the court held that insurance was not commerce.

At the Bretton Woods convention of casualty underwriters last month James C. Jones, of the St. Louis Bar, in a closely reasoned address, contended that Federal supervision of insurance was not feasible without a constitutional amendment. This contention of Mr. Jones elicited from Darwin P. Kingsley, President of the New York Life Insurance Company, an interview in which Mr. Kingsley contended that the Supreme Court was wrong in the case of Paul vs. Vir-

ginia and that in his belief, were the court to have the full facts before it to-day, the result would be a reversal of that historic decision.

Out in Deer Lodge County, Montana, the New York Life Insurance Company has appeared as a plaintiff in the United States District Court against the county in a case involving the legality of the classification of insurance premiums as personal property subject to taxation as such over and above the amount of the company's losses and expenses in the State. It is asserted that the intention of the New York Life is to carry this suit to the Supreme Court.

In the complaint, which comprises eleven allegations, an effort has been made to state the facts that in their entirety they shall cover all phases of the insurance business in such form that the high court of the land will have before it a statement of facts sufficient to enable it to review and either uphold or reverse the case of Paul vs. Virginia.

KINGSLEY OPPOSES JONES

THE opinion set forth by James C. Jones, of the St. Louis Bar, at the convention of casualty underwriters at Bretton Woods to the effect that Federal supervision of insurance could not be obtained without a constitutional amendment, elicited a reply from Darwin P. Kingsley, President of the New York Life Insurance Company, who said in an interview which he gave to the "New York Commercial":

"I entirely disagree with two out of three conclusions reached by Mr.

Jones. They are:

"First—That the Supreme Court in its decision in the case of Paul vs. Virginia was wrong.

"Second—That the Supreme Court never will overrule the doctrine which it then laid down.

"Third—It is doubtful whether the Supreme Court ought to overrule its action in that case."

"To say that the court has been wrong and that with opportunity it

(Continued on Page 8.)

WOULD EXTEND TIME TO SELL STOCKHOLDINGS

On January 1, 1907, the law became operative in this State, which requires life insurance companies of New York to dispose of their stockholdings, the amount of these securities held by the companies aggregating at that time about \$107,000,000 in book value. This time limit under the statute will expire on December 31, 1911, and an effort will be made at the next session of the New York Legislature to obtain an extension of this time limit. In regard to this effort, President Peabody, of the Mutual Life, has this to say:

"Had the Mutual Life disposed of its stock holdings of 1906 at the best prices obtainable for large blocks since that time its loss would have been over \$10,000,000. Even of active stocks we have been unable to sell more than a few hundred shares without driving prices below a fair level.

"I do not propose to make myself liable to incarceration for infraction of the law if I can help it, neither do I propose to bear the responsibility of incurring any such loss to the company. We are advised that the Armstrong law is unconstitutional as regards our stock holdings, but I intends to place the matter fairly before the Legislature to ascertain whether we are expected to accept unreasonable prices simply because a legislative order apprises the market that we will be compelled to sell certain holdings by a certain date. Many of these holdings are inactive, such as National Bank of Commerce stock. We do not feel called on to give away control of that bank, and to secure a fair price we must bide our time.

"To show that we have acted in good faith, we have disposed of some \$25,000,000 of the specified holdings since enactment of the Armstrong law. No one has offered anything like a fair price at any risk of being refused. There are plenty of bargain hunters, who, knowing that such a block of stock must come into the

market by a fixed date, will "bear" that particular stock that we may be compelled to part with it at a fraction of its value. As executive of the company, I do not intend to play into such hands if I can avoid it. That is why we have two-thirds of our 1906 stock holdings still on hand, and that is why we shall go before the legislature for an extension of time."

ROYAL INDEMNITY TO START.

The intention to incorporate the Royal Indemnity Company of New York, with a capital of \$500,000, is announced, consequent upon reports some time ago that the Royal Insurance Company of Liverpool intended to organize a casualty company into the laws of the State of New York. The incorporators of the Royal Indemnity include E. F. Beddell, G. W. Burchell, C. F. Shallercross, W. L. H. Simpson, J. E. Hoffman, J. H. Pearce, James A. Macdonald, Milton Dargan, N. S. Bartow, Frederick W. Day, Rolla V. Watt, George W. Law and S. Y. Tupper. The announcement of the organizers of the Royal Indemnity sets forth that it is intended to transact the business of accident and health insurance, liability insurance, burglary insurance, plate glass insurance; and in addition to write fidelity and surety bonds of all kinds.

AMONSON INTERESTS GET THE UNITED FIREMEN'S.

After a persistent fight for control, the United Firemen's Insurance Company, one of the oldest fire insurance companies in this country has passed into the hands of Chandler Brothers & Co., stock brokers. At a meeting of the directorate of the company yesterday Percy M. Chandler was elected a director to succeed James Caven. The resignation of Charles W. Walsh as a director was accepted and next week there will be a special meeting of the board at which a representative of the Chandler interests will be named to succeed him.

The Chandler interests are closely associated with the People's National Fire Insurance Company, and the proposition is to operate the United Firemen's Company as an adjunct of the People's National. The capital stock of the United Firemen's Company, which is \$200,000, will shortly be doubled, as announced in another column, and it is expected that it ultimately will be increased to \$1,000,000.

It is announced that Colonel Robert B. Beath, President of the United Firemen's, will be retained in a responsible position.

No institution employing men in positions of financial trust need look beyond the advertising columns of THE CHRONICLE for FIDELITY INSURANCE.

Here and There

COL. JOSEPH BUTTON, of Virginia, was elected President of the National Convention of Insurance Commissioners, with O. H. McDonald, of Connecticut, as Vice-President, and H. R. Cunningham, of Montana, as Secretary. The Executive Committee is made up as follows: W. H. Hotchkiss, New York, chairman; Fred W. Potter, Illinois; F. H. Hardison, Massachusetts; Reau E. Polk, Tennessee, and E. W. Beedle, Wisconsin. The 1911 convention will be held in Milwaukee.

* * *

W. Farnam Smith & Co. have resigned as Omaha general agents of the United Surety Company of Baltimore for the States of Nebraska and Iowa, and discontinued the bond department in connection with their insurance business. H. O. Beatty, who was manager of the bond department for W. Farnam Smith & Co., and who has been manager of the United Surety Company's general agency department in Iowa and Nebraska, also severed his connection with that company and has accepted the position of superintendent of agencies in the surety department with the National Fidelity and Casualty Company of Omaha.

* * *

At the annual meeting of the Surety Underwriters' Association of the City of New York on Tuesday the following officers were elected: President, Richard Deming, manager of the American Surety Company; Vice-President, Sylvester J. O'Sullivan, manager of the United States Fidelity and Guaranty Company; Secretary and Treasurer, John B. Murphy, Resident Vice-President of the National Surety Company. Executive Committee—Joseph A. Flynn, of the Fidelity and Deposit; E. B. Southworth, Jr., of the American Bonding Company; Daniel Stewart of the Empire State Surety Company; W. M. Smith, of the Aetna Indemnity; John B. Murphy, Sylvester J. O'Sullivan and Richard Deming.

* * *

Harris J. Latta has been appointed manager of the fidelity and surety department of the Philadelphia office of the Maryland Casualty Company, under its resident manager, John W. Donahue.

* * *

W. A. Hatley, of Prescott, Ark., administrator of the estate of W. M. Hatley has written the following letter to R. C. Bright, agent of the Fidelity Mutual Life at Little Rock:

"As agent for the Fidelity Mutual Life Insurance Company, you have acted so disinterestedly toward myself and family in the matter of the life insurance of my son, W. M. Hatley, de-

ceased, that we feel without some acknowledgment we should be recreant to our sense of grateful recognition for your kindness, and that of your company, which, without our knowledge, informed us through you that the policy which my son held had not lapsed, as we had supposed, and today we are in receipt of your company's draft for \$2,000, in full settlement of policy, which we had burned after my son's death, thinking it not worth saving. Your company could have kept this money without our suspecting it. We regard it as evidence of a business upon a very high moral tone, and it deserves to be known more widely than we can give it publicity."

* * *

The eighth chapter in the series of articles on "Employers' Liability Insurance Abroad," by Miles M. Dawson, entitled "The Insurance of Employers in Belgium," and the ninth chapter, entitled "The Peculiar Accident Insurance System of Holland," will appear in the next issue of THE CHRONICLE. The tenth chapter, entitled "Workmen's Compensation in Great Britain," will appear in the issue of October 20.

THE BANKERS LIFE ASSOCIATION DES MOINES, IOWA.

ERNEST E. CLARK, President

Exceptional Record During twenty-nine years for
LOW RATE OF MORTALITY
ECONOMY OF MANAGEMENT
PROMPT PAYMENT OF CLAIMS
SECURITY OF ITS FUNDS
and satisfactory results
for its policyholders.

201ST YEAR.

SUN Insurance Office OF LONDON.

FOUNDED 1710.

UNITED STATES BRANCH:
54 PINE STREET, NEW YORK.
WESTERN DEPARTMENT:
171 LA SALLE ST., CHICAGO.
PACIFIC DEPARTMENT:

Sansome & Sacramento Sts.,
SAN FRANCISCO, CAL.

AGENTS WANTED
AT UNREPRESENTED POINTS.

WORKMEN'S COMPENSATION INSURANCE IN FRANCE

By Miles M. Dawson

Copyright, 1910, by Miles M. Dawson.



PARIS, Aug. 29, 1910.—The Workmen's Compensation law of France went into effect in 1898, and, with various amendments, still continues in force. It makes the employer liable in every case of accident, unless he can show that it is due solely to the wilful act or the gross negligence of the workman who is injured or killed. In less than a dozen instances, it is said, have employers escaped being held liable by interposing their defences. In very few also have employers been specially mulcted beyond their usual liability under the law, on the ground that the accident was due solely to their gross, inexcusable, criminal or near-criminal negligence. Both of these features were made much of when the bill was under discussion, but neither amounts to much in practice.

Insurance is not compulsory. About three-fourths of the employers who are liable under the law are insured. Those who are not, are, on the one hand, those who employ great numbers and who consider that they can expect a fair average of losses in consequence, and so can afford to carry their own risk; and, on the other hand, those who employ very few or one merely.

The larger number of those who are insured are in mutual companies. This is both because such companies are really popular, and also because in their sharp competition the better stock companies refuse doubtful risks or so increase the premium rates as to drive them into mutuals. They are held up to what is believed to be a proper and safe "claim reserve" standard, however, by the governmental authorities, which diminishes their apparent advantage in cheapness over stock companies, but renders their reliability much less questionable.

The question of the reliability of a French company, whether stock or mutual, does not trouble the insured employer at all, however, nor does the question of the reliability of the company or of the employer trouble an injured workman or the family of a deceased workman. The French law taxes every employer, whether insured or not, a small percentage of his annual payroll for a guaranty fund maintained by the nation, from which all payments defaulted in by an insurance company or an employer will be discharged, the fund becoming subrogated to the claim which is so discharged. Reimbursement may be enforced if there are assets against which to enforce it; but in any event the French Republic guarantees the payment to the injured workman or the dependents of the deceased workman.

The employer is entirely freed from direct liability, also, if he is insured in a regularly licensed French company, whether mutual or stock; and, in event of its failure, the nation must look to the company's assets only for reimbursement of its outlay in payment of benefits defaulted in by the company.

The French stock insurance companies, though paying a commission to agents of 10 per cent, conduct their business at an aggregate expense rate as low in some cases as 20 per cent and averaging in the leading companies only about 23 per cent. In other words, so far as management expenses, exclusive of commissions to agents, go, they do business at nearly as low a percentage of expenses to premiums as do the mutual associations of employers in Germany. Some of the French mutuals are

yet more economical, however, employing no agents and keeping their expenses at 10 per cent of the premiums or under.

The business of the stock companies has been pretty constantly conducted at a loss. Even the best of them has hardly shown an annual profit until the last two or three years. This in spite of frequent and very considerable increases of rates. The mutual companies also have made pretty constant increases or resorted to assessments.

The leading French companies, after pretty full and careful investigation, adopted the Austrian method of rating. This consists in forming rates for classes, to which are given designations as by letters or numbers, the rates being multiples of a key number or percentage. Each class usually contains several multiples of the key number or percentage, thus affording an opportunity for minimum, average or maximum rating, as the excellence or defects of the risk may call for.

The key number or percentage may be varied from year to year, if experience calls for it by reason of losses in general proving higher or lower than was expected; and, of course, particular classes of industries may also be shifted from one rate class into another, as experience may indicate. Indeed, this may even be done as to a particular industry. The former raises or lowers all the rates; the latter merely adjusts the relative rates according to the facts of experience. The result is a very convenient and flexible system.

At first Austrian key percentages were adapted and employed, but these have now been discarded for key percentages based upon French statistics. The Austrian grouping of industries and nomenclature of the same have been followed, however, though the rating of classes of industries has been very considerably varied, as a result of French insurance experience.

Losses are adjusted by the French magistrates on the certificate of any licensed French physician as to the character, extent and duration of the injury and as to the fact and cause of death, and upon proper proof as to the wages earned. There may be an appeal to a court of three arbitrators, one selected by the employers, one by the employes and one independently appointed. The magistrate may find as to the fact of liability, as to the degree of impairment of earning power, as to the amount of wages, as to the amount of disability claim or the amount of pension for the widow and each minor orphan. If the impairment is 15 per cent or less he may approve its being compromised for a lump sum; this is often done. All settlements, however, of whatever kind, must come before the magistrate for approval before they are binding. The workman or his dependents, as the case may be, may be represented by counsel and the magistrate has power to appoint counsel, to be paid by the state.

A defect in the French law is that notice may be given at any time within one year after the accident; and claims may be made, therefore, long after recovery and when investigation has become impossible. The employe has free choice of physicians, who must be paid by the employer, and months after the alleged accident the physicians' certificate as to the disability and the attendance may be received, together with a bill for services.

Amendments are now proposed, requiring immediate notice, with power to the magistrate to excuse its absence

upon proof of good reason therefor; and to confine medical treatment, for which the employer must pay, to physicians designated by him, giving only a certain small additional per diem for medical services when other physicians are employed.

There is no discoverable disposition in France to introduce compulsory state insurance of employes or compulsory sickness insurance. The state is already in competition with private companies, having established a "Caisse" or department, where employers may insure if they will against their liability for the death or the permanent disability, whether partial or complete, of their employes by reason of accident arising out of and in the course of their employment. This department does but a small business, represented by about one one-hundredth of the total premiums. This is ascribed to the fact that it pays no commissions and to the fact that it does not pay for temporary disability. Both doubtless have their effect, but the inflexibility of the rates, which are fixed by a decree, signed by the President, and have not been changed for years, is doubtless more to blame. The manager may vary them from 30 per cent below to 30 per cent over, and in some cases to 60 per cent over, but he cannot

alter the classification, though the propriety of alterations has doubtless often been indicated.

In any event it seems unlikely that employers will consent to be required to insure in a state institution which they have not found it desirable to patronize, though they have been free to do so.

There as a somewhat greater probability that compulsory sickness insurance, to which both employers and employes will be required to contribute, may be instituted. This would be chiefly in the existing friendly societies which now very imperfectly and incompletely cover the field. Leaders in the "mutualiste" or fraternal movement now in some significant instances favor this. It is important because it would cover the earlier weeks of disabilities.

One indication that such compulsion may be coming is that a compulsory scheme of old age and total and permanent disability insurance has recently been made a law and soon goes into effect. Union workmen, however, have declared against this, chiefly on account of the large accumulation—it is on a sort of hybrid "kapital-deckung" plan—and the fact that the management is bureaucratic. Its popularity is not likely to be so great as to cause compulsory sickness insurance accepted.

Along the Shores of Lake Michigan

CHICAGO, Oct. 5.—Fire underwriters in Chicago were given something of a surprise by the action of the Insurance Commissioners at Mobile in indorsing the contingent commission plan. When Chairman Barry, of the Committee on Fire Insurance Expense met a number of managers in Chicago last Winter and heard their views the impression was left with some of them that while he thought the contingent commission plan very fine in theory he was not sure that it would be practicable to try to introduce it at this time.

G. H. Lermitt, manager of the Northern Assurance, who is chairman of the Committee of Managers, considering plans for the reduction of expenses in large cities, expresses considerable satisfaction with the action of the Commissioners. This is not alone because Mr. Lermitt himself favors the contingent commission plan, but also because he believes it will help bring about agreements with the large city agents. He expresses the conviction that if the companies and the agents do not settle this expense question soon the States will take a hand. The action of the Commissioners, he figures, will have somewhat the effect of serving notice on the insurance men that they must get busy and may make those with pronounced views more conciliatory.

It is expected that by the end of this month or at any rate early in November the various committees appointed to visit the excepted cities will have begun their negotiations with the agents.

From expressions by some of the

large city agents at the recent meeting of the National Association of Local Agents, agents in at least some of the large cities will endeavor to secure an agreement for a reduction of multiple agencies as compensation for a reduction in commissions. If this is done it will create a new bone of contention for some managers who are very anxious for a reduction in commissions are also given to appointing agents by the score in the larger cities.

* * *

Announcement that the Northwestern Department of the Aetna at Omaha would be closed on December 1 did not cause any overwhelming surprise. It has been believed for some years that that department would be continued only so long as the two old men, General Agent W. H. Wyman and Assistant General Agent W. P. Harford, continued in condition to run it. When President Clark made his recent trip to Omaha it was at once suspected that it was more than a friendly visit. Mr. Harford is very ill and his recovery is doubtful, while Mr. Wyman's health is not good.

After the first of December Minnesota, Iowa, Missouri, Oklahoma, Kansas, Nebraska, South Dakota, North Dakota, Wyoming, Colorado and New Mexico will be added to the territory of the Western branch at Chicago under General Agent Thomas E. Gallagher. While Mr. Gallagher has held a prominent place in managerial circles for years, this extension of his jurisdiction will make his one of the big departments and give him added influence.

Mr. Gallagher, by the way, has made a notable record with the Aetna. When he was called to management, along with N. E. Keeler, of the Western Department in 1897, the Aetna did not cut the figure its age, strength and standing entitled it to cut. It had been exceedingly conservative in its underwriting policy in the West and was not popular with agents. Mr. Gallagher built up a strong field force, liberalized the underwriting policy, made the company popular and increased its lines. Then the branch office was moved from Cincinnati to Chicago, a farm department was opened, the writing of automobile floaters was taken up and the company is recognized as one of the leaders in the West. With about seventeen States under his jurisdiction Mr. Gallagher will be in control of an immense business.

* * *

The reinsurance of the Shawnee and the developments since the reinsurance continue to be the talk of Chicago fire insurance circles. The opinion is freely expressed that henceforth the insurance departments are going to supervise with more care than they have been doing. It was only about two years ago that disgrace was brought upon the Ohio department by the failure of the Ohio German. A year ago the Phenix disclosures added nothing to the lustre of past administrations of the New York department. Now Kansas is held up to scorn for its laxity. It must be dawning upon those Commissioners who have not been over-diligent that they have got to "be on the job all the time" or suffer in their reputations.

More vigorous administrations of the insurance departments is what the solid companies want. They have nothing to fear from it unless some

Commissioner misconstrues his duty into the useless and annoying splitting of hairs over technicalities which in no wise affect the solvency or honorable management of companies. On the other hand, it is largely the companies whose soundness is not assured that are the greatest nuisances in the field. If the application to them of strict tests should result in compelling them to restrict their operations to fields that could be managed economically it would clear the underwriting atmosphere materially.

* * *

Experienced farm underwriters in the West are skeptical as to the success which is going to attend the farm operations of some companies which have entered the business within the last few years. There is a strong temptation even to small companies to write farm insurance, as the demand for farm companies is so great that agents will take in farm companies that they would not look at if they did not write farm business. While large companies already well planted do not need this additional inducement to agents so badly, they, too, are anxious for business, and they know that the writing of farm risks can be used as a lever to get considerable other business out of agencies. Companies with the most experience maintain that the utmost care is necessary in order to make farm business profitable. It is known that in some of the States the farmers' mutuals get the cream of the rural business. After them the stock companies with well-seasoned agency plants and experienced underwriters come in for their share. It is claimed that the company which lets its agents write the farm policies or which has not learned which are the districts to leave strictly alone are in a good way to get the scum of the business. This was one of the troubles with the Shawnee. Many of its agents in some States wrote farm risks freely which experienced farm companies would not even have considered.

* * *

Surprise was occasioned in Chicago

casualty circles last week, when a daily newspaper announced the appointment of Burras & Goodbody as resident managers in Chicago for the Pacific Coast Casualty. For several weeks early in the Summer the company had been negotiating with Brummel Brothers, fire agents, to take the general agency, but as Brummel Brothers did not succeed in securing a man satisfactory to the company to handle its business in their office the negotiations fell through. Mr. Burras is an attorney and was a Vice-President of the Consolidated Casualty up to the time of its reorganization last Spring. Mr. Goodbody

was assistant cashier of the Hamilton National Bank until its recent merger in another institution.

* * *

The lunch club composed of representatives of most of the liability companies which write automobile insurance in Chicago has resumed its luncheons after the Summer vacation. So beneficial have its results been on the automobile business that representatives of several companies which do not write automobiles have joined, as they see that the closer relations among the members are benefitting the general liability situation.

LA SALLE.

A Solution for Fraternal

IN its closing session at Mobile the National Convention of Insurance Commissioners ratified an agreement with the fraternal insurance societies and approved a bill which is the result of concessions on both sides.

While inadequate rates are not increased at once, the work of education of the fraternal membership on their necessity is begun and the advance will come gradually and without shock. So far as the all important rate question is concerned, the approved bill which each Commissioner is expected to introduce in his own State provides that after 1912 each society shall report to the Insurance Department an actuarial valuation of its certificates, with the national fraternal congress table of mortality as the minimum basis of valuation.

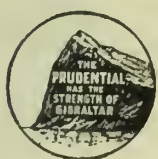
This will show the liabilities of the society under its outstanding certificates. Since with most of the inadequate rate societies, this will reveal a heavy deficiency in the amount that should be on hand, it is provided that this is not to be regarded as a test of financial solvency. Each society is to be considered solvent so long as the funds on hand are in excess of its

matured liabilities, without regard to future obligations. Beginning in 1914 a report and explanation of this valuation is to be sent to each member. This is to educate them to the need for higher rates, and after 1917 the succeeding valuations are required to show a reduction of at least 5 per cent each three years in any deficiency which may exist. If this is not shown and no good reason is given the Insurance Department may cancel the license or begin proceedings for the dissolution of the order.

Societies which do not show the required degree of improvement must stop taking in new members at the old rates, admitting them thereafter only at adequate rates, keeping the funds separate. This is designed to insure eventual solvency and it is believed will save a desperate situation. The representatives of the National Fraternal Congress, which has stood for adequate rates, and of the associated fraternities of America which wanted the rate question alone by the law, are pledged to the compromise bill and to assist the Commissioners in seeking its enactment into law.

A few days previously their agreement seemed hopeless, the Associ-

Why Depend Upon Accident or the Caprice of



some one else for advancement? Take up a work that will allow your abilities full scope. Sell Life Insurance for The Prudential.

Write us to-day about an agency.

THE PRUDENTIAL
Insurance Company of America.

Incorporated as a Stock Company by the State of New Jersey.

John F. DRYDEN, President, Home Office, NEWARK, N. J.

Royal Exchange Assurance

OF LONDON.

Incorporated by Royal Charter A.D. 1720.

UNITED STATES OFFICE:

92 William Street * * * New York City

UBERTO C. CROSBY, General Manager.

RICHARD D. HARVEY, Assistant General Manager.

ated Fraternities having repudiated their agreement, but the Commissioners threatened much more drastic action, and they yielded. With their fight out of the way, the bill agreed upon met a lively contest on the floor of the Commissioners' convention. New York and Pennsylvania opposed it on the ground that their present fraternal laws were better than the new proposition, that their minority report was defeated and the bill was approved, twenty-two States favoring it and five being opposed. Reau E.

Folk, Insurance Commissioner of Tennessee and chairman of the Fraternal Committee, has led in the long fight, while Charles E. Piper, of Chicago, former President of the National Fraternal Congress, has been his chief ally among the fraternalists. The Modern Woodmen, with more than a million members, and the Woodmen of the World, with a half million, have pledged official support to the bill. More than 90 per cent of the members of the Illinois Legislature, for instance, are Woodmen.

First Steel Building

IN THE erection of a building in Chicago twenty-seven years ago by the Home Insurance Company of New York it appears, from an article in the "Boston Transcript," that the construction of the first steel-skeleton building was due to the enterprise of an insurance company. The article sets forth how well this type of building has stood the tests of fire, wind and earthquake.

Steel-skeleton construction of buildings, which has now spread not only all over this country, but in many parts of the Old World and revolutionized the iron industry, originated in Chicago. The first building of the kind was erected twenty-seven years ago in that city at the corner of Adams and La Salle streets, from plans by W. L. B. Jenney, a prominent architect, who had been commissioned that year to design a structure to be erected for the Home Insurance Company, and which was to be provided with the maximum of well-lighted offices above the second floor. The claim that to Chicago belongs the honor of building the first edifice of steel, was disputed for a number of years—fourteen or fifteen years, at least—before it was conceded to that city and its distinguished architect. F. T. Gates, President of the Bessemer Steamship Company, with offices in New York, made a close investigation of the subject, and in 1897 not only admitted the claim, but named one of the company's new steamships, the W. L. B. Jenney, in honor of the inventor. President Gates recognized Mr. Jenney as a world benefactor and so expressed himself time and time again. To the late George A. Fuller, the well-known contractor, was given the credit by his biographers of being the inventor of the steel construction, but this error was caused by the fact that he was among the first contractors to erect buildings of steel frame skeleton.

When the Home Insurance Company found itself in a position to require a large and more important building, one that would give the space desired and at the same time be confined to the lot of land upon which to erect the structure, Mr. Jenney was

called upon by the officers of the company to prepare plans. He was told by the President of the company that he wanted the maximum of well-lighted office rooms above the second story, adding that he was well aware of the fact this would make the piers between the windows too small too carry the loads. Mr. Jenney studied carefully the subject and drew plans for a steel building. The stone lintels over the openings were carried on steel which rested on masonry, and it soon became manifest that it would be imperative to put metal columns within the piers. Then came the question of expansion and contraction of these continuous columns, 150 feet long, and exposed to a possible variation of 120 degrees. It occurred to the architect to carry each story independently, story by story, on each column, thereby dividing the expansion of the columns by the number of stories, reducing the percentage of expansion in each story to such a degree as to be of no consequence. The architect's plans were only favored by one of the company's agents, an eminent engineer, General A. C. Ducat, now of Ducat & Lyon, in charge of one of the Western agencies. He indorsed the plans, constructively and economically, and the architect was told to go ahead. The building cost \$700,000, and is one of the landmarks of Chicago to-day. At first cast-iron was used, but before the insurance company's building was one-third up steel became plentiful and was used for all the upper stories. All the lintels over the openings extended on both sides to the columns resting on brackets and bolted to lugs on the columns. All the girders rested on and were bolted to the columns. By that system a perfect skeleton was produced; that is to say, it was a structure in which each story, with its floors, partitions and outside walls, was carried independently. Since that structure was built hundreds of others

have been erected in the Windy City. The second steel skeleton building built was also in Chicago, but it was four or five years after the World's Fair, before architects and builders in the East began to take notice, and it was still later before it attracted attention in Europe. One of the most interesting exhibits at the Paris Exposition was a model of a steel skeleton building shown by the George A. Fuller Company.

It is beginning to be believed that the steel skeleton building is indestructible. Steel skeletons have gone through fire and received only 1 per cent of damage. In the tornado it withstands all blasts. No earthquake has yet injured a steel skeleton except to shake loose the bricks and other encasing materials. Many people some years ago were positive that electricity will eventually corrode and destroy a steel skeleton. No such case has as yet been reported, and it is doubtful if it ever will. In the first place the steel skeleton is thoroughly covered with masonry and therefore cannot come into contact with the electric wires, and, in the second place, electricity costs so much that the electric companies take good care that there shall be no leakage. In view of the experiences of the last twenty-five years it is probable that the steel skeleton will be as enduring as the pyramids. It may be necessary, some time in the future, to remove the masonry and give the frame a new dress, but that will be about all.

All know the effect upon the steel market after the new system became a fixed fact. All are familiar with the enormous increase of the steel output, the vast amount of money that flowed towards the steel plants, the great expansion and the colossal fortunes made by those who invested. For twenty years the mills have been running night and day and are never ahead of orders.

The tenth chapter in the series of articles on "Employers' Liability Insurance Abroad," by Miles M. Dawson, entitled "Workmen's Compensation in Great Britain," will appear on October 20.

Life Ins. Co. of Virginia

Home Office, Richmond, Virginia.

J. G. WALKER, President.
T. W. PEMBERTON, 1st Vice-President.
W. L. T. ROGERSON, 2d Vice-President.
E. D. HARRIS, Secretary.

The OLDEST Southern Life Insurance Company.
The LARGEST and STRONGEST Southern Life Insurance Company.
The PIONEER Southern Industrial Life Insurance Company.

Its policies are clear and definite in their provisions and their values are absolutely guaranteed.

Assets Dec. 31, 1909.....	\$5,372,691.99
Liabilities Dec. 31, 1909.....	4,312,405.32
Insurance in Force Dec. 31, 1909	68,337,613.00
Total Payments to Policyholders since Organization	9,820,412.46

No New York employer need look beyond the advertising columns of THE CHRONICLE for LIABILITY INSURANCE.

In New England

BOSTON, Oct. 5.—The two hearings advertised for last Thursday by the Massachusetts Commission on compensation for workmen receiving injuries in employment, came off according to schedule. Broadly speaking, those that appeared before the commission might be divided into two camps, namely, employers or their representatives speaking for a contributory plan, and representatives of workmen's organizations favoring a non-contributory system, as far as the employees are concerned.

Rear-Admiral Bowles, for the Fore River Shipbuilding Company, described the plan of mutual insurance in vogue in his plant, the men paying a certain percentage of their wages to the insurance fund, which is handled by a Board of Directors elected by them. He said that about 75 per cent of all accidents in the shipyards were due to negligence of workmen, about 5 per cent were to be charged to the company's fault and about 20 per cent were unavoidable. Admiral Bowles said he would like to see a law enacted permitting joint contributions by employers and employed to meet compensation claims.

Everett Morse, an employer, stated that the firms now pay enough to the insurance companies to make a fair compensation to the workmen, but doubted if his men had received 5 per cent of what had been paid for the insurance.

F. W. Mansfield, for Stationary Engineers' Union No. 16, urged that it would probably be unconstitutional to compel any man to accept compensation, and that the courts would rule upon the first occasion that a man had the right to stand upon his constitutional privileges.

President Rotiwell, of the Boston Chamber of Commerce, thought there was no question that a compensation law was needed and that the cost under it should be borne by production, not by the public through pauperiza-

tion. He read a resolution urging that such legislation be made uniform with that of other States, and was supported in this view by H. R. Bailey, of the Uniform Legislation Commission.

Walter C. Fish, of the General Electric Company, believed that the contributory system, as outlined by Admiral Bowles, stands for the best there is in American citizenship and that workmen want it.

Arguments for a non-contributory system of compensation were made by J. J. Carney for the Hotel and Restaurant Employees' Association, and J. W. Sherman, Henry Sterling and other labor representatives spoke against any system under which the employees have to contribute. There were also speakers who advocated the establishment of a state fund from which to draw the kind of compensation under discussion.

New England Brevities.

Dewick & Flanders have been appointed by the Fidelity and Deposit its representatives for plate glass, accident and health and burglary insurance lines in Boston and the metropolitan district, O'Brien & Russell continuing as the company's resident agents for surety business.

The first reports on the fire loss to the sawmill of Palmer & Parker in the Charlestown section of Boston last week were greatly exaggerated. The damage is now placed at \$30,000, fully covered by insurance, and that is quite enough, too.

Following an examination by the Massachusetts Insurance Department, which showed assets of \$183,409, total liabilities (including \$100,000 capital) of \$174,495, and net surplus of \$24,719 (surplus to policyholders \$124,719) the Massachusetts Accident Company, of Boston, was last Monday admitted to Illinois. The company will establish a branch office at Chicago,

in charge of Robert B. Thorne, formerly identified with the London Guarantee and Accident.

The Massachusetts Fire and Marine has appointed W. H. Markham & Co. its agents at St. Louis, and Brockway Brothers will represent the company at Kansas City, Mo.

The Employers' Liability has appointed Conklin & Zoune, of Minneapolis to represent it in that city, following the resignation of Wilson & Force, who have taken up the liability branch of the United States Fidelity and Guarantee, in addition to the fidelity and surety departments of that company.

Topics to be discussed at the October meeting of the Boston Life Underwriters' Association are: "The Impression the Insurance Solicitor Makes Upon His Prospect," by a representative of the Boston Chamber of Commerce; "The Field," by Charles E. Fish, of the Phoenix Mutual, and "The Insurance Agent Vs. the Insurance Man," by P. V. Baldwin, of the Travelers.

Boston shippers and marine underwriters are greatly pleased at the favorable response of the Government to their petition for marking Broad Sound Channel in the harbor by lighted buoys at night. It is expected that this needed improvement will be established in a week or ten days.

Robert A. Boit, who needs no introduction to insurance men of Boston, returned to the city last week after an eventful Summer in Europe, which included an encounter with Italian brigands, but looking none the worse for that experience.

EMIL SCHWAB.

BRUCE COMMITTEE QUERY.

The Legislative Investigating Committee has expressed to the manager of the New York Insurance Exchange its wish for copies of the rating schedules, the handbooks and other information as to the method of making fire insurance rates in this city.

WESTERN ASSURANCE CO.

HEAD OFFICE,
TORONTO, - - CANADA.

Incorporated 1851.

Hon. GEORGE A. COX.....President
W. R. BROCK and JOHN
HOSKIN, K. C. LL. D., Vice-Presidents
W. B. MEIKLE.....General Manager

United States Statement, Jan. 1, 1910.

Assets\$2,377,303.37
Surplus in United States..... 839,268.07

Personal and Family Insurance Combined

No trouble to get a hearing with this policy
It's something more than life insurance
Write for booklet and agency terms

Address
ALEXANDER McKNIGHT
Vice-President

THE FIDELITY MUTUAL LIFE INSURANCE CO.

L. G. FOUSE, President

OF PHILADELPHIA

1860 50th YEAR 1910

HOME LIFE

Insurance Company of New York.

GEORGE E. IDE, President.

Assets	\$23,626,018.63
Liabilities	21,858,691.52
(Including Deferred Dividend Fund)	
Dividend Endowment Fund	
(Deferred Dividends)	2,119,044.00
Net Surplus	1,767,327.00
Insurance in Force.....	92,532,583.60

The record for 1909 shows the following GAINS:

Insurance in Force	\$4,164,239.00
Assets	1,917,117.00
Deferred Dividend Reserve...	148,581.00
Contingency Reserve (Surplus)	655,149.17

COMMERCIAL - UNION

ASSURANCE CO.,

(LIMITED)

OF LONDON.

OFFICE;

Cor. Pine & William Sts.

NEW YORK.

SPECIAL OPPORTUNITIES offered now in Southern States to Representatives of

CITIZENS
NATIONAL LIFE
INSURANCE
CO.W. H. GREGORY,
President.**Germania Fire**

INSURANCE CO.,

NEW YORK.

ORGANIZED 1859.

Cash Capital.....	\$1,000,000.00
Assets	\$6,562,329.14
Net Surplus.....	\$2,008,419.02
Surplus for Policyholders,	\$3,008,419.02

HEAD OFFICE:

Cor. William and Cedar Streets.

IN RE PAUL VS. VIRGINIA.

(Continued from Page 1.)

will never correct its position is to indulge in a species of judicial idolatry. No one has expressed the proper attitude which citizens should maintain toward decisions of the Supreme Court so well as Abraham Lincoln did when expressing his views of the Dred Scott decision. He said:

"It is not resistance; it is not factious; it is not even disrespectful, to treat it as not having yet quite established a settled doctrine of the country. * * * The court that made it has often overruled its own decisions, and we shall do what we can to have it overrule this. We offer no resistance to it."

"This is the attitude of those who advocate Federal control over interstate insurance. Moreover, the history of the Supreme Court itself shows us that relief has frequently been had because the court has absolutely reversed doctrine which it had earlier laid down. This is has done several times and on matters of even greater moment than those involved in the case of Paul vs. Virginia. Let me cite two or three cases.

"In 1825 Justice Story decided (Chief Justice Marshall concurring) that the admiralty jurisdiction of the Federal Government was limited to the ebb and flow of the tides. In 1851, in the case of the *Genesee Chief*, the court absolutely overruled this doctrine and held that Lake Ontario was not only commercially but legally navigable, and the same court has since applied the same doctrine to rivers and canals.

"Again in 1847, the Supreme Court intimated that in the absence of Congressional action, interstate commerce could be clogged and impeded by State legislation; in 1867, in the Iowa liquor cases, this doctrine was emphatically repudiated by the same court, which declared that in the absence of Congressional action interstate commerce should be free. Again, the Supreme Court at one time held that the Government could not issue a legal tender note; later on it reversed itself and held that it could, and, as a result of that, we have a national bank currency and a system of national banks, and no currency issued by State banks. Again, the court held that an income tax was constitutional; then one judge changed his mind, and such tax was made unconstitutional.

Believes Chaos Would Result.

"To say, therefore, that the Supreme Court will never reverse itself in the case of Paul vs. Virginia, is a mere expression of opinion, against which there is overwhelming evidence to the contrary. Mr. Jones' opinion

that the court probably ought to reverse itself—though wrong—because of the chaos which it would produce in every State in the Union is little less than amazing. If the Supreme Court had listened to that contention, it would never have held that the general Government had the right to issue a legal tender note. The position which the court took in the legal tender decision was in effect this:

"Having undertaken to supply the country with a stable currency, it (meaning Congress) may prevent the circulation as money of any notes not issued under its authority by taxing all other issues out of existence."

"This, of course, was a ruthless disregard of the chaos among the States and the banks of the several States which might follow the declaration of such a doctrine. As a matter of fact, chaos then ruled and the legal tender decision brought a great and enduring order.

"If the Supreme Court should now overrule the doctrine of Paul vs. Virginia, instead of producing chaos, it would banish chaos. Chaos is the one word which properly describes the present attempt to supervise an interest which is common to all the States, and substantially identical everywhere, by forty-eight separate, sovereign, supervising authorities.

Amendment Not Needed.

"Therefore, I disagree with Mr. Jones in his conclusion that the only remedy is an amendment to the Constitution. The fact is that the Supreme Court is erecting from day to day a body of definitions, precepts, rules of action, etc., which amount to a Federal common law. This the court itself emphatically declared in the great case of *Kansas vs. Colorado*. In other words, an unwritten constitution is growing up here in substantially the same manner that the Constitution of England has grown up.

"All the decisions of the Supreme Court which involve the question of what is and what is not interstate commerce have steadily approached the doctrine that all business transactions between residents of different States is interstate commerce. One of the latest and most notable utterances of the court on this subject is in its recent decision declaring that the work of a correspondence school is interstate commerce.

"I agree with Mr. Jones that it is doubtful whether Congress will legislate on the theory that interstate insurance is interstate commerce so long as the doctrine of Paul vs. Virginia stands. But it may do so. It would be warranted in doing so. First, because insurance in its present relations to the business of the country has never been fully discussed before the Supreme Court; and, second, because a business which seemed to the court in 1868 not to be inter-

state commerce, if fully presented to the court, to-day might appear differently. Indeed, I go farther than that. I maintain that because of the development of the country through the railroads, the telegraph and the telephone, a business which fifty years ago might not have been interstate

commerce may be interstate commerce now.

"When justice and national development have demanded such action the Supreme Court has always been big enough to change its mind. Why should we conclude that it is no longer as big as it was in 1851."

N. Y. LIFE VS. DEER LODGE CO.

THE complaint as drawn up in behalf of the New York Life Insurance Company in the United States District Court of the Third Judicial District of the State of Montana against Deer Lodge County makes eleven allegations, which are in full as follows:

First. That said plaintiff, New York Life Insurance Company, now is and ever since the year 1845 has been a corporation duly organized and existing under and by virtue of the laws of the State of New York for the purpose of and engaged in transacting the business of insurance on lives and all and every insurance pertaining to life and receiving and executing trusts and making endowments, with its domicile, principal office and place of business in the city of New York in the State of New York; that said plaintiff calls its said principal office in the city and State of New York its Home Office and in this complaint Home Office means said principal office in the city and State of New York; that said plaintiff for many years last past has been engaged in transacting its said business on a large scale with persons residing in every country of the civilized world, and in all the States, territories, districts and possessions of the United States.

Second. That the defendant, Deer Lodge County, is a political subdivision of the State of Montana, organized as a County under and by virtue of the Constitution and Laws of said State.

Third. That in the year 1869 said plaintiff, commenced to transact its said business with residents, citizens and inhabitants of the Territory of Montana, and continued uninterruptedly to do so during the remaining existence of the Territory and from the inception of the State of Montana until the present time, and is still so engaged therein; that in the year 1883 there existed contracts of life insurance made and entered into between the plaintiff of the one part and several residents, citizens and inhabitants of said Territory of the other part aggregating the sum of, to wit, \$600,000, which called for pre-

mium payments aggregating, to wit, \$20,800 annually; that the amount of said outstanding insurance contracts between the plaintiff and several residents, citizens and inhabitants of said Territory and State has progressively increased and amounted to the respective sums and called for premium payments annually in the several years below named, as follows, to wit:

Year.	Total Insurance in Force in Montana.	Calling for Premiums Aggregating Annually.
1893 . . .	\$3,582,272	\$109,429
1895 . . .	3,729,927	112,152
1897 . . .	4,861,608	150,388
1907 . . .	10,089,370	343,545
1909 . . .	10,023,445	343,664.93

That said total insurance is made up of several policy contracts averaging, to wit, \$2,000 each; that said several policy contracts are subject to sale, assignment and transfer, and to use as collateral security and for other commercial purposes, and they are a common subject of sale, assignment and transfer, and of use as collateral security, and for other commercial uses, and are valuable for each and all of said purposes and for other general purposes of trade and commerce.

Fourth. That said business is now being and always has been done and carried on through the agencies and in manner following, to wit:

(a) Said plaintiff now has and ever since the year 1869 has had in its employ in said Territory and State special agents authorized to solicit applications for insurance, to collect the first premium and to deliver the policy on applications taken by them, provided the Company after considering such applications at its said Home Office prepared and transmitted the policy to such agent for said purpose. The several employment contracts of said agents were made in writing directly with the Home Office and did not take effect until they were countersigned by the Contract Registrar of the plaintiff at its Home Office.

(b) The plaintiff also now has and for more than fifteen years last past has had in its employ in said State a

person known as Agency Director, who was employed by contract in writing directly with the Home Office through the mails, and whose authority is limited to supervising the work of the soliciting agents, to recommending to the Home Office the employment of persons who desire to become soliciting agents for the plaintiff, and to soliciting applications for new insurance.

(c) The plaintiff has and ever since the year 1869 has had in its employ in said Territory and State sundry physicians and surgeons called Medical Examiners appointed by the proper officers of the plaintiff at its Home Office, their said employment having been negotiated and made by correspondence through the mails. The authority of said Medical Examiners was and is limited to making physical examinations of applicants for insurance, to recording the results of such examinations, and to transmitting their said reports as such Medical Examiners to the plaintiff's Home Office where alone a rating is put upon the risk and the applicant's insurability passed upon and determined. If the Medical Examiner's Report is incomplete or further information is required, the Home Office obtains further information by correspondence through the mails and by express. No Medical Examiner in Montana has ever been authorized to accept or decline a risk. This is and always has been done at the Home Office based upon the data obtained as aforesaid and upon other data similarly obtained.

(d) Said plaintiff also has and for more than fifteen years last past has had in its employ in said State in various localities a confidential employee called an inspector, who is employed directly from the Home Office, whose employment is intended to be secret, and whose duty it is to furnish, and who does furnish, the plaintiff at its Home Office by mail information about the habits, character, standing and other elements of moral hazard of persons applying to the plaintiff for insurance on their lives.

(e) Said plaintiff now maintains and for more than fifteen years last past has maintained in the City of Butte in said State an office which is in the immediate charge of an employee who is appointed from the Home Office and known as Cashier. The authority of said Cashier is limited to making and supervising the making of such records as the business of said office requires, to receiving from soliciting agents and from Medical Examiners within said State applications for new insurance and medical examinations solely for transmission to the Home Office of the plaintiff, to receiving from the plaintiff's Home Office the report of its action on such applications, to receiving from said Home Office and transmitting to the solic-

No property owner need look beyond the advertising columns of
THE CHRONICLE for FIRE INSURANCE.

iting agent who took the application new policies of insurance, to receiving such premiums as are paid on new policies issued on the lives of persons residing or being within said State and as are not transmitted directly to the Home Office, to mailing to the persons residing within said State such premium notices as the plaintiff makes out at its Home Office and sends to said Cashier for that purpose, to receiving renewal premiums from policyholders within said State whenever such cashier is specially authorized by the Home Office to do so and the policyholders elect to pay them there instead of remitting directly to the Home Office where all premiums are by the terms of the policy contracts made payable, to depositing said premiums to the credit of the plaintiff in Bank in Butte to be drawn upon not by him but by the plaintiff from its Home Office on Thursday of each week, to notifying the Home Office daily of the sum that day deposited by him in Bank, and to keeping account of the insurance obtained by the several soliciting agents in said State and, under the direction of the Home Office, settling with such agents their commissions earned in obtaining new insurance. Said plaintiff has never had any office or place of business for any purpose within said Territory or State except said office in the City of Butte and except also for a short time a similar office in the city of Helena, which, however, it abandoned, to wit five years ago.

The foregoing are all the agents, agencies or representatives of any and every kind the plaintiff has or ever has had within said State.

(f) It is, and always has been, the custom and practice of the plaintiff to prepare at its Home Office and transmit, and it does prepare and transmit, to its several said employees within said State forms for use in the several transactions in which said employees are authorized as aforesaid to engage, and the plaintiff keeps its said several employees supplied from its Home Office through the mails or by express with said forms.

(g) No agent or representative of the plaintiff in Montana has ever been authorized to accept risks of any kind, or to make, modify or discharge contracts, nor has any agent or representative of the plaintiff within said State ever done any of said things. All the officers of the plaintiff reside and have always resided in and near the city of New York and had their several offices and places of business at said Home Office except one of them who resides in Paris, France, and has his office and place of business there, and no one of them has ever resided or had a place of business in Montana. All risks are, and always have been, accepted and contracts made, modified and discharged by the officers of the plaintiff at its Home

Office and not elsewhere. Said risks and contracts with policyholders residing or being within the State of Montana have each and all been negotiated and the several contracts made, modified, continued and performed in manner following, to wit:

(1) When one of said soliciting agents takes an application for insurance he takes it in writing on a form prepared at the Home Office and transmitted to such agent for said purpose. The applicant is then physically examined by one of the plaintiff's said local Medical Examiners, who reduces said examination to writing on a form prepared by the plaintiff at its Home Office and transmitted to said Examiner for said pur-

A General Agency is open
in the State of

PENNSYLVANIA

For one of the best Old Line
Companies in America



Write "B," care of this paper

THE
American Credit-Indemnity Co.
OF NEW YORK.

CREDIT INSURANCE ONLY.

Insures Wholesalers and Manufacturers against Excessive Annual Loss through the Insolvency of their Customers.

We can always use a few high-grade solicitors.

ST. LOUIS, MO.

NEW YORK, N. Y.

Offices in All Principal Cities.

A. B. TREAT, General Agent,

302 Broadway, : : : : : New York.

**OLDEST
IN
AMERICA**

**STRONGEST
IN THE
WORLD**

THE MUTUAL LIFE
Insurance Company of New York

Mutual Life Agents Make Most Money
Because Mutual Life Policies Sell Most Freely

For terms to producing agents, address

GEORGE T. DEXTER

2nd Vice-President

34 Nassau Street

New York, N. Y.

pose. After such medical examination is made and reduced to writing as aforesaid and signed by the applicant and the Examiner, then said application and said Medical Examiner's Report are transmitted from said State to the Home Office of the plaintiff in New York for consideration. If the plaintiff at its Home Office after there examining and considering said application and Medical Examiner's Report is satisfied with the risk, it then and there writes up a policy contract in accordance with said application and forwards it through the mails to said State and if the Inspector's Report when received is found to be satisfactory the plaintiff then directs the delivery of the policy and collection of the first premium. Said first premium, if not remitted directly to the Home Office by the policyholder, is delivered to the plaintiff's Cashier at Butte and is by him deposited in Bank at Butte to the credit of the plaintiff and is drawn out of said Bank by draft drawn by two officers of the plaintiff at its Home Office on Thursday of each week.

(2) Said policies each and all in consideration of the payment of the premiums called for therein obligate the plaintiff to pay the amount of insurance therein named at the Home Office of the Company in the city of New York upon receipt at said Home Office of satisfactory proofs of the death of the person named therein as the insured. They also each and all provide that all premiums are payable in advance at said Home Office or to an agent of the Company upon delivery on or before the due date of the premium of a receipt signed by the President, a Vice-President, a Second Vice-President, a Secretary or the Treasurer of the company, each and all of whom are officers of said plaintiff. Said policies also each and all provide that no agent has authority to waive forfeitures, to make, modify or discharge contracts, or to extend the time for paying a premium; that none of these things can be done except by an officer of the plaintiff at its Home Office.

(3) At least fifteen and not more

than forty-five days before the maturity of each premium the plaintiff mails to the policyholder a notice advising him of the due date of the premium, the amount to be paid, and stating therein that the same must be paid to the plaintiff at its Home Office or to the Cashier of its office in Butte on or before the due date, otherwise the policy will be forfeited and void. The plaintiff prepares and checks up said premium notices at its Home Office and transmits them by express to its office in Butte, where they are again checked up and mailed to the several policyholders.

(4) Said policyholders pay their premiums either directly to the Home Office through the mails or to the Cashier of the plaintiff's office at Butte. If payment is made to the Cashier of the plaintiff's office at Butte, said Cashier at once deposits the same in Bank to the credit of the plaintiff's account and daily transmits through the mails to the Home Office notice of the several sums by him that day received and deposited in Bank. On Thursday of each week two officers of the plaintiff at its Home Office draw a draft for the full sum accumulated in Bank to the plaintiff's credit as aforesaid, which said draft is transmitted through the mails and returns thereon are duly received by the plaintiff at its Home Office through the mails. No person in said State has ever had power or authority to draw on said Bank account. The plaintiff keeps another Bank account in said City which is limited to a maximum credit balance of \$500 on which alone said Cashier is authorized to draw checks and which is used solely for paying the current expenses incident to the maintenance of said office in Butte.

(5) Said several policies provide for advances or loans to the policyholder on the pledge of the policy as security, and pursuant to said provision the plaintiff has outstanding advances or loans made to its policyholders in said State aggregating the sum of, to wit, \$432,878. For more than ten years last past the plaintiff has had outstanding advances or loans to policy-

holders in said State aggregating a large sum. Said loans have each and all been made by the policyholder transmitting to the Home Office of the plaintiff an application for the loan, which said application the plaintiff considered and acted upon at its Home Office, and if it accepted it the plaintiff made out at its Home Office a loan agreement which it forwarded by mail for execution and after executing it the policyholder forwarded the loan agreement and the policy to the Home Office and on receipt thereof at its Home Office the plaintiff forwarded the proceeds of the loan by mail to the policyholder within said State by the plaintiff's check drawn to the policyholder's order on its Bank account in the City of New York. In this same manner the plaintiff is continuously making advances to its policyholders in Montana.

(6) When a policy matures as an endowment, the sum to be paid is calculated by the plaintiff at its Home Office and a check for the amount thereof is drawn to the order of the policyholder on the plaintiff's Bank account in the city of New York and is sent to the policyholder through the mails and is by him duly indorsed and deposited in Bank in Montana, which in turn duly transmits it to New York for collection and credit or return.

(7) Proofs of death are made on blanks prepared by the plaintiff at its Home Office in New York and transmitted to the claimant for the purpose of preparing such proofs and after completing them the beneficiary transmits them through the mails to the plaintiff at its Home Office where they are examined, and if found to be satisfactory the plaintiff pays the loss at its Home Office by drawing a check to the order of the beneficiary on its Bank account in the city of New York, which said check it transmits through the mails to such beneficiary in the State of Montana, who on receipt thereof forwards to the plaintiff the policy together with receipt for its proceeds and deposits the check in Bank which collects the amount of the check as in the case of

HARTFORD LIFE

INSURANCE COMPANY, OF CONN.

1909 Policies are Participating, or Non-participating, with Lower Rates and Values based on FULL RESERVE.

For Right Contracts,
Address, Second Vice-President,
Home Office, HARTFORD, CONN.

BONDS OF SURETYSHIP.

The Guarantee Company of North America

HEAD OFFICE, MONTREAL

Edward Rawlings, President.

H. E. Rawlings, Asst. Mgr.

Richard B. Scott, Secretary & Treasurer.

It is the Pioneer Company, was established in 1872, and is conducted under a conservative management of over 55 years experience.

It has recouped to employers over \$2,190,000 for losses sustained by the infidelity of employees and has a surplus of \$1,041,423.23 to credit of shareholders and total resources of \$1,919,592.38 for the security of insured.

Branch Offices:

NEW YORK: 111 Broadway,
D. J. Tompkins, Secretary.
BOSTON: 114 Milk Street,
W. A. Hamilton, Agent and Attorney.
CHICAGO: Room 400, The Temple,
J. R. Pruyn, Resident Sec. and Atty.
PHILADELPHIA: 500 Arcade Bldg.
W. H. Jackson, Res. Secretary.
PITTSBURG: 1120 Farmers Bank Bldg.
E. R. Munro, Resident Secretary.
LOUISVILLE: 316 Columbia Bldg.
P. N. Clarke & Co., Agents.

the payment of matured endowments.

Fifth. All the business of the plaintiff now doing or hitherto done within said State, or with residents, citizens or inhabitants thereof, is and has been done in manner and form as aforesaid, and plaintiff is informed and believes and upon information and belief says that said business is interstate intercourse, and is commerce among the several States within the meaning of that clause of Article 1 or Section 6 of the Constitution of the United States which invests the Congress with power to regulate commerce among the several States.

Sixth. Nevertheless on, to wit, the 8th day of March, 1883, the Territorial Legislature of the Territory of Montana passed an Act entitled "An Act Regulating Insurance Companies," which contained Section 37 in words and figures, following, to wit:

"Sec. 37. Each and every insurance company transacting business in this Territory shall be taxed upon the excess of premiums received over losses

and ordinary expenses incurred within the Territory during the year previous to the year of listing in the county where the agent conducts the business, properly proportioned by the company at the same rate that all other personal property is taxed, and the agent shall render the list and be personally liable for the tax; and if he refuses to render the list, or to make affidavit that the same is correct to the best of his knowledge and belief, the amount may be assessed according to the best knowledge and discretion of the assessor, and the County Board of Equalization may, at their discretion, add 50 per cent to the amount returned by the assessor. Insurance companies shall be subject to no other taxation under the laws of this Territory except taxes on real estate and the fees imposed by Section thirty-two of this Act. And all moneys received from such insurance companies in payment of taxes, as provided for in this section, shall be applied to the maintenance of the fire department of the town or city where such business shall be carried on, if there shall be such fire department there established. If not, then such moneys shall be paid into the general fund of such county."

Seventh. Said Section 37 of said Act of 1883 became Section 600 of the Compiled Statutes of Montana of 1887.

Eighth. In the Montana Constitutional Codes and Statutes of 1895 said Section 37 which formed the aforesaid Section 600 of said Compiled Statutes of 1887 was contained in said Code as Section 681, but as so continued was in words and figures following, to wit:

"Sec. 681. Each and every insurance corporation or company transacting business in this State must be taxed upon the excess of premiums received over losses and ordinary expenses incurred within the State during the year previous to the year of listing in the county where the agent conducts the business, properly proportioned by the corporation or company at the same rate that all other personal property is taxed, and the agent shall render the list, and be personally liable for the tax; and if he refuses to render the list, or to make affidavit that the same is correct to the best of his knowledge and belief, the amount may be assessed according to the best knowledge and discretion of the assessor. Insurance companies and corporations are subject to no other taxation under the laws of this State, except taxes on real estate, and the fees imposed by law. Said Section 681 now constitutes Section 4073 of the Revised Codes of Montana, 1907."

Ninth. Said plaintiff did not have any property within said County at any time during the year 1910. Said plaintiff for and during said year 1909 paid without protest the tax imposed by Section 4017 of the Revised Codes of Montana, which said tax aggregated the sum of \$6,933.41, and down to July 1st, 1910, duly paid the two quarterly instalments called for by said section, which aggregated \$3,

496.85. It also during said year paid to said State licenses and fees aggregating the sum of, to wit, \$234.

Tenth. Nevertheless, during the year 1909 the plaintiff received from policyholders residing within said Deer Lodge County premiums which aggregated the sum of \$14,233.41. The insurance losses sustained by the plaintiff on policies on the lives of persons residing within said County during said year 1909 and the ordinary expenses incurred by the plaintiff in said County during said year aggregated the sum of \$8,888.41. The excess of premiums so received over losses and ordinary expenses incurred with said County during said year was the sum of \$5,345. In the year 1910 the County Assessor of said County, claiming to act by and under the pretended authority of said Section 4073, placed said plaintiff on the assessment roll of said County as then and there the owner and possessor within said County of personal property of the amount and value of said sum of \$5,345, and thereupon the taxing authorities of said County made a levy of thirty-nine mills upon each dollar of said valuation and assessment for said County and School purposes and there and then imposed a personal tax against the plaintiff for said purposes amounting to the sum of \$209.79 based upon said excess of premiums received over losses and ordinary expenses, and thereafter made demand upon said plaintiff for the payment of said tax; that on the — day of —, 1910, the plaintiff paid under protest to the County Treasurer of said County said sum of \$209.79. A copy of said protest is hereto attached marked "Exhibit A."

Eleventh. Said tax was and is illegal, unlawful and void for that

Said defendant was without jurisdiction to levy or collect said tax, and the levy and collection thereof was and is a burden upon interstate commerce contrary to Section 8 of Article 1 of the Constitution of the United States.

Wherefore, Said plaintiff demands judgment against said defendant for the sum of \$209.78, with 8 per cent interest therein from the day of, 1910, and costs.

WILL OF M. S. DRIGGS.

The will of Marshall S. Driggs, long President of the Williamsburg Fire Insurance Company and a director in many financial institutions, was offered for probate in Brooklyn. Most of the estate, which is estimated at more than \$1,000,000, is left in equal shares to Elliott F. Driggs and Silas W. Driggs, brothers of the testator, and Amelia A. Driggs, widow of his deceased brother, Edmond Driggs. The Title Guarantee and Trust Company and Silas W. Driggs are executors. The will cuts off any heirs who may contest it.

The Columbian National Life INSURANCE COMPANY OF BOSTON, MASS.

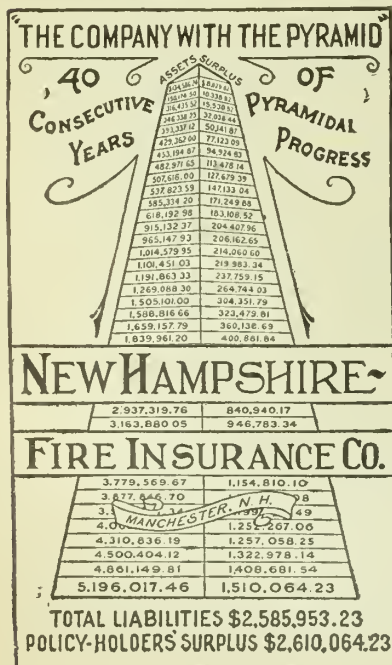
LIFE, ACCIDENT AND HEALTH INSURANCE.

The Only Massachusetts
Non-Participating Company

The New Columbian Policies are
Unexcelled in Clearness and Liberality.

Good Contracts and Territory for
Good Producers.

ARTHUR E. CHILDS, President.



National Protective Legion Report

THE New York State Insurance Department made public in Albany, on Monday, the following statement as to its report of an examination of the National Protective Legion, of Waverly, N. Y.:

This is one of the larger fraternal beneficiary societies operating in the State. It began business in 1891, and by making a specialty of the so-called five-year dividend or endowment certificate, had outstanding, in 1907, 230,-

530 certificates of all classes, representing probably about 200,000 members. In the words of the report, the five-year dividend contract "appealed to the gambling instinct and promised the impossible." In 1902, the Legislature so amended the Insurance Law that fraternal societies could not thereafter be organized for the purpose of doing this class of business, but exempted from the effect of such amendment the three societies then writing contracts of this class. One of those was the People's Mutual Life Insurance Association and League, of Syracuse, which was forced into liquidation by the insurance department last January; the other is the Order of the Golden Seal, with headquarters at Roxbury, N. Y., and the third is the National Protective Legion.

The examination is made as of June 30, 1910, and the report thereon is voluminous. The financial statement shows that while, under the insurance law a society of this class is not entitled to maintain a reserve, the National Protective Legion, with substantially \$1,700,000 on hand to meet maturing obligations, is technically solvent, granting that the 83,000 five-year dividend contracts now outstanding are met by dividends no larger than are being paid in 1910.

This society now issues three classes of certificates, one of them being that already indicated, and the others granting death and disability benefits similar to those given by many other fraternal beneficiary societies. Much the largest proportion of this society's business is, however, of the five-year dividend class. The report discusses the history of such business at length, calling attention to numerous facts which have led actuaries, insurance departments and thoughtful legislators to condemn it, not only in New York but in other States. It instances the fact that this society has been barred from several States because of this class of business; that, in 1902, it was refused a license in Michigan, but in 1903 secured an amendment to the Michigan insurance law requiring the Commissioner of that State to license it; that in 1906 its license, for a similar reason, was revoked in Wisconsin, and in 1907, not renewed in Minnesota and Virginia; also the difficulties which it had with the Ohio Department in 1904, as well as two separate investigations by the Federal post-office authorities, one in 1907 and the other in 1908. The repeated recommendations of the New York Insurance Department that the law of this State be so changed that this and other societies could no longer continue this class of business are also mentioned, the last of such efforts be-

ing in the recent Legislature.

The report states that the five-year dividend certificates, on which a member paid, during the five-year period, substantially \$133, and under which he was meanwhile entitled to death and sick benefits, had been, prior to 1907, matured at the end of the period at, for several years, about \$285, and during recent years, \$250; that such a return to certificate holders was mathematically impossible, save by using the contributions of later members to pay the dividends of those whose certificates matured first;



SUPERIOR POLICIES

KIMBALL C. ATWOOD, President
290-292 Broadway, New York.

**THE LEADING FIRE COMPANY
OF THE WORLD**



New England Mutual Life

Insurance Company

BOSTON, : : : MASS.

Chartered 1835

Assets, January 1, 1910..\$51,316,543.00
Liabilities 47,050,672.15

Surplus \$4,265,870.85

Sixty-six years of honorable dealing with its policyholders has placed the **NEW ENGLAND MUTUAL LIFE INSURANCE COMPANY** in the front rank of Life Insurance Companies of the Country.

ALFRED D. FOSTER, President.
D. F. APPEL, Vice-President.
J. A. BARBEY, Secretary.
WM. F. DAVIS, Assistant Sec'y.
J. G. WILDMAN, Assist. Sec'y.

EDWARD W. ALLEN, Manager.
220 Broadway, New York.
LATHROPE, BALDWIN, Manager.
141 Broadway, New York.
CHARLES H. STRAUSS, Gen. Ag't.
200 Fifth Ave., New York.

**A PENN MUTUAL PREMIUM, less a
PENN MUTUAL DIVIDEND, pur-
chasing a PENN MUTUAL POLICY,
containing PENN MUTUAL VALUES,
make an INSURANCE PROPOSITION
which in the sum of ALL ITS BENEFITS
is unsurpassed for net low cost and care
of interests of all members.**

**THE PENN MUTUAL
LIFE INSURANCE COMPANY
OF PHILADELPHIA**

On January 1, 1909, rates were reduced
and values increased to full 3% reserve.

INCORPORATED 1833.

**British America
Assurance Company
HEAD OFFICE, TORONTO, CANADA**

**UNITED STATES BRANCH.
JANUARY 1, 1910.**

Assets\$1,556,740.94
Liabilities 902,438.61
Surplus\$ 654,302.33

Hon. GEORGE A. COX, President.
JOHN HOSKIN } Vice-Presidents.
**W. R. BROCK }
W. B. MEIKLE, General Mgr.**

IT PAYS THE AGENT

To represent the best company. There are many excellent standard life insurance companies. Which is the best? In stability, progressiveness, liberal contracts to agents and low cost to policy-holders no company surpasses

**The Union Central Life
Insurance Co. of Cincinnati.**

Assets, \$74,523,966.28
Liabilities, \$72,324,302.92

Good openings are occurring from
time to time. Address

JESSE R. CLARK, President.
ALLAN WATERS, Supt of Agents.

**No head of a family need look
beyond the advertising columns of
THE CHRONICLE for LIFE
INSURANCE.**

The Connecticut Mutual

That means the best life insurance to have and the best to sell. If you can sell life insurance, you can sell more of it for the **CONNECTICUT MUTUAL**.

Men of Character and Ability are invited to apply.

Conn. Mutual Life Ins. Co.,
Hartford, Conn.

Please mention this paper.

"The Leading Fire Insurance Company of America."



WM. B. CLARK, President.
W. H. KING, Vice-President.
HENRY E. REES, Secretary.
Assistant Secretaries,
A. N. WILLIAMS, E. S. ALLEN,
E. J. SLOAN, GUY E. BEARDSLEY.

FEDERAL LIFE INSURANCE COMPANY CHICAGO

ISAAC MILLER HAMILTON, ; ; President

Admitted assets.....	\$2,447,499.17
Capital stock.....	177,300.00
Surplus apportioned and unapportioned	77,510.61

Excess security to policy holders	254,810.61
1909 insurance in force increased over.....	\$6,300,000.00
Surplus increased over....	100,000.00

HIGH-GRADE MANAGERS AND AGENTS WANTED.
ATTRACTIVE POLICIES
DESIRABLE CONTRACTS.
WILL ENTER NEW TERRITORY.

Address,
CHARLES M. TURNER,
General Manager.
Marquette Building, CHICAGO, ILL.

and that as a result of the action of the Federal Government and the various State departments, the governing body of the National Protective Legion, in September, 1907, amended its constitution so that thereafter dividends were not to be determined arbitrarily but as the result of a mathematical calculation. The payment of excessive dividends had, however, gone on so long that it was found that the funds of the order had been seriously depleted and that certificate holders whose contracts matured from 1908 to 1912, inclusive, could receive but about \$73 instead of \$250. In spite of this mathematical calculation, the society, on advice of its counsel, declared a dividend in 1908 of \$113.08, the payment of which further depleted the fund belonging to members, with the result that, on an examination by the New York Insurance Department, as of June 30, 1908, it was found that it would take \$5,521,000 more than was then on hand to mature the society's outstanding certificates even at \$113.58. As a result of this examination and of further action by the Federal post office authorities, the dividend for 1909, which still continued at the last mentioned figure, was in 1910 cut to \$51.12, on a total contribution by the members of about \$113.

The report calls attention to the effect of these reductions on the membership and assets of the society, as well as to the tremendous lapse rate recently found therein. Thus, its five-year dividend certificates are 83,835, as against 229,329 three years ago; of 69,116 certificates written in 1907, but 17,183 are now in force; while in April, May and June, 1910, upwards of 24,000 certificates were lapsed. Indeed, for the first six months of the last mentioned year the certificates lapsed were more than five times those written, and upward of 41,000 certificates were lapsed in 1909.

The report also calls attention not merely to the decreased revenue of expenses, but to the corresponding fact that, short of large expenditures to district organizers and local deputies, it is utterly impossible for this society to check its decline as a five-year dividend society. Comment is further made upon the injustice to

the five-year dividend members of using the expense fund accumulated by them in carrying on and developing the other classes of insurance written by the society, a practice which has depleted the fund that really belongs to the five-year members, by many thousands of dollars each year.

When as the result of this examination the condition of the society was formally brought to the attention of its officers it was notified that, unless prompt steps were taken to remedy such conditions, the department would apply for permission to take possession of and liquidate it, as had been done by the department in the matter of the People's Mutual Life Insurance Association and League.

The society, therefore, has entered into a definite understanding with the department whereby, first, it will at once discontinue any effort to write these five-year dividend contracts, and totally cease the writing of them not later than January 1st next; second, it will, at its next national convention, authorize a reincorporation of the society so as to eliminate from its charter whatever right it now has to write five-year dividend contracts; and, third, it will submit to such convention the facts showing the injustice of using the funds of certificate holders of this class to promote the other classes of business written by the society, and request action leading to an equitable distribution of its expense funds in the future.

The Insurance Department will again, in its annual report to the Legislature, recommend legislation which will positively prohibit the writing of such contracts, not only by fraternal beneficiary societies doing business in New York—of which, as above indicated, there are now two—but by such co-operative assessment associations as are now authorized to write contracts of this class, of which there are several still offering them to the public.

The criticisms of the examiners are directed chiefly to the five-year dividend business of this society. Its other business, which of late has been featured, is thought to promise the benefits to certificate holders.

Accident Policy Ruling

THE Insurance Departments of New York and Massachusetts issued a circular of rulings and suggestions last week relative to the forms of health and accident policies to be filed with such departments for approval. The so-called uniform health and accident provision bill became a law in these States through action of their Legislatures in 1910. It will probably become a law in many of the States next year. Its purpose is to standardize certain provisions in insurance policies of this class and to prevent the use of other provisions that have been found unsatisfactory or delusive.

The rulings and suggestions given out to-day phrase for the insurance companies the so-called nine standard provisions and indicate the views of the departments as to certain other provisions generally found in policies of this kind. Two notable changes in the practice of health and accident companies will probably be accomplished as a result of these rulings.

Heretofore it has been the custom of most casualty companies to dispense with applications signed by the proposed insured, but in lieu thereof there has been printed on the back of the policies so-called schedules of warranties, purporting to be statements

New York Insurance Stocks

Casualty Companies.

	Capital.	Approx. Annual	Div.	Period.	Bid.	Ask.
Aetna Indemnity (\$25)....	\$350,000	V	V	...	200	
Casualty Co. of America...	500,000	6	J&J	120	150	
Fidelity & Casualty.....	1,000,000	18	"	450	500	
Hartford Steam Boiler....	1,000,000	10	"	255	265	
Metropolitan Casualty	200,000	10	"	185	...	
N. Y. Plate Glass (\$50)....	200,000	16	"	500	...	
United States Casualty....	500,000	10	Q	215	250	

Fire Companies.

City of New York.....	\$500,000	10	Q	...	205	
Commonwealth.....	500,000	10	J&J	326	...	
Continental.....	2,000,000	40	"	940	975	
Empire City.....	200,000	8	"	125	...	
Fidelity-Phenix.....	2,500,000	V	V	270	280	
German Alliance.....	400,000	15	J&J	275	300	
German-American.....	1,500,000	30	"	550	560	
Germania (\$50).....	1,000,000	18	"	285	295	
Glens Falls (\$10).....	200,000	30	"	1,525	...	
Globe & Rutgers.....	400,000	40	Q	475	...	

Hanover (\$50).....	1,000,000	15	J&J	200	210	
Home.....	3,000,000	30	"	640	660	
Nassau (\$50).....	200,000	10	"	165	175	
Niagara (\$50).....	1,000,000	20	"	300	305	
North River (\$25).....	350,000	10	A&O	155	165	
Pacific (\$25).....	200,000	14	"	185	...	
Peter Cooper (\$20).....	150,000	6	"	90	105	
Stuyvesant.....	400,000	10	"	155	160	
United States (\$25).....	250,000	V	V	60	70	
Westchester (\$10).....	400,000	35	F&A	455	...	
Williamsburg City (\$50)...	250,000	20	J&J	380	400	

Life Companies.

Aetna Life.....	\$2,000,000	15	Q	650	660	
Connecticut General.....	300,000	8	J&J	250	...	
Equitable.....	100,000	7	A	4,000	...	
Germania (\$50).....	200,000	12	J&J	210	225	
Hartford Life.....	500,000	10	"	150	...	
Home.....	125,000	12	M&N	275	...	
Manhattan Life.....	100,000	26	O&F	400	425	
Metropolitan (\$25).....	2,000,000	7	M&N	155	...	
Prudential (\$50).....	2,000,000	10	Q	450	500	
Travellers' Hartford.....	2,000,000	20	Q	900	...	
United States Life.....	264,000	7	J&J	90	105	

V—No information. Q—Quarterly.

made by the insured at the time of the application, but in reality filled in by the agent, and to the truth of which the insured is bound by the terms of the policy on its being accepted and paid for by him. The two departments have ruled that this practice must be stopped; that schedules of warranties will no longer be permitted; and that, while casualty policies can be written without formal application, if there is a written application, it must be signed by the insured. It is also suggested to the

companies that the application forms be so phrased as to direct the attention of the insured specifically to the representations made therein.

It has also been the custom of companies of this class to insert clauses in their policies to the effect that the issuance of a new policy on the same as much as the insured has by the insured shall cancel every prior policy written by the same company. In terms of the old policy often acquired a vested interest in certain benefits that he could not get from

the new policy, it has been thought wise to suggest the reversal of the rule. Hence, the departments suggest that there be inserted in all new policies written after January 1 next a clause to the effect that such policy shall be void in case the company already has a policy on the insured, unless the new policy contains an endorsement to the effect that the prior policy may be continued in force.

The time for the companies to file their 1911 policy forms has been extended to October 15.

Court Upholds Workmen's Compensation Act

IN A decision handed down by the New York Supreme Court in Erie County, Justice Pound has just held that the Workmen's Compensation Act of 1910 (Chapter 674) is constitutional. The case, which brought the question of the constitutionality of the act squarely before the court, was that of Ives vs. South Buffalo Railway Company.

The plaintiff stated in his complaint that he was employed as a switchman by the South Buffalo Railway Company and was injured in the prosecution of his work without negligence on his part, and without serious or wilful misconduct, but solely by reason of the necessary risk or danger of his employment.

The defendant asserted that the act was unconstitutional. Prior to the enactment of the statute of 1910, the plaintiff would not be entitled to recover anything, so that the sole question before the court was as to whether the statute was constitutional. The act was attacked on the ground that it unduly discriminated against railroads, and other employments classified as dangerous employments. The court held that there was no discrimination, that the classification was a sound one, and not frivolous. The next point raised was that the act imposed a liability without fault.

Justice Pound cited a number of other instances in which the common law imposed a liability without fault, such as the liability of the husband for the torts of his wife, or a master

for the acts of the servant, and holds that this did not make the act unconstitutional. The court held that the act came within the principle laid down by Holden vs. Hardy, 169 U. S. 366, and which was recognized in the case of Lockner vs. New York, 189 U. S. 45, which is the case recently criticised by President Roosevelt, and cited this case as an authority for upholding the constitutionality of this act.

The only Company in the World that



**"Insures Lives
and Guards
Them Against
Disease."**

E. E. RITTENHOUSE,
President

AGENTS WANTED

**PROVIDENT SAVINGS LIFE
ASSURANCE SOCIETY,
35 Nassau Street, - New York**

RECTOR 2817

ESTABLISHED 1864

E. S. BAILEY

DEALER IN

INSURANCE STOCKS

A SPECIALTY

66 Broadway NEW YORK

OUR

Course of Insurance Education.

Department for Furnishing
Prospects.

New "Model Policy"

Will Plough the Field and Assure
the Harvest for Good Agents.

Phoenix Mutual Life

INSURANCE COMPANY,

Hartford, Conn.

Write Home Office.

SAFETY FUND INSURANCE

NIAGARA

Fire Insurance Company

—OF—

NEW YORK

OFFICE:

46 CEDAR STREET, CITY.

PROVIDENT

LIFE AND TRUST COMPANY
OF PHILADELPHIA

Insurance in Force, \$214,509,255.00
(Paid for Basis)

Assets \$70,514,350.45
(Market Value, Dec. 31, 1909)

Contingency Reserve . \$9,207,276.38
(Inclusive of Capital Stock, \$1,000,000.)

The Provident has been particularly distinguished for the development of a highly trained force of agents. The systematic instruction which its agents receive has resulted in their being recognized as representatives of exceptional knowledge of the business and of marked efficiency.

Bob's Remarks

THE reported dishonest work in the local office of a large foreign company, regarding return premiums, it is stated, does not apply to the cashier's "cage," but to the accounting department. With all the methods in use for checking cash transactions in large corporations, it would seem strange that, as appears in this case, crooked work could have gone on undiscovered for a period of months—even years; and yet we all know about the weakest link in the chain often causing a great deal of trouble.

* * *

In this connection it may be stated that the custom in England is not to pay return premiums. A policy once issued for a year or less, stands good until expiration. Even if the risk is that of a warehouse or storage store hazard and the merchandise has been sold, without any further liability on the part of insurance companies, there is no such thing as cancellation by the assured and return premium for unexpired time. That would seem curious in this country.

* * *

Much street comment still continues about the last reinsurance—Shawnee—and the probable next one or others to follow before next December. Already brokers are laying plans to protect their clients in the event of a considerable number of retirements. Several of the prominent and larger companies have recently indicated a willingness to increase lines, and this action will aid brokers in their endeavors to provide for expected or possible withdrawals. It is stated that the amount of premium necessary to relieve the Shawnee of its outstanding liability, on the basis of about 35 per cent was nearly \$400,000.

* * *

Between \$150,000 and \$200,000 will be expended by the Liverpool and London and Globe Insurance Company in the construction of its new office building and chief Pacific Coast department in San Francisco.

* * *

In the combination of the Continental, Fidelity-Phenix and Fidelity Underwriters a tremendous agency representation is at once apparent. President Henry Evans, in his circular to agents, states that "about twenty thousand agents hold the commission of these companies and nearly two hundred special agents and adjusters are employed in the field." This is really an army of workers for a great, successful and progressive aggregation of assets amounting to more than twenty-three millions of dollars.

* * *

Recent decisions by the Insurance Departments of New York and Massachusetts, regarding applications for

accident insurance indicate that the signature of the beneficiary must be obtained. From what brokers state, this will change very much the matter of soliciting and for many reasons. They assert, among other things, that it is not always wise or necessary that the beneficiary should know too much.

* * *

It is proposed to increase the capital stock of the United Firemen's Insurance Company of Philadelphia from \$200,000 to \$400,000. This is in line with the progressive ideas which have been assuming much strength in that company within the past few months.

* * *

The election of F. H. Way as President of the Williamsburg City Fire Insurance Company, succeeding the late Marshall S. Drigge, is a worthy recognition of long and valuable services to the company. Acting as Secretary of the company for a long period, and having been connected with the institution for nearly forty years, it was a fine tribute to his abilities and underwriting experience.

* * *

The Royal Exchange Assurance is now under examination by the New York Insurance Department.

* * *

Shareholders of the United Firemen's Insurance Company will shortly be called to vote at a special meeting on a proposition to increase the capital stock from \$200,000 to \$400,000.

* * *

At a special meeting of the People's Surety Company, J. H. McCoey was elected President of that company, filling the vacancy caused by the resignation of J. H. Sell.

* * *

Manager William H. Tolman, of the Museum of Safety and Sanitation, who has just returned from abroad, states that the next international congress on accident insurance and employers' liability will be held in the United States, probably in 1913.

* * *

Monday was a red letter day for New York City. Particularly as to fire losses it was a record day for the year—boroughs of Manhattan and Bronx. Manhattan was the chief sufferer. With the aggregate damage of nearly \$1,000,000 reported for the day, and, according to the fire patrol records for thirty years past, showing an average annual loss for the two boroughs of about \$700,000, it would appear that something like one-seventh of the yearly destruction had occurred on October 3. This without taking into account the fires which have been reported so far this year and those which are to follow between now and December 31. BOB.

OUR BOND—YOUR SECURITY.

T. J. FALVEY,
President.JOHN T. BURNETT,
Sec'y & Treasurer.Massachusetts
Bonding and
Insurance Co.Organized under
the Laws of the
Commonwealth of
Massachusetts.

Home Office, 77-81 State Street, Boston.

Capital\$500,000.00

Surplus\$250,000.00

SURETY BONDS and BURGLARY and
THEFT INSURANCE.

Hanover Fire

INSURANCE
COMPANY
of New York

Agencies

in all the Principal Places
in the United States.

THE HOME LIFE INSURANCE COMPANY OF AMERICA

Incorporated 1899.

JOHN LANGHAM, Jr., President.
JOSEPH L. DURKIN, Secretary.
EDWARD P. MADDEN, Treas.General Agents and District Managers who can
produce ordinary business can secure "Ground
Floor" contracts with **GUARANTEED RE-
NEWALS** and an assignment of territory limited
only by capacity to produce agency organization
and business. Send for Sample Policy. **IT IS
ONE YOU CAN SELL.** New business, \$1,500,-
000—January 1-June 30, 1910.

Address:

G. M. NETTLESHIP,
General Manager,

416-18-20 Walnut St., : PHILADELPHIA, PA.

—THE—
FIDELITY & CASUALTY
COMPANY

97 TO 103 CEDAR ST., NEW YORK CITY.

Assets - - \$9,607,864.46

Cap. & Surp. - \$3,378,053.64

Losses Paid - \$33,065,866.09

to June 30, 1910.

This Company grants in-
surances as follows:Bonds of Suretyship for Persons in
Positions of Trust, Fidelity Bonds,
Burglary, Plate Glass, Steam Boil-
er, Fly Wheel, Employers, Public,
Teams, Workmen's Collective, Ele-
vator, and General Liability; Per-
sonal Accident, Health and Physi-
cians' Liability.

OFFICERS:

GEORGE F. SEWARD, President.

Robert J. Hillas, V.-P. & Sec'y. Henry Crossley, Asst. Sec'y
Frank E. Law, 2d Asst. Sec'y. Geo. W. Allen, 3d Asst. Sec'y.

HOME OFFICE OF THE

Metropolitan Life Insurance Co.

(INCORPORATED BY THE STATE OF NEW YORK, STOCK COMPANY)

The Company OF the People, BY the People, FOR the People

PROOF OF PUBLIC CONFIDENCE

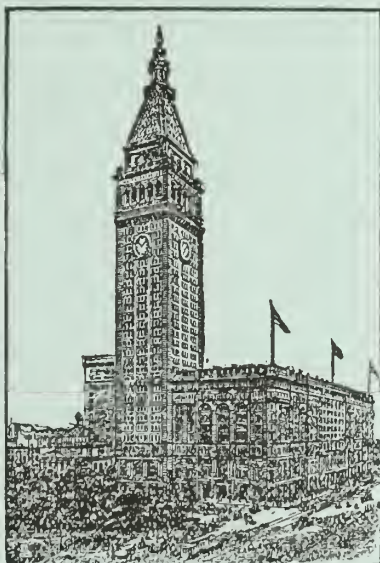
This company has more premium paying
business in force in the United States than
any other Company, and for each of the last
16 years has had more New Insurance ac-
cepted and issued in America than any other
Company.The number of Policies in force is greater
than that of any other Company in America,
greater than all the Regular Life Insurance
Companies put together (less one), and can
only be appreciated by comparison. It is a
greater number than the Combined Population
of Greater New York, Chicago, Philadelphia,
Boston, St. Louis, Cleveland, Cincinnati, San
Francisco, Pittsburg, Baltimore, New Orleans
and Buffalo.

ASSETS.

Municipal and R. R. Bonds and Stocks	\$123,346,161.39
Bonds and Mortgages	105,183,172.02
Real Estate	23,311,215.72
Cash	5,420,643.42
Demand Loans on Collateral	172,930.00
Loans to Policyholders	11,193,245.61
Prem. deferred and in course of collection (net)	5,190,288.45
Accrued Int., Rents, etc.	3,290,211.85
Total	\$277,107,868.40

LIABILITIES.

Reinsurance Fund and Special Reserves	237,213,384.00
All other Liabilities	9,992,264.48
Capital and Surplus	29,902,219.93
Total	\$277,107,868.40

Largest Office Building in the World—Madison
Avenue, Fourth Avenue, 23d Street and
24th Street, New York City.THE DAILY AVERAGE OF THE COM-
PANY'S BUSINESS DURING 1909 WAS:
456 per day in number of Claims paid.
6,535 per day in number of Policies placed and
paid for.
\$1,463,756 per day in New Insurance placed
and paid for.
\$183,403.75 per day in Payments to Policyhold-
ers and addition to Reserve.
\$132,172.72 per day in Increase of Assets.

OFFICERS

JOHN R. HEGEMAN.....President
 HALBY FISKE.....Vice-President
 GEORGE H. GASTON.....2d Vice President
 GEORGE B. WOODWARD.....3d Vice President
 FRANK O. AYERS.....4th Vice President
 F. F. TAYLOR.....5th Vice President
 JAMES M. CRAIG.....Actuary
 STEWART L. WOODFORD.....Counsel
 WM. J. TULLY.....General Solicitor
 FRED'K. H. ECKER.....Treasurer
 WALTER STABLER.....Comptroller
 JAMES S. ROBERTS.....Secretary
 JOHN R. HEGEMAN, JR.....Asst. Secretary
 J. J. THOMPSON.....Asst. Secretary
 T. R. RICHARDSON.....Asst. Secretary
 GEO. B. SCOTT.....Asst. Secretary
 FRED'K. A. BETTS.....Asst. Secretary
 GEORGE C. PENHALLOW.....Asst. Secretary
 THOMAS H. WILLARD, M. D.....Med. Dir.
 AUGUSTUS S. KNIGHT, M. D.....Med. Dir.
 E. M. HOLDEN, M. D.....Asst. Med. Director
 W. S. MANNERS, M. D.....Asst. Med. Director
 J. BERGEN OGDEN, M. D.....Asst. Med. Dir.
 D. M. GEDGE, M. D.....Asst. Med. Director
 I. J. CAHEN.....Manager Ordinary Dept.
 LEE H. FRANKEL, Ph. D., Mgr. Indus. Dep.
 JACOB CHADAYNE, Mgr. Intermediate Br.
 CHAS. G. REITER.....Asst. Actuary
 JAMES C. BROWN.....Asst. Actuary
 JAMES D. CRAIG.....Asst. Actuary
 RAYMOND V. CARPENTER.....Asst. Actuary

Paid to Policyholders since Organization, plus the Amount now invested for their Security, \$537,223,523.83.
Number of Policies, 1 Force, December 31, 1909, \$10,821,879. Total Outstanding Insurance Placed and Paid for,
December 31, 1909, \$2,041,951,700.00.In its Ordinary Department policies are issued for from \$1,000 to
\$1,000,000 on individual lives, premiums payable annually, semi-an-
nually and quarterly. In its Industrial Department policies are is-
sued on all the insurable members of the family for weekly premiums.Full particulars regarding the plans of the Metropolitan may be ob-
tained at its Home Office, 1 Madison Avenue, New York City, or its
Agents in all the principal cities of the United States and Canada.

COMPARATIVE RESERVE TABLES

BY

MILES M. DAWSON

Consulting Actuary.

Containing Mean and Terminal Reserves for the
usual forms of policies and by the
following standards:

American Experience, Select and Ultimate $3\frac{1}{2}$ per cent.
American Experience, Select and Ultimate 3 per cent.
American Experience, Modified Preliminary Term $3\frac{1}{2}$ per cent.
American Experience, Modified Preliminary Term 3 per cent.
American Experience, Select and Ultimate 4 per cent.
Actuaries', Modified Preliminary Term 4 per cent.
American Experience, Committee of Fifteen, $3\frac{1}{2}$ per cent.
American Experience, Illinois and Tennessee, $3\frac{1}{2}$ per cent.
American Experience, Michigan, $3\frac{1}{2}$ per cent.
American Experience, Wisconsin, $3\frac{1}{2}$ per cent.
American Experience, New Jersey, $3\frac{1}{2}$ per cent.
H^M, Canadian Life Officers' Association, $3\frac{1}{2}$ per cent.
O^[M], Select and Ultimate, $3\frac{1}{2}$ per cent.

THIS covers all the standards, other than the net level
premiums, in use in this country. Tables showing
the first year margins set free by each method of valu-
ation are given.

Send all orders to the Publishers,

The Chronicle Co., Ltd.

No. 90 William St.

NEW YORK

The Chronicle

1866

Published by THE CHRONICLE COMPANY (Ltd.), 90 William Street, New York City

1910

VOLUME LXXXVI.

New York, October 13, 1910.

NUMBER 15



WILLIAM H. HOTCHKISS

COMPARATIVE RESERVE TABLES

By MILES M. DAWSON,
Consulting Actuary.

Containing Mean and Terminal Reserves for the usual forms of policies and by the following standards—

American Experience, Select and Ultimate $3\frac{1}{2}$ per cent.
American Experience, Select and Ultimate 3 per cent.
American Experience, Modified Preliminary Term $3\frac{1}{2}$ per cent.
American Experience, Modified Preliminary Term 3 per cent.
American Experience, Select and Ultimate 4 per cent.
Actuaries', Modified Preliminary Term 4 per cent.
American Experience, Committee of Fifteen, $3\frac{1}{2}$ per cent.
American Experience, Illinois and Tennessee, $3\frac{1}{2}$ per cent.
American Experience, Michigan, $3\frac{1}{2}$ per cent.
American Experience, Wisconsin, $3\frac{1}{2}$ per cent.
American Experience, New Jersey, $3\frac{1}{2}$ per cent.
H^M, Canadian Life Officers' Association, $3\frac{1}{2}$ per cent.
O^(M), Select and Ultimate, $3\frac{1}{2}$ per cent.

This covers all the standards, other than the net level premiums, in this country. Tables showing the first year margins set free by each method of valuation are given.

EDITION ALMOST EXHAUSTED

SAVES TIME AND MONEY

VARIOUS DERIVED TABLES---American Experience 3 and 3 1-2 PER CENT.

By MILES M. DAWSON

Table of Contents.

Single Premiums, Pure Endowment.
Accumulations, Pure Endowment.
Forborne Immediate Annuities.
Accumulated Temporary Insurances.
Accumulated Increasing Insurance.
Single Premiums Endowment Insurance.
Single Premiums Temporary Insurance.
Immediate Temporary Annuities.
Valuation Columns.

SELECT AND ULTIMATE VALUES.

Single Premiums, Whole Life.
Life Annuities.
Terminal Reserves, Life, Limited Payment Endowment.

Mean Reserves, Life, Limited Payment, Endowment.

LOGARITHMS, SEVEN PLACES.

Forborne Immediate Annuities.
Curtate Summations of D Column.
Immediate Temporary Annuities.

Uses.

Computing Annual Term Insurance Premiums:

Divide endowment insurance values by immediate temporary annuities.

Computing Annual Endowment Insurance Premiums:

Divide endowment insurance values by immediate temporary annuities. For these purposes the "select and ultimate" will be most useful.

Computing Annual Pure Endowment Premiums:

Divide pure endowment values by immediate temporary annuities or take reciprocals of forborne immediate annuities. By these means, the net extra premium for a special guaranty can be quickly and accurately computed.

Computing Annual Semi or Double Endowment Premiums:

Add temporary insurance and pure endowment values for proper amounts and divide by immediate temporary annuity.

Computing Limited Premiums:

Divide the proper single premiums by immediate temporary annuity.

Computing Surrender Values:

Extended Insurance. Find the temporary insurance value next lower than the sum to purchase extension. This gives even number of years. Apply remainder to pay for additional days according to daily differences in the table.

Extended Insurance with Fractional Paid-up Endowment:

Deduct from purchase money, value of insurance for unexpired term; multiply remainder by accumulation, pure endowment, to get amount of endowment.

Computing Terminal Reserves:

Unvarying Benefits. Multiply net premiums by forborne immediate annuity and deduct accumulated temporary insurance.

Return Premium, Full Reserve. Multiply net premium by forborne immediate annuity and deduct accumulated temporary insurance and accumulated increasing insurance, multiplied by gross premiums to be reduced.

Return Premium, Extra Reserve. Multiply net extra premiums by forborne immediate annuity and deduct accumulated increasing insurance, multiplied by gross premiums to be returned.

Warranted Commissions for New Business.

Surrender Values.
Dividends.

SEND ALL ORDERS TO

THE CHRONICLE CO. (Ltd.) 90 William Street,
New York.

The Chronicle

VOLUME LXXXVI

NEW YORK, THURSDAY, OCTOBER 13, 1910.

NUMBER 15

PUBLISHED EVERY THURSDAY BY
THE CHRONICLE COMPANY, Limited.
No. 90 WILLIAM ST., NEW YORK.
Phone "567 John." Cable Address, "Chronogram," New York.

Subscription Price:
Three Dollars a Year. Single Copies, Twenty-five Cents.
Postage Prepaid in the United States and Canada.

MILES M. DAWSON, President.
R. B. Dawson, Treas. A. C. Harwick, V.-P. A. L. Dern, Sec'y.
Emil Schwab, Manager New England Department,
200 Devonshire Street, Boston, Mass.

All communications should be addressed to and remittance should be made to The Chronicle Company, Limited.
Entered at the Post Office, New York, N. Y., as Second Class Mail Matter.

HOTCHKISS AFTER PROMOTERS; UNITED FIRE HAS \$18,000 LEFT

WILLIAM H. HOTCHKISS, Superintendent of the New York State Insurance Department, has practically completed the investigation of corporations organized for the purpose of promoting insurance companies, which during the last three months has been actively prosecuted by such department. This investigation was due to an amendment of the Insurance law, made on the recommendation of the department, which went into effect on July 1 last. By it, holding and promoting companies which intended ultimately to form or control insurance companies are subject to examination in the same way that insurance corporations heretofore have been.

This amendment was intended to check if possible in New York a flood of irresponsible insurance corporations like those during the last three or four years developed by promotion methods in the Middle Western, Southern and Pacific States. This new sort of get-rich-quick craze seems not to have reached New York until about midsummer in 1909. Hence, the number of promotions of this class in New York is less than was expected, and few of them have yet reached the stage when many people are involved or relatively much money wasted.

Four Albany Reports

WITHIN the last week four statements have been issued from Albany, summarizing the results of the investigations of promotions, so far as the reports are ready for the public. These summarized statements, dated as given out, follow:

A Batch of Promotions.

ALBANY, Oct. 6. — Superintendent Hotchkiss announced to-day that while there are still a few of these promotions to be examined, investigation of most of them is finished and the reports will shortly be available to the public. Among the companies examined are:

The United Insurance Company of Arizona and its subsidiary, the United Fire Insurance Company of New York.

The Protective Holding Corporation and its subsidiary, the Protective Fire Insurance Company, both New York corporations and with headquarters at Syracuse.

The Manhattan Funding Company and its subsidiary, the Life and Casualty Company of New York.

The Fire Securities Company and

its subsidiary, the First National Fire Insurance Company of Pennsylvania, the former being a New York corporation.

The Trinity Finance Company, incorporated under the laws of Maine.

The Hanover Finance Company, incorporated under the same laws.

The Independent Surety Company, a New York corporation.

The Government Surety and Casualty Company, also a New York corporation.

The Reliable Life Assurance Company of Indianapolis.

The Columbia Guarantee Corporation, also a corporation of this State.

Some facts have been developed also as to two corporations which formerly had offices in this State, viz.:

The Consolidated Life Securities Company and its subsidiary, the Consolidated Life Insurance Company, both understood to be Illinois corporations.

The National Assurance Company of Wilmington, Del.

The laws of New York do not permit an insurance company to begin business until its capital stock is paid in in cash. It must also have a sur-

plus—likewise paid in in cash—equal to 50 per cent of its capital stock. This is not so in many other States, and, consequently, insurance promotions have been much easier elsewhere. This probably also explains why, in many of the promotions investigated, there is a holding company, the purpose of which is to accumulate the cash, and an insurance company, which has a name, by-laws and officers, but which has as yet received no authority to transact the business of insurance.

The plans of most of the companies investigated are essentially the same and usually almost identical with plans used in other States. These plans consist of: (1) The organization of what is at first nothing but a stock selling company, whose only asset usually is the cash representing its stock, and in some instances a contract whereby such company will become the underwriting agent of the insurance company when the latter shall be authorized to write business; (2) literature, with deckle or gilt edges, morocco covers, embossed seals and alluring figures placing enthusiastic estimates as to probable profits, but based often on false statements of actual gains by existing

(Continued on Page 7.)

George F. Seward Discusses Renewal Ruling

GEORGE F. SEWARD, President of the Fidelity and Casualty Company, in the course of a discussion of the question of the possible ruling by the Insurance Departments of New York and Massachusetts that the terms of the standard provisions law for accident and health insurance policies of those two States will be applied to renewals of policies issued prior to January 1, 1911, has this to

say in the main:

A mere statement of the question reveals at once to any one acquainted with the business the seriousness of the suggestion and the many difficulties of carrying out such a ruling. We think it is manifest that neither the Insurance Commissioners who originally suggested this law nor the Legislatures which passed it had any thought of making such a requirement.

This legislation was suggested by the Insurance Commissioners' Convention, and was the subject of long and careful consideration, first, by the Insurance Commissioners themselves; second, by the Commissioners in consultation with representatives of the insurance companies, and finally, by the Insurance Commissioners among themselves in the light of the previous discussions. An enormous amount of accident insurance exists under the form of renewal of previously issued policies. With this fact the Commissioners were thoroughly familiar, and could not have lost sight of it. If they had intended to include renewals of existing business within the provisions of the act they would certainly have so stated explicitly. They have not so stated, but, on the contrary, have confined the law to policies to be issued. Throughout the long discussion of this proposed legislation, a discussion which extended over about two years, no one, as far as we can recall, ever suggested that the provisions of the proposed legislation should apply to renewal of policies previously issued. That under these circumstances no such provision was inserted in the bill shows clearly that it was not intended.

Before this bill became a law it was carefully and fully considered by the committees of the two houses of the New York and Massachusetts Legislatures. Here again no suggestion was ever made that the provisions of the bill should apply to renewals of existing policies. If the Legislatures had had any thought of making it so apply, it would have been a simple matter to have inserted a provision explicitly to that effect. That a subject of such enormous importance as that of the renewal of existing business was not distinctly provided for in the bill, is, we submit, the strongest possible proof that the Legislatures did not intend the provisions of the act to apply to such renewals. Had such a suggestion been made to the Legislatures the companies could easily have shown that such a requirement would cause such great injury both to the companies and to the present policyholders that we cannot doubt that the Legislatures would have discarded the proposition without a mo-

ment's hesitation.

To hold that a renewal of a previously issued policy is a policy of insurance within the meaning of this law leads necessarily to the conclusion that there can be no renewal of any accident policy hereafter. If a renewal is to be treated as a policy, then the provisions which the law says must be printed in every renewal hereafter. The renewal must be issued upon a signed application,

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS is unsurpassed for net low cost and care of interests of all members.

THE PENN MUTUAL LIFE INSURANCE COMPANY OF PHILADELPHIA

On January 1, 1909, rates were reduced and values increased to full 3% reserve.

INCORPORATED 1833.

**British America
Assurance Company**
HEAD OFFICE, TORONTO, CANADA

UNITED STATES BRANCH.
JANUARY 1, 1910.

Assets	\$1,556,740.94
Liabilities	902,438.61
Surplus	\$ 654,302.33

Hon. GEORGE A. COX, President.
JOHN HOSKIN } Vice-Presidents.
W. R. BROCK }
W. B. MEIKLE, General Mgr.

IT PAYS THE AGENT

To represent the best company. There are many excellent standard life insurance companies. Which is the best? In stability, progressiveness, liberal contracts to agents and low cost to policy-holders no company surpasses

**The Union Central Life
Insurance Co. of Cincinnati.**

Assets, \$74,523,966.28
Liabilities, \$72,324,302.92

Good openings are occurring from time to time. Address

JESSE R. CLARK, President.
ALLAN WATERS, Sup't of Agents.

MEN OF ENERGY ARE OFFERED WORK OF MOMENT

In desirable localities representing a sixty-year old institution, with modern, liberal, law-conforming policies, and helpful Home office co-operation. Much good territory available. Many opportunities for advantageous positions. Inquire NOW.

UNION MUTUAL LIFE INSURANCE COMPANY PORTLAND, MAINE

FRED E. RICHARDS, President.

Address
either:

ALBERT E. AWDE,
Supt., 396 Congress St.,
Portland, Maine.
THORNTON CHASE,
Supt., 405 Exch. Bldg.,
Los Angeles, Cal.

201st YEAR.

SUN Insurance Office OF LONDON.

FOUNDED 1710.

UNITED STATES BRANCH:
54 PINE STREET, NEW YORK.
WESTERN DEPARTMENT:
171 LA SALLE ST., CHICAGO.
PACIFIC DEPARTMENT:

Sansome & Sacramento Sts.,
SAN FRANCISCO, CAL.

**AGENTS WANTED
AT UNREPRESENTED POINTS.**

THE PRUDENTIAL HELPS ITS AGENTS WIN SUCCESS



in a variety of ways, and when vacancies occur it makes promotions from the men in its service.

Write Us About an Agency.

THE PRUDENTIAL
Insurance Company of America.

Incorporated as a Stock Company by the State of New Jersey.

John F. DRYDEN, Home Office,
President. NEWARK, N. J.

and must conform in all respects to the law and to the Insurance Commissioners' rulings. Would not this practically make it necessary to issue a new policy? A renewal which contained all these things and complied with these provisions would be very nearly as long and as bulky as an original policy. There would be no advantage in using the renewal form. Consequently, the practical effect of such a ruling would be to prevent the use of renewals as we now know them. Anything that would prevent the use of renewals would mean the revocation and overthrowing of a course of business that has been established for many years, and has been found satisfactory to the companies and to the insuring public, and has never been found productive of any harm. It will make necessary a procedure that will add greatly to the cost of conducting the business.

This is a *reductio ad absurdum*, but it necessarily follows if the words "policy of insurance," as used in the law, means a renewal.

Such a ruling would greatly increase the company's expense. The increased expense to the company of such a construction of the law would not merely be the expense of clerical work. It would necessitate the sending of a solicitor to each policyholder in order to explain the change of form and to secure a signed application. Even this would not be all. It is doubtful whether a solicitor whose business is considerable could promptly visit one-half of his old clients for

such purpose. There would thus be great sacrifice of his time and a great loss to the company by reason of the many policyholders that the solicitor either could not see or find. There would also be a heavy loss of the new business that would ordinarily come in through that solicitor, because of the time that he would have to give to recanvassing the old business. There would also be many cases in which the solicitor would not be able to find the policyholder, by reason of his absence from his home or his customary place of business or perhaps from the country. In short, the loss of business to the company by reason of such a ruling would be very great. This is not a matter of speculation. It can be stated with absolute accuracy. Again, observe the effect of such a ruling upon the interest of the policyholders.

The use of renewals has made it possible to keep alive for years insurance which the assured needs and to which he cannot give immediate attention. People who carry accident and health insurance are, of course, often away from home, perhaps travelling in foreign countries. They go away evidently without giving a thought to the expirations of their policies, in reliance upon the agents to secure the renewals or upon the credit given by the companies on renewals, a custom of years. At such a time such persons stand in greater need of the insurance than at any other time. If new policies are to be issued or if signed applications are required such absentees will necessarily

be left without insurance. This is not an extravagant statement. Necessarily, if a company has, as many do, thousands of persons scattered all over the world insured against accidents, to require that the policy cannot be continued without a signed application from the policyholder is bound to cut a large number of them out of their insurance at a time when they most need it and cannot help themselves.

Obviously, a great shock will be given to the business by such a ruling, and a great shock to insurers. It is safe to say that, saying nothing about expense, the business of the company would be greatly cut down and the policyholders would be seriously injured.

Furthermore, there has been no demand on the part of the policyholders for any such ruling or for any change from the past custom in respect to renewals. There is no allegation that a policy of accident insurance may not be renewed under any necessary or reasonable interpretation of the standard provisions law. There is no reason why added work and expense should be put upon the companies and the solicitors. There is no reason why a procedure should be demanded that will deprive many policyholders of insurance.

Is it not reasonable to ask that the law, in its essence as it was enacted, be left for awhile, so that results may be observed rather than provisions be added by arbitrary ruling, which experience does not sanction, and which will certainly be productive of harm.

In New England

BOSTON, Oct. 12.—Under the heading "The New City Regime" an observer, who is evidently quite familiar with municipal conditions in Boston, has been giving the results of his studies to the public in the columns of the "Boston Transcript." His contribution to last Thursday's issue touches on a matter of special interest to the underwriting fraternity, namely, the Fire Department. It is the opinion of this writer that during the incumbency of Acting Commissioner Carroll a relaxation of discipline took place, for which Mr. Carroll cannot be held responsible, but which still offers a condition that the new Commissioner, Mr. Cole, will have to meet. It is also noted that, with the various privileges now enjoyed, the department as a whole is in a chronic state of shorthandedness. This is not to be wondered at, as the granting of immunities as to supper hours and the like has been a favorite device of cheap politicians in order to curry favor with the men of the department. This observer further notes that the lack of men has become so serious that a practice has grown up of sounding second alarms in the

downtown section for small fires, not so much because the apparatus is needed as because the men that go with it are required to help out on the undermanned first-call apparatus. The Russell Club also comes in for a share of criticism as having developed into a quasi-political organization, an imperium in imperio, so to speak, and as such very likely a drawback to the efficiency of the service, and the disbandment of which, it is suggested, should be accomplished by a mass of Commissioner Cole's military training.

The Boston Finance Commission is making investigations into a number of matters brought before the Municipal Council by the Mayor in consequence of the big lumber fire of last August, namely, high pressure water service, laws relating to wharf construction, creation of a reserve fire signal system, the adequacy of the present building laws, and the necessity of an increase in the membership of the Fire Department.

The recent fire in an apartment house on Oxford Terrace, built a great many years ago, revealed that the interior construction was of wood

framing, encased in substantial looking brick exterior walls. This has aroused the attention of the Fire Commissioner to the necessity of preventing further construction of the kind. The writer of these lines has in mind a very handsome looking block of stone front dwelling houses in a fashionable section of the city, recently completed, but the interior of which revealed nothing but a lot of match wood while they were under construction, there being not even brick partitions to separate the several houses of which the block is composed. The need, therefore, does not seem to be entirely the adoption of new building laws, but rather a thoroughgoing enforcement of those which are already upon the municipal ordinance books of the city.

The Boston Board.

At last Tuesday's meeting of the Boston Board of Fire Underwriters E. C. Brush, H. H. Soule, W. F. Giersch, A. K. Pope and H. T. Campbell were appointed a nominating committee to report a board of officers for election at the annual meeting of the board on November 8. H. T. Campbell, Adam Archibald and E. Lloyd Greene were appointed to serve on the rating committee for three months. E. M. L. SCHWAB.

EMPLOYERS' LIABILITY INSURANCE ABROAD

By Miles M. Dawson

VIII. THE INSURANCE OF EMPLOYERS IN BELGIUM

(Copyright, 1910, by Miles M. Dawson.)



RUSSELS, Sept. 2, 1910.—In many particulars the law of Belgium, rendering the employer liable for the death or injury of an employee by an accident arising out of and in the course of the employment is modelled upon the law of France. Thus, as in France, the employer is entirely freed from liability if insured in a licensed accident insurance company of the domicile. But there is no Government guaranty, as in France; neither is insurance confined to Belgian companies.

There are two large, successfully managed and thoroughly responsible stock companies in Belgium, which were already engaged in employers' liability, as well as accident insurance, when the compensation act was passed. These have continued in business under the new law, doing a conservative and reasonably profitable, though not extraordinarily extensive, business. Several other stock and mutual companies have also entered the lists, and the important companies of other countries, especially Great Britain, Holland and Switzerland, which were also doing business in Belgium before the compensation law was enacted, have continued their operations.

The advantage which the licensed and certified Belgian companies have—viz., that only by insuring with them can an employer be wholly freed from liability—is very great and real. But, while undoubtedly it has given them a preference in competition, it has not enabled them to monopolize the field. This is no doubt partly due to the great financial strength of the other companies and the general confidence in their entire solidity and reliability. But it is yet more due to the fact that the Belgian companies have sought to avoid the usual mistake of making the rates too low at the outset and so causing a great initial loss to themselves. In other words, they were warned by the experience of British companies on their British business and French companies on their French business.

Their prudence and farsightedness appear to be demonstrated by the results. They have not lost money, but, instead, though doing a limited business, have made a good profit; and the other companies, though taking at

reduced rates a very considerable share of the business, have scored great losses.

Commissions are kept down to 10 per cent, and the total expenses, as in France, are scarcely more than 20 per cent. In other words, the leading Belgian stock companies use for expenses, aside from commissions, scarcely more than the economically conducted Norwegian Riksforsikring anstalt or the employers' associations of Germany.

Like France, Belgium has a state insurance department in which an employer may insure if he wishes—i. e., if he wishes very much to do so. He will find it even more difficult than in France, however, and the Belgian State Department does, in fact, virtually no business at all. This is because the other companies fill the bill and also because no effort whatever is made to bring the department forward.

This want of effort is not due to disabling legislation, as, for instance, the French law requiring a formal Presidential edict to make changes of rates. On the contrary, the law is wisely liberal and the department could conceivably do whatever is necessary in order to attract business. Neither is there any lack of skill or ability in the management; on the contrary, the head of this department is the very man who has most successfully managed the Caisse d'Epargne et de la Retraite, which also receives savings deposits and sells life annuities and life insurance in both of which branches it has accumulated tremendous amounts and transacted an immense business.

These very facts have their bearing upon the department's having virtually no employers' liability or workmen's compensation insurance at all. The postal savings bank and the state annuity and life insurance department both have for their clientele chiefly workingmen and their families. For this same department to be adjusting and contesting accident claims, urged by these same people, paring them down or resisting them, would endanger the popularity and success of all the branches. Therefore, it remains quiescent.

The Belgian companies make use of the Austrian "key number" method of rating, adapting it to the facts of their

The
Columbian National Life
INSURANCE COMPANY
OF BOSTON, MASS.

**LIFE, ACCIDENT AND HEALTH
INSURANCE.**

The Only Massachusetts
Non-Participating Company

The New Columbian Policies are
Unexcelled in Clearness and Liberality.

Good Contracts and Territory for
Good Producers.

ARTHUR E. CHILDS, President.

BONDS OF SURETYSHIP.

The Guarantee Company of North America
HEAD OFFICE, MONTREAL

Edward Rawlings, President.

H. E. Rawlings, Asst. Mgr.

Richard B. Scott, Secretary & Treasurer.

It is the Pioneer Company, was established in 1872, and is conducted under a conservative management of over 55 years experience.

It has recouped to employers over \$2,100,000 for losses sustained by the infidelity of employees and has a surplus of \$1,041,423.23 to credit of shareholders and total resources of \$1,919,892.38 for the security of insured.

Branch Offices:

NEW YORK: 111 Broadway.
D. J. Tompkins, Secretary.
BOSTON: 114 Milk Street.
W. A. Hamilton, Agent and Attorney.
CHICAGO: Room 400, The Temple.
J. R. Pruyn, Resident Sec. and Atty.
PHILADELPHIA: 500 Arcade Bldg.
W. H. Jackson, Res. Secretary.
PITTSBURG: 1120 Farmers Bank Bldg.
E. R. Munro, Resident Secretary.
LOUISVILLE: 316 Columbia Bldg.
P. N. Clarke & Co., Agents.

experience and changing the classification of the various classes of industries accordingly. They had a considerable body of carefully sifted data concerning workmen's collective insurance, before the compensation act took effect; and their ability to leave to foreign companies the unprofitable lines and to select the risks which enable a profit to be made, is due in no small part to their superior knowledge of the nature and hazards of the business.

The Belgian companies, fearing that there would be a repetition in Belgium of the unsatisfactory experience as

to magistrates' judgments in France, favored the creation of special courts, consisting of laymen, half representing the employers and half the employees, with a judge to preside and act as referee. This was turned down, however; and, strange to say, the magistrates have proved to be very cautious about making allowances. It is estimated that, in cases of partial disablement, they have averaged to find the impairment of earning power a materially less percentage than in Austria where the method, asked for by the companies, is in use.

IX. THE PECULIAR INSURANCE SYSTEM OF HOLLAND

(Copyright, 1910, by Miles M. Dawson.)



THE HAGUE, Holland, Sept. 8, 1910.—In many respects the most remarkable accident insurance law in Europe is that of Holland. It is not merely compulsory insurance, but compulsory state insurance, and yet with choice of companies. This sounds very much like a paradox, yet it is thus explained:

The law created the Rijkverzekeringsbank, a state insurance department, in which every workman for wages in certain specified industries is, by virtue of his mere employment, insured. If he suffers by reason of an accident occurring while he is at work it must be reported to this institution, which must investigate the matter, allow and pay the indemnity; and the like is true in event of his death by accident—i. e., the pensions to widows and orphans must be paid by the Bank.

Moreover, the employer is, by virtue of the mere fact that he is the employer under obligations to the Rijkverzekeringsbank for the premium, computed according to its tariff upon his payroll, and the payment of this premium may be enforced by the authorities.

But the employer may, upon request, be permitted to assume the risk himself or to insure it with a stock company or a mutual company, provided he or it gives the required security to the Bank and complies with its requirements in other regards.

The security which the employer or the company, as the case may be, must give to the Bank, which must still adjust all claims and be liable for them, consists of the deposit of such amount of assets, invested as required by law, as the directors of the state institution may deem necessary. In addition, the employer or insurance company must pay the share of the state institution's expenses apportioned to it, must reimburse all claim payments made

by it on behalf of such employer or company because of temporary disability indemnities, etc., and must deposit with it cash or approved securities equal in present value to all pensions payable to permanently disabled workmen and to widows, orphans and other dependents of deceased workmen.

In other words, the state is directly and immediately liable. It must investigate, adjust and assume all claims. But premiums may be paid to private companies if desired, not for insurance, but really for reinsurance of the state, which yet remains the insurer.

All claims in Holland, therefore, are paid by the state. The workmen and their dependents have no relations as regards these indemnities with anybody else. Payments are made through the postal banks and all premiums, payable to the Rijkverzekeringsbank, are collected through the postoffices. For this there is no charge. All mail and messages, whether telegraph or telephone, likewise, sent by or to the Rijkverzekeringsbank, are free of charge. The Government also out of other funds pays half the remaining expenses of the bank. The rest is apportioned between the bank and the private insurance companies, as the directors deem proper.

This amounts to a pretty severe discrimination against the private insurance companies, which must pay commissions to agents and collectors, and are chargeable with their own postage and telephone and telegraph tolls. Yet some of them, both stock and mutual, have so far held a good share of the business.

The method of rating is a modification of the Austrian, i. e., a system based upon a "keyrate" under which rates are fixed by classes and the keyrate modified from time as well as the classification varied.

The state department also was automatically the insurer of all risks, whether good or bad. In attempting to fix its rates low enough to compete it scored considerable

RIGHT NOW ——— WRITE NOW

LIVE ASSETS for LIVE AGENTS

Live, not Life Insurance, is the only necessity of life that has not increased in cost.

It is a great asset for a Live Agent to represent the largest health and accident insurance company in the world, especially at this time with compulsory workmen's insurance imminent and employers' liability insurance becoming costlier every day. Up-to-the-second policies. Most liberal contracts to agents.

CONTINENTAL CASUALTY CO..

H. G. B. ALEXANDER,
President.

1208 Michigan Ave. : Chicago

"Often Copied: Never Equalled."

THE HOME LIFE INSURANCE COMPANY OF AMERICA

Incorporated 1899.



General Agents and District Managers who can produce ordinary business can secure "Ground Floor" contracts with **GUARANTEED RE-NEWALS** and an assignment of territory limited only by capacity to produce agency organization and business. Send for Sample Policy. **IT IS ONE YOU CAN SELL.** New business, \$1,500,-000—January 1-June 30, 1910.

Address:

G. M. NETTLESHIP,
General Manager,

JOHN LANGHAM, Jr., President.
JOSEPH L. DURKIN, Secretary.
EDWARD P. MADDEN, Treas.

416-18-20 Walnut St., : PHILADELPHIA, PA.

losses at first; and then, before learning how to discriminate accurately—which, indeed, in view of its public nature, it may never be able to do—it raised its rates. This accounts in good part for the continuance of successful private company competition up to the present time. The strongly individualistic tastes and notions of the Dutch people also play a part, as do the facts, first, that insurance is very popular, and, second, co-operating in insurance institutions is a national habit.

In any event, though the state institution is doing well and embraces a very large volume of business, private companies, though handicapped with larger expenses, are able to discriminate more closely and intelligently as to rates and so to command a very large share of the best business.

The adjustment and payment of all losses by the state department, their competitor, is one of its obvious and enormous advantages. The Bank also has power to make all the apportionments of expense charges and to fix all capital values, to cover which deposits must be made. The state, however, reserves on the same basis. All these make against the private companies in competition. There is complaint also that the state adjustments—which, however, are made really by boards, consisting of an equal number of representatives of employers and of employees,

with a government appointee as chairman—are lax; and it is asserted that direct adjustment by the companies would reduce the amount of successful simulation and malingering.

The disability benefits in Holland are a larger percentage of the wages than in any other country—70 per cent, as against 66.2-3 per cent in Germany and only 50 per cent in Great Britain. The proposed act in Switzerland will fix it at 80 per cent, it is understood. The small margin between one's earnings and what he may draw as disability indemnity may, it seems, materially increase both simulation and malingering.

In Holland also benefits are payable from the first day, provided only the employee is disabled for at least three days. This, of course, very considerably augments the cost, as compared with insurance in countries where from four to as high as thirteen weeks must elapse. The state department may pay short period claims on the usual certificates, but must investigate if the disability appears on the face of the notice likely to last longer than six weeks. If investigation is neglected there must, it seems clear, be much successful short period simulation and malingering; yet investigation might cost much more than it would save, which is the usual objection to paying for short periods.

New England Brevities

AMONG Boston visitors this week was George B. Woodward, a Vice-President of the Metropolitan Life, and in the days of yore Secretary of the John Hancock. Despite his long residence in New York, Mr. Woodward cherishes a soft spot in his heart for the Hub, in which his earlier days were spent.

* * *

A demand for the insurance of aeroplanes is being met by Field & Cowles, of Boston, through their marine department, the Insurance Com-

pany of North America writing policies on these machines to cover damage from fire or collision. The rate is 2 per cent a year, and a machine built by the owner can be insured for the full cost, but one bought of a manufacturer can be written for only 75 per cent of its cost.

* * *

"Arrived at Gibraltar, Manuel can insure in the Prudential," quoth one of the mad wags of the Boston Transcript.

* * *

Frank O. Bristol, formerly identified with the Northwestern Mutual Life, has been appointed General Agent of the New England Mutual Life for Southern California, with headquarters at Los Angeles.

* * *

At Cincinnati Earls & Johansing have been appointed to represent the Massachusetts Fire and Marine, and Edwin O. Izant is appointed its agent at Lansing, while at Grand Rapids Harrison B. Carr will care for its interests.

* * *

The Old Colony Insurance Company of Boston has been admitted to California.

* * *

On December 2 the Northwestern branch of the Aetna of Hartford will be consolidated with its Western department, the headquarters of which are at Chicago.

* * *

The Insurance Library Association hopes to have Assistant Secretary Coffin, of the German-American, to address it on the topic of "State Rate-

Making" at the opening meeting of the season.

* * *

At New Haven H. K. Rowe, formerly identified with the Farmers of York, becomes special agent of the Rhode Island Fire, the Union of Paris and the National of Paris for Southern New England.

* * *

Henry S. Henckel, of Indianapolis, has been appointed State Manager for Indiana of the Massachusetts Bonding.

EMIL SCHWAB.

—o—

FOUR DIRECTORS QUIT HOME TITLE INSURANCE.

The recent internal dissensions in the Board of Directors of the Home Title Insurance Company of Brooklyn have resulted in the resignations of Charles J. Obermayer, who was chairman of the Executive Committee, James C. Cropsey, William F. Atkinson and Guy Loomis.

The company has been paying a 10 per cent dividend on the stock.

Life Ins. Co. of Virginia

Home Office, Richmond, Virginia.

J. G. WALKER, President.
T. W. PEMBERTON, 1st Vice-President.
W. L. T. ROGERSON, 2d Vice-President.
E. D. HARRIS, Secretary.

The OLDEST Southern Life Insurance Company.

The LARGEST and STRONGEST Southern Life Insurance Company.

The PIONEER Southern Industrial Life Insurance Company.

Its policies are clear and definite in their provisions and their values are absolutely guaranteed.

Assets Dec. 31, 1909.....	\$5,372,691.99
Liabilities Dec. 31, 1909.....	4,312,405.32
Insurance in Force Dec. 31, 1909	68,337,613.00
Total Payments to Policyholders since Organization	9,820,412.46

New England Mutual Life

Insurance Company

BOSTON, : : : : MASS.

Chartered 1835

Assets, January 1, 1910..\$51,316,543.00

Liabilities 47,050,672.15

Surplus \$4,265,870.85

Sixty-six years of honorable dealing with its policyholders has placed the **NEW ENGLAND MUTUAL LIFE INSURANCE COMPANY** in the front rank of Life Insurance Companies of the Country.

ALFRED D. FOSTER, President.

D. F. APPEL, Vice-President.

J. A. BARBEY, Secretary.

WM. F. DAVIS, Assistant Sec'y.

J. G. WILDMAN, Assist. Sec'y.

EDWARD W. ALLEN, Manager.

220 Broadway, New York.

LATHROPE E. BALDWIN, Manager.

141 Broadway, New York.

CHARLES H. STRAUSS, Gen. Ag't.

200 Fifth Ave., New York.

HOTCHKISS AND PROMOTERS.*(Continued from Page 1.)*

companies—the whole both a credit to the printer's art and as persuasive in rhetoric as it is usually pervasive in distribution; (3) a crowd of soliciting salesmen—some of them, if possible, drawn from the field forces of insurance companies—who hawk their wares from house to house upon representations sometimes based upon the literature furnished and sometimes upon their imaginations, at an expense to the ultimate stockholders of from 20 to 60 per cent of the amount subscribed, a process which is somewhat varied in one or two companies by the use of a system whereby stock is sold through the mails, such system being less expensive; and (4) a contract entered into at the time the two companies are formed whereby, for a long period of years, the entire control of the insurance company will be vested in the promoting company as an agency corporation, which contracts, in several instances, seem to have been made without regard to the ability of the promoters as insurance managers, and, in some cases, are apparently entered into that the same may be sold for the benefit of the promoters themselves.

The investigation, therefore, makes it clear that the promoter and his satellites, the stock salesmen, almost immediately take from 20 to 60 per cent of the money subscribed by the investor; that the means employed in securing the subscription are, of necessity, at times—in fact, in some companies frequently—characterized by misrepresentation both as to the profits of existing companies and as to the probability of profit in the promoting company; and that, if the plan ultimately succeeds, the investor finds himself but a minute factor of a company usually controlled by the man who conceived it, who is, in most cases, only too willing to sell out that control to the highest bidder, no matter what the latter's integrity or insurance experience.

The above facts and conclusions

are thought by the department to be typical of what has become a widespread movement looking to the organization of new insurance companies, firstly and chiefly for the benefit of the professional promoter, and to the great injury of the investing public at large. For these reasons, the reports following the various examinations will when filed be given wide publicity, and the co-operation of the public in informing the department as to promotions of which it may not yet have received notice is respectfully urged.

In view of the facts developed on this investigation, the New York Insurance Department has, since July 1, refused to admit to do business in this State any company promoted by the means above indicated, and will continue so to do unless it is satisfied that the management of such company is reliable and expert from an insurance standpoint and that its stockholders have been definitely informed that they, and not the company, paid the usually large commission and promotion expenses incident to such methods. It is thought that, by excluding those thus tainted in their organization, much can be done toward preventing similar promotions in the future.

A Syracuse Proposition.

ALBANY, Oct. 12.—The report of the examiners on the Protective Holding Corporation of Syracuse was filed yesterday. This company was organized in November, 1909, for the purpose of securing subscriptions to its capital stock to finance the Protective Fire Insurance Company. It has been found that up to last May the company sold its stocks through agents, and that this was a decidedly expensive operation. Since that time a plan of reaching the public by mail has been adopted and a reduction in expenses to about 15 per cent of the gross amount of subscriptions has been the result, according to the statement of the department.

The examination, which was made as of July 31, showed an actual cash income of \$66,570.15, against actual

cash disbursements for advertising, commissions, printing, salaries and similar items of \$38,559.67. In the first stage of its existence Ira A. Manning, of Philadelphia, directed the management. He has retired and stock is being sold under the mailing plan by Wightman & Dudley, who have offices at 437 Fifth Avenue, in New York.

The report shows that the corporation has cash assets amounting to \$26,263.08, and subscription notes of \$45,196. There are also unpaid instalments for which subscription agreements are outstanding, amounting to \$96,927.71. The cost to its subscribers to accomplish these things has been \$47,843. The department's examiner thinks that a conservative estimate on the reduced basis of cost will mean a total outlay for subscribers of from \$600,000 to \$750,000 out of a total of \$2,500,000, to be paid in for surplus of the fire insurance company.

The report adds that the prospectus of the company contained misleading information and that the agency contracts were subject to criticism from the department, but that the company has been ready to correct the abuses which existed before the examination was made.

Frederick S. Dudley, of Wightman & Dudley, yesterday admitted that the charges made were substantially true, but said that the statement was inaccurate in some particulars. He calls attention to the statement that the organization expenses under the present plan will be 15 per cent. "We have claimed," said Mr. Dudley, "that the total organization expense will not exceed 8 per cent."

"Under our present plan the commission paid for the sale of stock is 5 per cent. The other expenses we do not believe will be more than 3 per cent."

The organization revolves around the Tuttle Underwriting Agency of Syracuse, which is said to be the largest non-board fire insurance agency in the State.

An agency contract between the Protective Holding Corporation and the Tuttle concern gave the latter the power to represent the fire insurance

WESTERN

ASSURANCE Co.

HEAD OFFICE,
TORONTO, - - CANADA.

Incorporated 1851.

Hon. GEORGE A. COX.....President
W. R. BROCK and JOHN
HOSKIN, K. C. LL. D., Vice-Presidents
W. B. MEIKLE.....General Manager

United States Statement, Jan. 1, 1910.

Assets\$2,377,303.37
Surplus in United States..... 839,268.07

CHICAGO'S GREATEST COMPANY

ILLINOIS LIFE INSURANCE CO.

OLDEST IN CHICAGO CHICAGO LARGEST IN ILLINOIS
JAMES W. STEVENS, PRESIDENT

We Guarantee where others Promise

The year 1909 was the most successful in this company's already splendid record of successful years.

INSURANCE IN FORCE
FIFTY MILLION DOLLARS



THE EMPIRE
 Stands for **AGGRESSIVENESS,**
PROMPT PAYMENT OF LOSSES
 and **CLEAN METHODS.**

Agents wanted who are unattached and can produce business.

Address Agency Department,
THE EMPIRE STATE SURETY CO.,
 84 William Street, New York

The year of 1910 is rapidly drawing to a close, this being the last quarter of the year.

The amount of money earned by the agents of the Philadelphia Life from now until the end of the year will more than equal the total earnings of agents of other companies for the year 1910.

If you are in a position to contract with the Philadelphia Life at this time, it would be to your interest; or, if you contemplate making a change at the close of the year, let us hear from you now, as perhaps the territory that you would prefer would be closed at that time.

Write Perry To-Day.

company for fifteen years. This contract has been modified so that the firm of Tuttle, Wightman & Dudley will represent the fire company for one year in a considerably smaller territory.

An Exodus of Promoters.

ALBANY, Oct. 8.—It was stated at the State Insurance Department today that one of the more notable results of the recent investigation by such department of holding and promoting companies, pursuant to the new law which became effective July 1, was the sudden exodus from the State of some of the companies which had previously been operating therein. The bill did not become a law until late in June, the first public announcement of it being made on the 27th of that month. In two instances at least companies which had been operating in New York cancelled their leases and went elsewhere about the 29th of June, or two days before the Insurance Department had authority to examine. In other cases active solicitation of citizens of New York by stock salesmen representing companies of this class ceased shortly after the law became effective. Companies which thus apparently were neither incorporated in the State nor had offices for the transaction of business therein on July 1 were, however, investigated, to determine whether the department had jurisdiction to make an examination. In this way, facts to which the public is entitled were brought out as to three companies, viz.: The Consolidated Life Securities Company of Illinois, the American National Selling Organization, and the National Assurance Company of Delaware.

The first two—The Consolidated Life Securities Company being a promoting company organized for the purpose of accumulating, through the sale of its stock, a fund whereby a life insurance company, to be known as the Consolidated Life Insurance Company (understood to be already chartered in the State of Illinois, though not yet doing business), might be formed, and the American National Selling Organization, which is apparently merely a sales agency for the first mentioned corporation—seem to have commenced operations in New York in October, 1909, and from that time to have done a fair business in placing stock. When an attempt to examine these companies was made, however, it was found that the contract between the two was cancelled late in June. Asked where the books were, the answer was, "Gone to Chicago." Asked for samples of the literature used, "It has already been sent to Chicago." Asked where the officers of the Consolidated Life Securities Company were, "They have gone to the same place." Asked who its officers were, the reply was, "There are none now in the State."

THE FRANKFORT
 MARINE, ACCIDENT
 AND PLATE GLASS **INSURANCE CO.**
 OF FRANKFORT-ON-THE-MAIN GERMANY
 ESTABLISHED 1865.

United States Department, . . . 100 William Street, New York, N. Y.

TRUSTEES:

RICHARD DELAFIELD, Pres. of National Park Bank
 ERNST THALMANN, of Ladenburg, Thalmann & Co.
 STUYVESANT FISH, 52 Wall Street, New York City.

C. H. FRANKLIN, U. S. Mgr. and Attorney JNO. M. SMITH, Sec. U. S. Branch

INSURANCES TRANSACTED

LIABILITY—
 Employers, General, Vessel Owners, Burglary
 Public, Landlords, Contingent, Workmen's Collective
 Teams, Elevator, Druggists & Physicians. Individual Accident & Health
 Industrial Accident & Health

AGENTS WANTED FOR UNOCCUPIED TERRITORY

PROSPEROUSLY BUSY!

Our agencies are steadily increasing this year's lead over the figures of our high record in 1909.

Our agents are prosperously busy. With Business Life Insurance and our unequalled Continuous Monthly Income policy they are reaching and satisfying the public and liberally rewarding themselves.

Inquiries invited from delivering producers.

GEORGE D. LANG,

Superintendent of Agencies,

Massachusetts Mutual Life Insurance Company,

Incorporated 1851.

Springfield, Massachusetts

Asked what the location of its office was, the answer came that it now had none in New York.

It developed, however, that, prior to some day late in June, 1910, one Max Sonnenschein, the Secretary, and one Lichtig, the Treasurer of the Consolidated Life Securities Company, had offices with the American National Selling Organization at 258 Broadway, New York, and had sent out literature and circulars therefrom, in an effort to promote the sale of the stock of the company. Also that some time previously the Consolidated Life had its principal office at Oneida, N. Y., and that, at that time, Charles E. Renwick was its President. Minnie E. Scully—now of Scully & Co., a corporation at the same address and which corporation has succeeded the American National Selling Organization as the representative of the Consolidated Life—stated to the representatives of the department that the Consolidated Life Securities Company was a one-man concern, organized by Rhodes Brothers for the purpose of taking over the stockholdings of the people who subscribed to the stock of the Central Life Securities Company—another holding company that went into the hands of an Illinois receiver in 1908, after it had promoted the Republic Life Insurance Company, which went into the hands of a receiver at the same time—that the Chicago office of the Selling Organization had at times as many as forty salesmen in the field, but that not more than five or six were at any time connected with the New York office; that the stock of the Consolidated Life Securities Company was sold, as a rule, at \$14 per \$10 share, though some was sold at from \$12 to \$12.50, and that the agents' commissions were from 17½ to 20 per cent, in addition to a 4 per cent commission paid the Selling Organization and the salaries of its officers.

It was also stated that the stock was sold at times on the instalment plan, the instalments being represented by notes, on which judgment could be taken without suit on default. Asked as to the amount of sales in New York, the information was not forthcoming because "the books were in Chicago." Asked as to the present operations of Scully & Co. and the Consolidated Life Securities Company in Chicago, answer was refused because of want of jurisdiction. Sufficient was elicited, however, to indicate that the operations of these companies in New York have absolutely ceased.

Unlike the Consolidated Life Securities Company of Chicago, the National Assurance Company of Wilmington, Del., seems to have left the State two or three months before the new law became effective. Its officers and directors are, however, largely citizens of New York. Hence, a preliminary investigation was made,

with the following result:

This corporation was organized under the laws of Delaware, in October, 1909, its organizer being Harry P. Townsley, formerly President of the Union Life Insurance Company (who, however, does not appear as an officer of the National Assurance Company), and its officers and directors, men formerly connected, in one capacity or another, with the Union Life Insurance Company. The latter company was taken over by the New York Insurance Department a year ago and is now being liquidated. Prior to its removal to Delaware, early in 1910, the National Assurance Company had an office at 64 Wall Street, New York, and from such office an active stock selling campaign seems to have been conducted. One of its stock salesmen who operated in New York asserted to representatives of the department that, as he understood it, the stock sold, while company stock was really the property of Mr. Townsley, \$10 shares being sold to the public at \$15, two or three dollars of which went to him (the stock salesmen) and one to Mr. Townsley, and from \$11 to \$12 into the treasurer of the company; that Mr. Townsley was the owner of such stock is, however, denied by the representatives of the company. It was also stated to the representatives of the department by the former Secretary of the company that he had never seen any books of account and did not think there were any.

It also appeared on the investigation that Mr. Townsley had organized in Delaware a subsidiary company known as the National Stock and Trust Company, of which he was President, and that such company had changed its name to the State Trust Company, and under that name is selling the stock of the National Assurance Company. Such Trust Company appears to have offered some of the National Assurance Company stock to a resident of the State of New York at \$20 a share as late as June 27, 1910, a letter from the Trust Company having come into the possession of the department, which letter recommends the stock as "a safe and conservative investment," and urges the recipient to subscribe while the price is low, asserting that the stock will advance to \$25 or \$30 a share, and adds that the trust company feels warranted in assuring its clients of "remunerative dividends and great advance in the market value."

It was also developed that while, as previously stated, most of the officers and directors of the National Assurance Company of Delaware were citizens of New York, among the directors are former United States Senator Richard E. Kenney, of Delaware, and Deputy Insurance Commissioner A. Donnell Marshall of that State, the latter seeming to be its legal representative in Delaware.

While, after a careful investigation, the department reached the conclusion that the National Assurance Company of Delaware, no longer having an office in New York, was not subject to examination under the New York law, yet, in view of the similarity of method between the incipient promotion of this company and the actual promotion of the Union Life Insurance Company some years ago by Mr. Townsley and his associates, which latter company did not succeed, it has been thought wise to give these facts to the public.

The National Assurance Company of Wilmington, Del., has an authorized capital of \$1,000,000, and, from the best information available, a considerable portion of its stock is as yet unsold.

The United Fire Promotion.

ALBANY, Oct. 8.—There has been filed in the New York Insurance Department a report of an official examination of the United Insurance Company of Arizona and its proposed subsidiary, the United Fire Insurance Company of New York. The latter company is as yet merely a name, it having been incorporated under the New York law in November, 1909. Its capital stock is to be \$200,000, but none of such capital has been paid in nor has it taken any steps looking to the beginning of business.

The United Insurance Company of Arizona is a promotion company, organized under the laws of that territory, in December, 1908. Its articles provide for a capital stock of 10,000,000 shares, of the par value of \$1 each, of which, as appears from the examination, 100,000 shares were subscribed prior to the organization by one O. L. Van Laningham and his associates, though, as appears, not a share has yet been issued pursuant to such subscription, and no call has ever been made upon the alleged subscribers to take up their allotments. In this connection the examiners note the interesting fact that, though this company hails from Arizona, the name of its birth State does not appear in its seal, stock certificates or literature; the words "New York—Chicago" being used instead, apparently to give the impression that its home office is in one of those financial centres. It is also noted that, though this company's charter requires that it have not less than eight directors, but seven were elected at the annual stockholders' meeting in January, 1910, and that only five of the seven are apparently qualified directors, the others not being stockholders.

Relative to O. L. Van Laningham, the report says: "He has achieved considerable notoriety as a promoter of other companies. Van Laningham first organized the State Agency Company, in connection with the Indiana Life Insurance Company, the agency company to act as general

SPECIAL OPPORTUNITIES offered now in Southern States to Representatives of

**CITIZENS
NATIONAL LIFE
INSURANCE
CO.**

W. H. GREGORY,
President.

JOHN C. PAIGE & CO.

INSURANCE

**65 KILBY STREET
BOSTON**

**FEDERAL
LIFE INSURANCE
COMPANY
CHICAGO**

ISAAC MILLER HAMILTON, : ; President

Admitted assets.....	\$2,447,499.17
Capital stock.....	177,300.00
Surplus apportioned and unapportioned	77,510.61
Excess security to policy holders	254,810.61
1909 insurance in force increased over.....	\$6,300,000.00
Surplus increased over....	100,000.00

**HIGH-GRADE MANAGERS AND
AGENTS WANTED.
ATTRACTIVE POLICIES
DESIRABLE CONTRACTS.
WILL ENTER NEW TERRITORY.**

Address,
CHARLES M. TURNER,
General Manager.
Marquette Building, CHICAGO, ILL.

agent for the life insurance company for the State of Indiana. A large amount of money was collected by selling the stock of this agency company; then Van Laningham left it, went West and organized the Life Underwriters' Agency Company in Colorado. The plan in both these companies was to sell stock in the agency company with a policy of life insurance. Both of the agency companies were afterward placed in the hands of receivers, and little, if any, of the large amount of money collected by the sale of stock was in the possession of the corporations. Van Laningham then promoted the Great Western Life Insurance Company of Kansas City, Mo., which also later went into the hands of a receiver and had to be reorganized. Van Laningham then helped promote the Consolidated Casualty Company of West Virginia, with headquarters in Chicago. A large portion of the funds collected in the promotion of this company was dissipated and the company had to reduce its capital stock."

The report shows that many of Van Laningham's associates in organizing the United Insurance Company of Arizona had been associated with him before, several of them being Kansas City men. Their standing—which was somewhat investigated on this examination—was not found to warrant the following statement, taken from the company's original prospectus:

Staunchly backed by the most successful men known to the insurance world—men of sterling character, men whose co-operation and direct financial and personal interest assures success. Men whose record as leaders is proven—men of whom you know as being the most thorough and expert in the intricacies of insurance.

However, on November 1, 1909, Van Laningham (prior to that time the President of the company) severed his connection with it, and its management then devolved upon Ferris E. Shaw, Paul S. Knowles and Stewart Goodrell, each with a considerable experience in insurance matters. Van Laningham seems, however to have demanded a considerable contribution from the funds of the company as the price of such retirement, its books showing that he was paid upward of \$15,000 at that time, about half of it being in certificates of stock of the company. Since his retirement, however, his methods of promoting the company have been continued by the present management, though its literature has been toned down and its expenses somewhat reduced. Of the present management the report states:

It would appear that the present management really had in mind the ultimate formation of an insurance company, which would be managed by the present officers of the United, and that they—the present managers—are not merely promoters.

The plans and methods of this company are characteristic of many others promoted in this and other States. The shares of stock are in denomination of \$1, so as to be readily salable to people of small means. The plan seems to have been to dispose of the stock at the rate of five for one, much stress being placed on the claim that, when the authorized capital was fully subscribed, the company would have a surplus of \$40,000,000. Sales were accomplished through sales agents, at an average commission of 15 per cent, but really at a much larger outlay, owing to a system of advances to agents, which, in case of the agent not proving a success, was a total loss to the company. In placing its stock the original promoters and the present management have availed themselves of what they choose to call the unit plan, which involved the selling of the stock to a physician, a banker, a lawyer and an insurance agent in each considerable city or village in the United States, with the understanding that each would become the sole representative in such community of the respective insurance companies to be formed, a contract being made in each case permitting the stockholders thus interested to control the business therein. This plan has been tried before, and probably will be again. To make it of real value to these "unit" stockholders the promoting company must accumulate sufficient funds to organize a life insurance company, a fire insurance company, a marine insurance company and a casualty insurance company, all of which its literature promises that it would do. In that event, each of the professional gentlemen so interested might possibly secure a little "business" in addition to the promised dividends on their stock. What the organizers and present managers of the company thought of the value of the stock is indicated by the fact that the organizers did not take up their subscriptions, and by the further fact that the present management paid for their small holdings of stock in notes, which are still outstanding.

The Connecticut Mutual

That means the best life insurance to have and the best to sell. If you can sell life insurance, you can sell more of it for the **CONNECTICUT MUTUAL**.

Men of Character and Ability are invited to apply.

**Conn. Mutual Life Ins. Co.,
Hartford, Conn.**

Please mention this paper.

Stock salesmen were supplied with literature characteristic of promotions of this class, as well as with facsimile copies of testimonial letters to an extent, as indicated in the report, on forms drawn at the home office. The means whereby these letters were obtained are indicated by one quoted in the report which acknowledges the receipt of a certificate for 500 shares of stock and states: "It was a pleasure to us to invest in a company of such magnitude," whereas the fact was that no stock was ever issued to the writers of the letter.

Even under the present management the literature assures the public:

The officers of the company, men of national reputation and active for twenty to thirty years, are thoroughly reliable and practical underwriters and financiers, and subject without fear to the strictest investigation for integrity, character, honesty and ability.

The following is quoted from the examiners' report:

The United Insurance Company has had at various times almost 200 stock salesmen in its employ. Some of these receive a salary of \$150 a month and a commission (generally 15 per cent on direct sales and an over-riding commission of 2½ per cent to 5 per cent on sales by men working under their direction). The non-salaried men work on a straight commission basis, usually 15 per cent. The commission was based on the selling price and not on the par value of the stock. * * * The commissions, salaries, travelling expenses and advances to salesmen amount to 140 per cent of the par value of stock sold to date. This is exclusive of all other expenses and disbursements. The total cost of selling the company's stock is 242 per cent, or an expenditure of \$2.42 for each \$1 share sold.

This company, still having an office in New York, viz., at 100 William Street, as well as one in the First National Bank Building at Chicago, it was possible to make an investigation of its finances as of July 1 last. Such an investigation showed the following, the figures, for convenience, being given in round numbers:

Total receipts from stock sales (including about \$68,000 in notes, still on hand)	\$245,000.00
Actual cash received.....	176,000.00
Cash disbursed for commissions, salaries and expenses	158,000.00
Present cash assets.....	18,000.00
	=====

Ratio of disbursements to total sales, 64 per cent.

Ratio of disbursements to cash sales, 90 per cent.

The disbursements to date include the following:

Salaries of salesmen.....	\$30,577.71
Advances to salesmen.....	38,641.60
Commissions to salesmen..	10,940.14
Travelling expenses of salesmen	10,762.22
Salaries of officers.....	13,750.00
Travelling expenses of officers	1,533.44
Printing and stationery....	14,154.67
Salaries of clerks.....	11,660.08
Rent	8,133.46
Furniture and fixtures....	5,190.89
	=====

and the balance—making up a total for promotion expenses aggregating \$157,912.21—for legal services, advertising, postage, and the like.

The above showing suggests grave doubt as to whether this company, even at a considerable reduction from its present rate of expenditure, will ultimately acquire sufficient funds to permit it to finance a life insurance company, a fire insurance company (the United Fire Insurance Company of New York), a marine insurance company and a casualty insurance company, and thus to avail itself of its professional units in each considerable city and village in the United States. In fact, the cash received, namely, \$176,000, representing 40,000 shares, paid for at \$1 each, and a paid-in surplus of \$130,000, some of the stock apparently having been placed at less than five to one, having been reduced by promotion expenses to but \$18,000, it appears that this company has thus far dissipated all of its surplus and nearly two-thirds of its cash capital. At the hearing its present managers admitted that, unless it could interest large capitalists its plan was a failure.

SHAW AND GOODRELL REPLY FOR UNITED FIRE

The following statement, in reply to Superintendent Hotchkiss, was made by Feris E. Shaw, Vice-President, and Stewart Goodrell, Secretary of the United Insurance Company:

"The attention of the officers of this company has been called to a circular letter addressed by the Superintendent of Insurance of the State of New York to 'Editors,' and containing what is presumably a resume of that officer's report, based upon an examination of the company's books.

"This examination was concluded more than a month ago, and a tentative report drawn up, a copy of which was sent this company. Upon a hearing the Superintendent ordered the report amended in several particulars, and stated that a copy of the amended report would be sent the company when completed. We have received no copy, and except as indicated by the circular letter, do not know what it now contains. In view of this fact, we feel that the interests involved require a reply in several particulars.

"In the first place, much of the report is devoted to O. L. Van Laningham, formerly connected with the United, and his history as a promoter is dwelt upon at length. Van Laningham severed his connection with the company nearly a year ago, and this fact was shown to the Superintendent of Insurance. The \$15,000 compromise with Van Laningham adversely commented upon was for money actually advanced the company by him, and was legally and in good faith due him. This transaction was fully explained to the insurance examiner, who did not question its bona fides.

"The stock salesmen feature is another subject of attack. The plan of organization adopted by the United was to sell its stock to those who were to be its local representatives, thus building up at one and the same time a large agency force, prepared to immediately furnish the company

THE Philadelphia Casualty Co.

WALTER LE MAR TALBOT, Pres't.

Our New Accident Policy Is Perfection.

It's the Policy Your Client Wants.
It's the Policy That's Easy to Sell.

Personal Accident, Health, Liability
Automobile, Plate Glass and
Credit Insurance.

Agency Correspondence Solicited.

NATIONAL LIFE INSURANCE COMPANY of the United States of America



MORE THAN \$9,750,000.00 IN ASSETS
EXCESS SECURITY TO POLICYHOLDERS \$1,300,000.00

Chicago's Oldest and Strongest
Company

OUR NEW POLICIES ARE WORLD BEATERS

LOWEST RATES AND HIGHEST VALUES

YOU LOSE MONEY WHEN YOU NEGLECT YOUR CHANCE TO SELL THEM

Write to Robert D. Lay, Secretary, 159 La Salle St., Chicago.

1910

GEORGE E. IDE, President.

Insurance in Force	\$4,164,239.00
Assets	1,917,117.00
Deferred Dividend Reserve...	148,581.00
Contingency Reserve (Surplus)	655,149.17

"After an exhaustive examination of the company, extending over two weeks, the Superintendent of Insur-

"We are convinced that the amount of the necessary capital will be interested and this company be made a valuable factor in the insurance world. Failure will not be due to lack of honesty and diligence on our part."

The Liverpool and London and Globe has bought a control of the Canadian Railway Accident Insurance Company of Ottawa. It has agreed to take all the shares of the Canadian Railway Accident at 100 per share, the par value being 25. The Canadian Railway Accident began business in 1895, with an authorized capital of \$500,000, of which \$250,000 was subscribed and \$62,500 paid in in cash. The company made a specialty of writing accident insurance for railway employees, and last year had a premium income of \$333,336, with losses of \$149,462. It is announced that the company is to be continued as a distinct organization, and that John Emo, who has been manager for several years, will be retained in that capacity.

CHAS. F. COFFIN, Second Vice Pres., 1231 State Life Bldg.

WM. B. CLARK, President.
W. H. KING, Vice-President.
HENRY E. REES, Secretary.
Assistant Secretaries,
A. N. WILLIAMS, E. S. ALLEN,
E. J. SLOAN, GUY E. BEARDSLEY.

Here and There

ON Wednesday and Thursday of next week the Liability Insurance Association will hold its annual meeting for 1910 at the Hotel Plaza. The question of liability reserves is one which is receiving a great deal of consideration at the present time on the part of all the casualty companies, as well as the insurance departments. The association has deemed it advisable to devote considerable time to the discussion of this subject, and has arranged with representatives of two insurance departments to read papers on the same, in addition to which one or two well known actuaries who have made a special study of the casualty business are also expected to read papers and participate in the discussion. The speakers will include:

William H. Hotchkiss, Superintendent of Insurance of New York State.

James R. Young, Insurance Commissioner of North Carolina. Subject, "From the Viewpoint of Supervision."

Silas R. Barton, Auditor of Public Accounts of Nebraska.

A. W. Damon, President the National Board of Fire Underwriters. Subject, "Responsibility of the Individual."

Robert Lynn Cox, general counsel and manager of the Association of Life Insurance Presidents. Subject, "Modern Co-Operative Methods to Meet Tendencies of Governmental Control."

Anton A. Raven, President of the Atlantic Mutual Insurance Company.

George F. Seward, President of the Fidelity and Casualty Company. Subject, "Insurance Is Commerce."

* * *

The Aetna Life Insurance Company has issued a well gotten up pamphlet by J. Scofield Rowe on the effect upon liability insurance of the new liability and workmen's compensation laws in New York State. The

pamphlet comprises a discretion of the bearing of this legislation upon both employers of labor and insurance companies, to which are appended the texts of the laws in question.

* * *

Charles J. Holman, assistant manager of the Commercial Union, has been chosen Treasurer of the National Board of Fire Underwriters to fill the vacancy caused by the death of Marshall S. Driggs.

* * *

It is reported that between \$700,000 and \$800,000 has been placed recently on the buildings and contents of John D. Rockefeller's extensive property at Tarrytown, N. Y.

CONTINENTAL LIFE MAKES A RECORD.

The third anniversary of the Continental Life Insurance Company, of Wilmington, Del., is accompanied by a showing as to the character and quality of its business in its home State and in Maryland, which is really extraordinary. As the company itself truthfully says in its own literature, the amount of business transacted by a life insurance company in its home field, where its management is best known, is a fair indication of the measure of confidence which it merits.

In the State of Delaware the new insurance in written and paid-for in 1909 for the legal reserve life insurance companies, exclusive of industrial companies, aggregated \$2,661,331. The Continental Life was first in the volume written, its total being \$761,107, or 29 per cent of the entire new business.

In Maryland, among the legal reserve life insurance companies, exclusive of industrial companies, the Continental Life stood fourth for 1909, notwithstanding that its Maryland business for that year was confined chiefly to the nine counties commonly known as the Eastern Shore. Baltimore and Western Maryland are now being developed. During the month of September, 1910, it received all told applications for \$1,303,500 of new insurance.

It should be further said that this new company is transacting its business strictly within the margins of the so-called modified preliminary term method of valuation.

OBITUARY.

Henry C. Tanner.

Henry C. Tanner, manager of the insurance brokerage firm of Tate & Robb, at 100 William Street, died at the home of his brother and only relative, William B. Tanner, of East Orange, N. J. Henry C. Tanner was born in New York City forty-three years ago, and was educated in the Thirteenth Street School. As a boy and young man he went to sea before the mast, visiting many parts of the world. He was familiarly known as "Doc" Tanner, and many of his intimates supposed him formerly to be connected with the medical profession. He never was, however. He was well known as an attendant at the first nights at the theatres. His acquaintance in and out of the insurance business was very extensive.

James S. Barrett.

LOUISVILLE, Ky., Oct. 10.—James S. Barrett, President of the German Security Bank and German Security Insurance Company, died last night at the age of seventy-six years.

OLDEST
IN
AMERICA

STRONGEST
IN THE
WORLD

THE LEADING FIRE COMPANY
OF THE WORLD



THE MUTUAL LIFE Insurance Company of New York

Mutual Life Agents Make Most Money
Because Mutual Life Policies Sell Most Freely

For terms to producing agents, address

GEORGE T. DEXTER

2nd Vice-President

34 Nassau Street

New York, N. Y.

Ideas Help an Agent Sell
Policies

SECURITY MUTUAL LIFE INSURANCE COMPANY

Binghamton, N. Y.

Furnishes Ideas Through an
Educational System

For particulars address

HOME OFFICE

Germania Fire

INSURANCE CO.,

NEW YORK.

ORGANIZED 1859.

Cash Capital.....\$1,000,000.00
Assets\$6,562,329.14
Net Surplus.....\$2,008,419.02
Surplus for Policyholders,\$3,008,419.02

HEAD OFFICE:

Cor. William and Cedar Streets.

THE PROVIDENT LIFE AND TRUST COMPANY OF PHILADELPHIA

Insurance in Force. \$214,509,255.00
(Paid for Basis)

Assets \$70,514,350.45
(Market Value, Dec. 31, 1909)

Contingency Reserve . \$9,207,276.38
(Inclusive of Capital Stock, \$1,000,000.)

The Provident has been particularly distinguished for the development of a highly trained force of agents. The systematic instruction which its agents receive has resulted in their being recognized as representatives of exceptional knowledge of the business and of marked efficiency.

Along the Shores of Lake Michigan

CHICAGO, Oct. 12.—Last week will linger long in the memory of Western fire underwriters. For many years the Northwest meeting has been the crowning event of the year, a time for gathering in Chicago from all parts of the West, a time for dropping work for a few days, for renewing friendships and acquaintances and for acquiring some new ideas from the storehouses of the experts. Around the Northwest meeting have grown up a number of lesser affairs, such as company dinners and reunions of members of past organizations or of men from certain fields. This year there were added to the list of such organizations the Association of Life Members of the Fire Underwriters' Association of the Northwest and Insurance Survey Bureau Club, composed of former inspectors and other employees of that defunct organization. The youngest members of the former have been paying dues to the Northwest Association at least twenty-five years; those of the latter are mostly young men who a few years ago composed probably as fine a corps of inspectors as the country could boast of and many of whom now are prominent field men.

But the growth of the Ancient and Honorable Order of the Blue Goose has brought a new element into the Northwest meeting crowd, not large in numbers yet, but influential and a valuable addition. Reference is made to members of the Blue Goose who come from the Far West, the South and the East. With the continued growth of the Blue Goose, Chicago will become the Mecca of fire underwriters from all parts of the country during the first week in October of each year.

The festivities commenced this year with the meeting of the Grand Nest of the Blue Goose on Tuesday. Delegates were on hand from twenty-one State ponds. The ritual of the order was revised along the lines of more elaborateness and dignity. During the coming year a committee will revise the constitution and by-laws for approval of the Grand Nest at its next meeting.

On Tuesday evening 124 men sat down to a banquet in the Red Room of the La Salle. The toastmaster was A. R. Monroe, assistant manager of the Queen, who on Thursday became the President of the Northwest Association. Among the speakers was Insurance Commissioner Barry, of Michigan, and among the guests were a number of United States managers and Western managers. The appointments were perfect, and it was an evening of wit and song not soon to be forgotten.

The Blue Goose doings came to an end on Wednesday evening with a great meeting attended by some 500

members, at which the newly elected officers were installed and three goslings were initiated by as many teams from different States. Upward of twenty-five goslings were admitted to membership, including one company President and several managers and assistant managers.

The Northwest meeting opened on Wednesday morning with a large attendance. The annual address was looked forward to with unusual interest because it was to be delivered by Commissioner Barry, of Michigan, whose position as chairman of the committee of commissioners which investigated the expense question gave his views almost the weight of official pronouncements. Mr. Barry came out squarely for flat and contingent commissions as a cure for many of the most crying present evils in the business at the present time.

While two addresses were on inspections and one on practice, nearly every speaker, including Mr. Barry, touched upon the subject of fire prevention, while two addresses on Thursday morning were devoted entirely to this subject. The programme was arranged with special reference to the interest and needs of field men, and the fact that speakers on different topics brought in fire prevention showed clearly how prominent that subject is in the minds of fire underwriters at present. It is the vital question now. With the public clamor for lower rates underwriters know the only way to meet this demand to any great extent is through reduction in losses. How to make the people see that is their problem.

* * *

Talk of fire companies "up against it" continues in the West. Unless reports are much exaggerated, some of the Western Insurance Commissioners will have some perplexing problems to deal with when company statements come in, for the showing of at least a few companies is likely to be so weak as to require supervising officials to take notice. Some companies admit that they have made little or no underwriting profit so far this year. The big companies are fighting harder than ever to keep up their premium incomes in the face of rates going down for improvements, and for co-insurance and with stocks not yet up to their volume of three years ago. Facing harder competition, with underwriting profits small or negligible, the company without large assets earning interest cannot expect to make a showing gratifying to its stockholders, and if its surplus was low at the beginning of the year the chances of improvement at the end are not good.

In his address before the Northwest Association last week Commissioner Barry, of Michigan, expressed strong

New York Insurance Stocks

Casualty Companies.

	Capital.	Div.	Period.	Bid.	Ask.
Aetna Indemnity (\$25)....	\$350,000	V	V	...	200
Casualty Co. of America...	500,000	6	J&J	120	150
Fidelity & Casualty.....	1,000,000	18	"	450	500
Hartford Steam Boiler....	1,000,000	10	"	255	265
Metropolitan Casualty	200,000	10	"	185	...
N. Y. Plate Glass (\$50)....	200,000	16	"	500	...
United States Casualty....	500,000	10	Q	200	225

Fire Companies.

City of New York.....	\$500,000	10	Q	...	205
Commonwealth	500,000	10	J&J	326	...
Continental	2,000,000	40	"	950	...
Empire City	200,000	8	"	125	...
Fidelity-Phenix	2,500,000	V	V	270	280
German Alliance	400,000	15	J&J	275	300
German-American	1,500,000	30	"	550	560
Germania (\$50)	1,000,000	18	"	285	295
Glens Falls (\$10).....	200,000	30	"	1,525	...
Globe & Rutgers.....	400,000	40	Q	475	...

Hanover (\$50)	1,000,000	15	J&J	200	210
Home	3,000,000	30	"	640	660
Nassau (\$50)	200,000	10	"	165	175
Niagara (\$50)	1,000,000	20	"	300	305
North River (\$25).....	350,000	10	A&O	155	165
Pacific (\$25)	200,000	14	"	185	...
Peter Cooper (\$20)	150,000	6	"	90	105
Stuyvesant	400,000	10	"	155	160
United States (\$25).....	250,000	V	V	60	70
Westchester (\$10)	400,000	35	F&A	455	...
Williamsburg City (\$50)..	250,000	20	J&J	380	400

Life Companies.

Aetna Life	\$2,000,000	15	Q	650	660
Connecticut General	300,000	8	J&J	250	...
Equitable	100,000	7	A	4,000	...
Germania (\$50)	200,000	12	J&J	210	225
Hartford Life	500,000	10	"	150	...
Home	125,000	12	M&N	275	...
Manhattan Life	100,000	26	O&F	400	425
Metropolitan (\$25).....	2,000,000	7	M&N	155	175
Prudential (\$50)	2,000,000	10	Q	400	425
Travellers' Hartford	2,000,000	20	Q	900	...
United States Life.....	264,000	7	J&J	90	105

V—No information. Q—Quarterly.

disapproval of the Western Union's separation rule. He sees no reason why preferred business is worth 25 per cent in a clear union agency and only 15 per cent in a mixed agency. Should this view become prevalent and find expression in legislation, as it did some years ago in Iowa, representatives of some of the smaller companies think it will work great hardship on them. Comparatively small non-union companies now hold prominent places in non-union agencies which they would lose if large union companies entered the agencies at the same scale of commission.

If some of the States see fit to legislate on commissions this winter the effect is likely to be uniformity, whether the commissions be flat, graded or contingent. In any event weak companies, if deprived of the privilege of competing with strong ones along commission lines, are likely to find themselves in an unpleasant predicament, except where they are operating near home and have the advantage of local interest and prestige.

* * *

Surplus line business has been re-

ported very slack in the West this year. One Chicago surplus line broker gives the co-insurance clause credit for considerable of what little surplus business there is. The new practice of giving greater credits for co-insurance appears likely to produce some surplus line business in manufacturing centres where there are very large plants.

* * *

A year or so ago more or less was heard in the West of the Western Fire of Arizona, with headquarters at Ogden, Utah, which was entering surplus line offices at various points. O. O. Oldham was the manager. He resigned, and then little was heard of the company, but recently it was reported that Oldham was opening a general agency in the State of Washington. Last week a Chicago surplus line broker swore out a warrant for his arrest on the charge of running a confidence game. He alleges that Oldham while in Chicago on his way East a few weeks ago got the broker to cash a draft for \$50 drawn on his alleged financial backer in this new general agency enterprise, so that Oldham could proceed directly to New York and not be obliged to go to Cincinnati to get money. The broker alleged that Oldham went to Cincinnati, entered a partnership there, and since has given him one worthless check in payment of the draft and ignored one draft for \$50.

* * *

Announcement of the appointment of Walter D. Williams as Western manager of the Security of New Haven came as a surprise last week. Since the death of Jesse A. Daggett some months ago E. K. Crawford has been the acting manager. His friends had hoped that he would be appointed manager. The work has been heavy and was telling on his strength, however, so he probably will be better off in the long run to be assistant

manager. He is still young, and with the fine reputation he already has attained has excellent prospects for future preferment. Mr. Williams is regarded as admirably fitted for the managership, having had long field experience in Minnesota and the Dakotas and executive experience as Vice-President of the Spring Garden.

Local agents in Missouri who at the St. Joseph convention in June decided to work for some kind of legislation to alleviate conditions in the State do not appear yet to have outlined their programme. Conditions are reported as growing constantly worse. There has been much complaint about St. Louis for months past, and Kansas City is said to be steadily getting more like St. Joseph, where chaos has reigned for years.

LA SALLE.

A NEW PROMOTION.

New fire insurance companies continue to be promoted. The last one to be noted is that of the Greater New York Insurance Company, and it is stated that John W. Brooks, formerly with the People's National, is the organizer. The proposed strength of this company is \$200,000 capital with a surplus of equal amount.

RECTOR 2817

ESTABLISHED 1864

E. S. BAILEY

DEALER IN

INSURANCE STOCKS

A SPECIALTY

66 Broadway NEW YORK

HARTFORD LIFE

INSURANCE COMPANY,
OF CONN.

1909 Policies are Participating, or Non-participating, with Lower Rates and Values based on FULL RESERVE.

For Right Contracts,

Address, Second Vice-President,

Home Office, HARTFORD, CONN.

FOUNDED 1792

118th ANNUAL STATEMENT

INSURANCE COMPANY OF NORTH AMERICA. OF PHILADELPHIA, PA.

ASSETS.

Real Estate	January 1, 1910.
First Mortgages on Real Estate	\$ 364,416.00
Philadelphia, New York, Boston and other City and State Loans	373,803.48
Pennsylvania, Philadelphia and Erie, Lehigh Valley and other Companies' Bonds and Stocks	1,134,390.00
Cash in Bank and Bankers' hands	8,909,150.32
Notes Receivable and Unsettled Marine Premiums	1,134,635.88
Net Cash Fire Premiums in course of Transmission	347,440.69
Accrued Interest, and all other property	1,069,510.62
	52,160.57

Total Assets\$13,385,501.56

LIABILITIES.

Capital Stock	\$ 3,000,000.00
Reserve for Re-Insurance ..	6,813,862.47
Reserve for Losses	877,250.00
All other Liabilities	104,982.45
Surplus over all Liabilities ..	2,589,406.64

\$13,385,501.56

Surplus to Policyholders	\$5,589,406.64
Increase in Reinsurance Reserve	349,934.71
Increase in Net Surplus	838,500.92
Increase in Assets	1,371,455.93

Eugene L. Ellison	President
Benjamin Rush	Vice-President
T. Houart Wright	Secretary
Henry W. Farnum	Assistant Secretary
John O. Platt	Assistant Secretary

Agencies in all Prominent Cities & Towns.

NATIONAL LIFE

Insurance Company,

MONTPELIER, VERMONT.

Established in 1850.
Operating in 37 States.

JOSEPH A. DE BOER, President.

FRED A. HOWLAND, Vice-President
JAMES B. ESTEE, 2nd Vice-President
OSMAN D. CLARK, Secretary
H. M. CUTLER, Treasurer
A. B. BISBEE, Medical Director
C. E. MOULTON, Actuary

This Company held January 1, 1910,
and gained during the past decade:

ASSETS . . .	\$47,490,998.98
GAIN, 167 PER CENT.	
LIABILITIES . .	\$41,661,130.12
GAIN, 162 PER CENT.	
SURPLUS . . .	\$5,829,868.86
GAIN, 211 PER CENT.	
INSURANCE . .	\$161,423,115.00
GAIN, 79 PER CENT.	

**Absolute Security and
Economy of
Management**

Bob's Remarks

ONE of the largest Spanish fire insurance companies — the Union and Phenix Espanol, of Madrid, Spain—has been licensed to do a fire insurance business in this State. The regular cash deposit of \$500,000 has been made with the New York Department. Under the United States management of the corporation of Fester, Douglas & Folsom, of 1 Liberty Street, the company will do only a reinsurance business, contracts with some four or five companies having been made. R. H. Folsom, of the underwriting corporation, will be the managing director.

* * *

According to the last published statement at the Paris (France) headquarters of the Union & Phenix Espanol, the company has a paid up cash capital of over \$2,000,000, with total cash assets of \$20,000,000. Representatives of the New York underwriting corporation are Mund & Fester, Hamburg and Antwerp; Douglas Brothers, Canada; Fester, Fothergill & Hartung, London and Liverpool, and Mund, Fester, Heiseler & Wiese, of St. Petersburg, Russia. It is expected that several other foreign companies will regularly enter New York State shortly as admitted reinsurance offices, and be represented by the corporation of Fester, Douglas & Folsom for the United States.

* * *

Application for the admission of the Sovereign Fire Insurance of Toronto has been made to the New York Insurance Department. When examined by the Illinois authorities the company was given a better showing than it claimed. A Western manager will probably be appointed when the New York matter is definitely settled.

* * *

As stated in THE CHRONICLE a short time ago, the subject of universal classification is gaining recognition and strength with insurance departments. Professor A. W. Whitney, insurance adviser for the New York Legislative Committee, and who is a close student of underwriting matters, states that, in his opinion, combined experience is necessary for combined rate-making. Evidently this is the opinion of the Illinois Insurance Department.

* * *

The proposition to write three-year policies on mercantile buildings at twice the annual rate has not been approved by the Pacific Coast Board. This action for reduced rate was suggested to meet competition of non-board companies.

* * *

Talbot, Wallace & Co., agents for the marine department of the Aetna Insurance Company, have issued the

following circular: "The Aetna Insurance Company, of Hartford, Conn., begs to call the attention of brokers to the facilities it offers for the underwriting of all classes of marine hazard. Ocean, as well as inland, risks are accepted, and no line is too small to receive the company's best consideration. Brokers are assured that they will receive every attention and that their business will be fully protected.

* * *

Beginning with next year, it is expected that the Vulcan Fire Insurance Company, incorporated at Oakland, Cal., will be ready for business. The proposed capital and surplus will be \$1,000,000. I. H. Clay, President of the California State Association of Local Fire Insurance Agents, has been chosen President of the new company.

* * *

Judgments arising from claims on account of the San Francisco conflagration of 1906, against the Williamsburgh City and Norwich Union have been settled, and in favor of the policyholders. The basis of defence was the earthquake clause, and this was not allowed by the court.

* * *

Local underwriters, and particularly countermen are generally pretty wise as to street jokes and "jollies"—none, in fact, are quicker to note such things. For years application clerks have noted the discrepancy in street numbers on Broadway between Twenty-third and Twenty-fourth Streets. According to the maps, there are none between 957 and 1,097, Fifth Avenue butting in and thus disturbing the continuity of lot numbers. Yet only recently a broker (somewhat of a wag) invaded a local office and asked for a rate on building and contents of 977 and 979 Broadway. He was immediately but firmly fired.

* * *

The Manhattan Life Insurance Company announces with great regret that Dr. William B. Lane, after many years of active service, has, upon the advice of his physicians, tendered his resignation as Vice-President of the company. He will continue, however, in an advisory capacity. The following appointments have been made by the Board of Directors: Morris W. Torrey, who for the last five years has been Secretary, and before that Actuary, has been appointed as Vice-President. Melvin DeMott, for the last six years cashier, has been appointed Secretary.

* * *

It is announced that the American Union Fire Insurance Company, of Philadelphia, is making rapid progress in the completion of its organization and expects to commence business some time this month. BOB.

The Employers' Liability

Assurance Corporation, Ltd.

LIABILITY, STEAM BOILER,
ACCIDENT, HEALTH, FIDELITY
and BURGLARY INSURANCE.

UNITED STATES BRANCH.

SAMUEL APPLETON, United States
Manager,

Employers' Liability Building,
33 BROAD STREET, BOSTON, MASS.

EDMUND DWIGHT,
Resident Manager for New York State,
66 MAIDEN LANE, NEW YORK.

AGENTS WANTED.

COMMERCIAL - UNION

ASSURANCE CO.,

(LIMITED)

OF LONDON.

OFFICE;

Cor. Pine & William Sts.

NEW YORK.

NOTEWORTHY ADVANCE.

The

BERKSHIRE LIFE Insurance Company,

OF PITTSFIELD, MASSACHUSETTS,

takes an advanced step in the interest
of the policyholder by the adoption of
the following liberal features in its new
policy contract:

Low premium rates.

Large surrender values.

Dividends at the end of each policy
year.

Thirty-one days of grace in payment
of all premiums after the first year.

Paid-up insurance or cash surrender
value or extended insurance after two
years' premiums have been paid.

Loans for the full cash-surrender
value.

Policy payable in one sum or in instal-
ments for terms of years.

Policy has no restrictions upon resi-
dence or travel and is incontestable after
the first policy year, except for non-pay-
ment of premiums.

Right of the insured to change the
beneficiary.

Liberal re-instatement privileges.

Every effort has been made to make
this new policy the very perfection in a
life insurance contract.

For further information apply to

JOHN H. ROBINSON, General Agent
FRANK ALLEN, Associate General Agent

For New York and New Jersey,

Postal Building,

253 Broadway, - - - NEW YORK.

WANTED—A Superintendent of Agencies for a company with

Insurance in force of more than.....\$70,000,000

Assets of more than.....\$20,000,000

Surplus of more than.....\$ 2,000,000

A HOME OFFICE POSITION.

Address "Superintendent" care of this paper

CLAIMS PAID OVER \$11,300,000.	CASH CAPITAL \$500,000.00.	RESERVE—SURPLUS—POLICY HOLDERS OVER \$3,200,000.
-----------------------------------	-------------------------------	---

All forms of Accident, Sickness, Industrial
and
Liability Insurance

THE
STANDARD

Accident Insurance Co.

Detroit, OF Michigan.

Lem W. Bowen, Pres. E. A. Leonard, Sec.

Metropolitan Department,

C. A. TIMEWELL, Manager,

92 William St.

New York City

Survivorship Annuity Tables

Net Premiums, Mean and Terminal Reserves

American Experience Table,
LIFE OF NOMINATOR

Danish Survivorship Annuitants' Table,
LIFE OF ANNUITANT

And $3\frac{1}{2}$ Per Cent. Interest

BY
MILES M. DAWSON,
Consulting Actuary

SEND ALL ORDERS TO

The Chronicle Co. (Ltd.)

No. 90 William St.

NEW YORK

The Chronicle

1866

Published by THE CHRONICLE COMPANY (Ltd.), 90 William Street, New York City

1910

VOLUME LXXXVI.

New York, October 20, 1910.

NUMBER 16



THE HOTEL PLAZA

FOUNDED 1792

INSURANCE COMPANY OF NORTH AMERICA. OF PHILADELPHIA, PA.

ASSETS.

	January 1, 1910.
Real Estate	\$ 364,410.00
First Mortgages on Real Estate	373,803.48
Philadelphia, New York, Boston and other City and State Loans	1,134,390.00
Pennsylvania, Philadelphia and Erie, Lehigh Valley and other Companies' Bonds and Stocks	8,909,150.32
Cash in Bank and Bankers' hands	1,134,635.88
Notes Receivable and Unsettled Marine Premiums....	347,440.69
Net Cash Fire Premiums in course of Transmission....	1,069,510.62
Accrued Interest, and all other property	52,160.57

Total Assets\$13,385,501.56

LIABILITIES.

Capital Stock	\$ 3,000,000.00
Reserve for Re-Insurance ..	6,813,862.47
Reserve for Losses	877,250.00
All other Liabilities	104,982.45
Surplus over all Liabilities..	2,589,406.64

\$13,385,501.56

Surplus to Policyholders.....	\$5,589,406.64
Increase in Reinsurance Reserve	349,934.71
Increase in Net Surplus.....	838,500.92
Increase in Assets	1,371,435.93

Eugene L. Ellison.....President
 Benjamin Rush.....Vice-President
 T. Houari Wright.....Secretary
 Henry W. Farnum.....Assistant Secretary
 John O. Platt.....Assistant Secretary

Agencies in all Prominent Cities & Towns.

THE PROVIDENT LIFE AND TRUST COMPANY OF PHILADELPHIA

Insurance in Force, \$214,509,255.00
(Paid for Basis)Assets \$70,514,350.45
(Market Value, Dec. 31, 1909)Contingency Reserve . \$9,207,276.38
(Inclusive of Capital Stock, \$1,000,000.)

The Provident has been particularly distinguished for the development of a highly trained force of agents. The systematic instruction which its agents receive has resulted in their being recognized as representatives of exceptional knowledge of the business and of marked efficiency.

INCORPORATED 1833.

British America Assurance Company HEAD OFFICE, TORONTO, CANADA

UNITED STATES BRANCH.

JANUARY 1, 1910.

Assets	\$1,556,740.94
Liabilities	902,433.61
Surplus	\$ 654,307.33

Hon. GEORGE A. COX, President.
 JOHN HOSKIN } Vice-Presidents.
 W. R. BROCK }
 W. B. MEIKLE, General Mgr.

OUR BOND—YOUR SECURITY.

T. J. FALVEY, JOHN T. BURNETT,
 President. Sec'y & Treasurer.



Massachusetts Bonding and Insurance Co.

Organized under
 the Laws of the
 Commonwealth of
 Massachusetts.

Home Office, 77-81 State Street, Boston.
 Capital\$500,000.00
 Surplus\$250,000.00
 SURETY BONDS and BURGLARY and
 THEFT INSURANCE.

The Northwestern Mutual Life Insurance Co. of Milwaukee

GEO. C. MARKHAM, President
 A. S. HATHAWAY, Secretary

New Business Paid-For

1905	\$ 90,334,038
1906	93,563,452
1907	102,233,634
1908	109,685,428
1909	113,716,188

Each year larger than any in the previous
 history of the Company:

Commenced Business 1858

INSURANCE MEN will note the significant increase in The Northwestern's new business during the past five years.

IMPORTANT FACTS relating to this business are shown by the following percentages:

	Expenses	Mortality	Interest
1905	12.15	67	4.73
1906	11.76	59	4.72
1907	11.81	58	4.76
1908	10.76	59	4.84
1909	10.63	54	4.85

It is capable of easy demonstration that The Northwestern is the best Company to insure in.

See The Northwestern's new (1910) policy contract with its Dividend Options, Paid-up and Endowment Options, Options of Settlement and the Premium Loan Features.

Issues Partnership and Corporation Insurance.
 For further information or an Agency, address

H. F. NORRIS,
 Superintendent of Agencies.

The Chronicle

VOLUME LXXXVI

NEW YORK, THURSDAY, OCTOBER 20, 1910.

NUMBER 16

PUBLISHED EVERY THURSDAY BY
THE CHRONICLE COMPANY, Limited.
No. 90 WILLIAM ST., NEW YORK.
Phone "567 John." Cable Address, "Chronogram," New York.

Subscription Price:
Three Dollars a Year. Single Copies, Twenty-five Cents.
Postage Prepaid in the United States and Canada.

MILES M. DAWSON, President.
R. B. Dawson, Treas. A. C. Harwick, V.-P. A. L. Dern, Sec'y.
Emil Schwab, Manager New England Department,
200 Devonshire Street, Boston, Mass.

All communications should be addressed to and remittance should be made to The Chronicle Company, Limited.
Entered at the Post Office, New York, N. Y., as Second Class Mail Matter.

Casualty and Surety Men at the Plaza

AT THE Hotel Plaza on Tuesday the Board of Casualty and Surety Underwriters held its seventh annual meeting. Franklin J. Moore, President of the Board and United States Manager of the General Accident, Fire and Life Assurance Corporation, delivered the annual President's address, in the course of which he discussed the general problem of official supervision and of the insurance business.

"A subject of vital interest to us," Mr. Moore said, "one that has had most exhaustive consideration at our hands, that is one of the subjects we are organized to promote, and, therefore, has our general support, is Federal supervision. Without attempting here to go into any question of its possible merits or demerits, I think I am safe in saying that Federal supervision, as a fact, seems to be a long way off. If we consider, therefore, that any change in the near future is improbable, may it not be well to give consideration to supervision as we now have it without, in any degree, lessening our efforts in the direction of securing something we deem better?"

James R. Young, Insurance Commissioner of North Carolina, read an address entitled "From the Viewpoint of Supervision," in the course of which he said:

"What is there to call for a reference to how things may look from the viewpoint of supervision? Many look upon the supervision of insurance as an evil, though a necessary one. It is not always stated whether it is thought necessary, because of the benefits that flow from it (though a little irksome) at times or because it is laid upon the business and cannot be remedied. In my opinion in which I do not expect all of you to concur even remotely, proper supervision is not merely a benefit, but a necessity. It should be judged fairly and not by its abuses, which happily are rapidly passing away. Supervision is not responsible for all the ills of the business, nor even for all laws

upon our statute books or taxes imposed upon the business. I trust your feelings toward supervision may not always be illustrated by a story I read not long since. A nurse had been called as a witness to prove the correctness of the bill of a physician.

"Let us get at the facts in the case," said the lawyer, who was doing a cross-examination stunt. 'Didn't the doctor call several times after the patient was out of danger?' 'No, sir,' answered the nurse. 'I considered the patient in danger as long as the doctor continued his visits.'

"It is not so necessary for the best companies nor their officers as for others not so genteel in their methods. Were all companies and their representatives perfect there would be no need of supervision, just as with such a condition generally there could be no need for government and laws, courts and officers and such line.

"In my experience as a supervising officer it has been my privilege and duty to put into effect many laws, some of them largely of an educational character, and I have yet to find a law, however obnoxious, that was not generally admitted to be a good thing for the 'other fellow.'

"That supervision of insurance companies is here to stay no one doubts. Whether it is best and necessary many may doubt; but I am sure as to its necessity from the viewpoint of the government and the people, and that it is best, all things considered, for the companies, but I believe and am free to admit that it is not perfect in its work and methods, and I, with other Commissioners, desire to unite with you in its improvement. While, as I have said, it is not perfect in its working, it yet has about as little friction in its makeup as other laws upon our statute books. The people are supreme, and, while no injustice should be done, even in the name of law to even a corporation, the people are entitled to have not only fair and just laws for their protection, but laws so expressed that they may know and feel that their

rights are fully protected. This is especially true of and calls for a proper supervision of all quasi-public corporations. The only question is to get just laws and a fair and competent supervision. The Commissioners are not responsible for all laws, and in many cases are called upon as executives to enforce laws that do not commend themselves to their judgment as wise or fair, though it is true that the Commissioners are largely responsible for the laws upon the statute books of their States. Hence, it is their duty to study the principles of insurance laws best suited to their State conditions, and then, having advocated the embodiment of these principles into laws in the best form as well, to enforce them after they are enacted. All insurance laws should be written from the standpoint of supervision, but in absolute justice and fairness to the company, as well as to the citizen of the State.

"The difficulty is greater, I believe, gentlemen, with your business than with any other class of insurance. Life insurance, after many mistakes and failures, has been practically reduced to a scientific basis and can be mathematically calculated so that there should be no need for great uncertainty or mistakes in its management or regulation. Fire insurance, after many years, can point to certain well established principles evolved from long experience and close observation. The path is almost a beaten one, with its outlines well defined. Not so with your business. It is comparatively a young business, that has been rapidly evolved under the masterly hand of you who have given to it the best years of your lives and the working of your trained minds. Even from the viewpoint of supervision I have watched with wonder and amazement the remarkable work shown by many of you before me in meeting and solving the various problems as they have arisen in your class of business. To-day I congratulate you and felici-

(Continued on Page 8.)

EMPLOYERS' LIABILITY INSURANCE ABROAD

By Miles M. Dawson

X. WORKMEN'S COMPENSATION IN GREAT BRITAIN

(Copyright, 1910, by Miles M. Dawson.)



LASGOW, Sept. 17, 1910—The first British workmen's compensation act, providing for indemnity for workmen and their dependents for the consequences of all accidents incurred "during and in the course of their employment," was passed in 1897. It was a "government" or administration measure of the Conservative party, which was then in power, and was actively championed by Lord Salisbury, the then Premier. Just before that administration came in, the House of Lords, always Conservative in politics, had rejected the Asquith bill, urged by Mr. Herbert Asquith, now Premier, on behalf of the then Liberal Ministry, of which Mr. Gladstone was then the head.

The workmen's compensation act went much further than the Asquith bill, but was based upon an entirely different principle—viz., The compensation act provides for indemnity for the consequences of all industrial accidents without regard to negligence. The Asquith bill proposed merely to remove the defences of the "fellow-servant" and "assumption of the risk" rules, thereby, as it was often put, enabling employes to recover on precisely the same basis as a mere stranger; that is, in terms of American liability insurance, the Asquith bill was aimed at making employers' liability exactly equivalent to public liability.

It should be explained that in Great Britain workmen's compensation also was imposed upon and over the remedies already supplied by British law, which were upon the common law liability or under either of two statutes, one of which, the act of 1880, rendered the employer liable in very many cases in which under the common law he was not liable. This employers' liability act of 1880, indeed, was regarded the most liberal law, based upon the negligence principle, that had been enacted in any country up to that time. The liability for negligence continues, but is rarely enforced.

Though the compensation act was based upon the principle that the industry should bear the risk, in order that the consumers may pay all the costs in the price of the product, it proceeded on the basis of the employer being held individually liable. Of course, the employer was permitted to insure—that went without saying. But there was no requirement that he do so; and in the act the sole reference to insurance was that if an employer set up and maintained a solvent "establishment fund" or contributory mutual association of his employes, which paid benefits found by the government to be not less than under the act, and toward which the employer contributed enough to furnish benefits not less than under the act, he might be freed from liability under the act.

It was expected that under this provision there would be a large increase in the utilization of these establishment funds; and the expectation was reasonable, certainly, in view of the fine showing which Great Britain had already made in this regard. Such mutual associations of employes were usually conducted at very low expense. They also furnished other valuable benefits, such as insurance against sicknesses and against death, due to causes

other than industrial accident; and, indeed, most frequently likewise provided an old age or retirement pension.

Yet that hope has been disappointed. After more than a decade it is seen that no considerable advance has been made in the utilization of these funds or societies. This is accounted for in many ways. The most potent influence, however, has undoubtedly been the opposition of trade unions, due in part to the fact that sometimes such funds duplicated the benefits which they offered, and thus compelled employes to purchase and pay for insurance a second time, but yet more to the unquestionable fact that employers have more than once attempted to make use of these funds as a means of keeping employes out of the unions or even as a means of fighting the unions. The requirement that the employer maintain the funds fully solvent has also been something of a damper, as also the requirement that his contribution be fully equal to what it is reckoned he would be liable for under the law. At best this saved him only the excess of expenses of operation and the profits, if any, of private companies, while it imposed a good deal of care and responsibility, and, if any contribution was made toward other benefits, considerable additional cost.

Yet some of the establishment funds, and, indeed, most of them, have been exceedingly satisfactory, both to employers and employes, and if their satisfaction were as much a matter of news and of general interest as the occasional dissatisfaction, doubtless there would have been a wide extension of this system.

It was also expected that mutual insurance would make great headway—i. e., the organization of mutual associations of employers. Of this there has been very little, however. That is ascribed very largely to the strong individualism of British employers, who do not like such co-operation with other men, firms or companies, engaged in the same general line of business. Free competition is a British trade principle, and there is little disposition, therefore, for the industries to federate for this or that ulterior purpose. Another obstacle, also, is the British love of solvency. The strong tendency of voluntary mutual associations of employers is to collect as little currently as possible, thus inviting insolvency. The British employers favor in principle and in practice sound, solvent insurance companies and abhor the contrary.

These influences all strongly tended to throw the insurance under the new act into the hands of British stock insurance companies. Several other things co-operated to that end. The companies were—or, at least, several of them were—large, strong, well-managed, trusted and reliable. They were also well-represented by an able, well-trained, effective field force. They already occupied the field. Nearly every considerable industry was perhaps already on their books under the old law, for employers' liability insurance was more extensively patronized in Great Britain than in any other country.

At the outset also their rates were so low—though, of course, greatly advanced over the rates under the old laws—that they lost a good deal of money. The fact that the new liability left the old liability untouched, unless

benefits under the new act, were accepted, also seemed to justify to a considerable degree the increased rates, though experience has since shown that very few proceed under the old laws. The fact that the earliest financial statements of all the companies showed losses doubtlessly acted as a deterrent of the organization of mutual companies by the employers.

A great and potent factor also was the prudence of the management of the leading companies. While maneuvering carefully to cull out undesirable risks and to improve others, and while more or less steadily pressing for better rates, they did not needlessly alarm and excite by big, horizontal increases. Moreover, a strong minority in assets and popularity and a majority in mere numbers of companies remained out of the tariff associations, so that there has been little complaint about "combines." The action also of the tariff companies in reducing commissions—a move which was generally followed by non-tariff companies—did much to keep out mutual competition by reducing the pressure of increasing rates.

The increase of rates from the schedule first adopted when the compensation act went into force has also been in part justified in the minds of employers by the two amendments to the act, since made—the last in 1907, extending it to cover several industrial diseases—both of which considerably enlarged the liability. To the companies, rather than to the insured, the more stringent reserve requirements, virtually though not directly enforced by law, also justify the increase of costs while making for solvency.

Whatever the cause, the fact remains that in Great Britain the regular stock insurance companies have retained the business under the compensation act against all competitors. This testifies that they must have carried on the business in a manner satisfactory to their customers, the employers. It has not been equally satisfactory to their shareholders. Thus after several years of loss to nearly all the companies the last annual statements of the tariff companies shows a loss for no less than ten of their number and an average profit for all, not allowing for increase in premium reserves, of only 2.02 per cent of the premiums, while the non-tariff companies yet show a loss of no less than 8.61 per cent of the premiums. The total business showed a loss, not allowing for increase of premium reserves, of thirty-one one-hundredths of one per cent of the year's premiums. Of the 10.63 per cent of excess costs in the non-tariff companies 6.78 per cent was due to heavier ratios of claims to premiums, 2.19 per cent to heavier commissions and 1.66 per cent to heavier administration expenses.

Notwithstanding their many efforts to enforce economy, commissions and expenses are not low in Great Britain. In the year referred to they averaged:

Companies.	Commissions.	Management Expenses.	Total Expenses.
Tariff	13.17	22.93	36.10
Non-tariff	15.36	23.29	38.65

This is more than a half higher than in France under a system of free insurance; nearly twice as high as in Sweden, where there is state insurance in competition, and almost four times as high as in Germany, where insurance is compulsory and in mutual associations of employers, or in Norway, where insurance is compulsory and with the state.

The British tariff companies are doing the best they can under many disadvantages, with the help of some of the better non-tariff companies. But the conditions, and especially the want of united action, hampers them and endangers the situation. The American managers are

much to be congratulated upon their resolute reduction of commissions and like expenses under the New York law, which went into effect this month. Their action, if adhered to, may also markedly influence matters of a like nature in Great Britain and save the day.

These rates of commission are not deemed high in Great Britain, however. The "Post Magazine," of London, says of them:

"There is little cause for complaint in a commission of less than 14 per cent, and, so long as the public persist in regarding the insurance agent something between a missionary and a tax collector and at least as an indispensable factor in obtaining for them a necessary protection, they cannot object to a charge for services which benefit them as much as they do the offices."

It must be borne in mind, likewise, that in Great Britain there is still a good deal of litigation, both about whether an accident comes under the act and also about liability under other laws, as well as about the degree of impairment, which last is to be found in all countries. There are also very considerable inspection expenses. The managers are most anxious to reduce expenses and are doing so, but their efforts meet with stubborn resistance—nowhere more stubborn, of course, than on the part of the very necessary, indispensable agents.

To offset the pressure of these heavy expenses, the companies, by two methods of attack, keep down the claims. One method is to "pare" them—that is, to endeavor to fix the percentage of permanent disability or the number of days allowed in temporary disability, as low as possible—as low, say, as will be borne without the employe insisting upon having the court pass upon it, which is done cheaply, expeditiously and, to use the language of the act, "summarily." That fact, of course, limits the utilization of this method, which also has its good side, since it makes against simulation and malingering, evils which are only too common.

The other method consists in reducing the risk by offering lower rates for improvements in prevention or for careful selection of employes. The former is wholly beneficial, but is hard to accomplish, as such improvements cost money and suggestions of them on the part of companies are often resented as criticisms of the employer's care and as impertinent interferences with his affairs. The weeding out of defective employes who, by reason of previous accident or illness or even of old age (when not also old employes) or of defective hearing, vision or limbs, is quite another matter, however; it costs nothing—indeed, makes for efficiency—and if it brings cheaper rates is sometimes an acceptable proposal. It is bitterly resented by employes and their trade unions, to be sure, who assert

Liability
Boiler
Plate Glass



Accident
Disability
Fly Wheel

Automobile Liability and Defence
Employers' Compensation
Insurance

**Casualty Company
of America**

HOME OFFICE KUHN LOEB BUILDING
52-54 WILLIAM STREET NEW YORK

that it also extends, in some cases, to discriminating against married employes, because the liability under the act in event of the accidental death of a single man is limited to the burial expenses unless he leaves a dependent parent or grandparent.

Indeed, insurance in the stock companies has, for one reason or another, incurred quite as great, though by no means so effectual opposition on the part of trade unions, as did the establishment funds. At every meeting of the Trade Union Congress for several years past a resolution has been voted in favor of state insurance and at the session of this Congress this very week this resolution was again presented and adopted, accompanied by protests against the "paring" of claims on the certificates of the physicians of the companies. In addition to the resolution favoring compulsory insurance with the state, the following resolutions calling for amendments were adopted:

First—To make the minimum compensation for adults 10s. per week in the case of non-fatal accidents.

Second—To give the workmen compensation as damages for the loss of an eye or other permanent injury to the body or limbs.

Third—To secure the appointment of medical referees who are specialists in the industrial diseases within the scope of the act.

Fourth—To secure that no medical practitioner appointed as a certified surgeon or medical referee shall be eligible to act on behalf of an insurance company in any capacity where fees are paid for decisions on reports, and that in no case shall a medical man hold the dual office of medical referee and certifying surgeon, and that all fees payable by workmen to certifying surgeons under the Workmen's Compensation Act be paid by the state."

The resolutions of the Trade Union Congresses, asking

for state insurance, have so far met with no response. This is doubtless in part due to the failure of the congresses to give attention to the defects of the British system, which lie closest to their members. These defects are that there is a duplication of indemnities—workmen often collecting both under the act and for sickness benefits from their union or friendly society—and sometimes from all three. This evil, leading to over-indemnity and so to simulation and malingering, is well known to labor leaders and much deplored; yet there is no express consent to do away with it, as by utilizing such agencies for covering the earlier weeks, as in several countries. Possibly the introduction of compulsory, contributory invalidity and unemployment insurance, both of which are favored by the Congress, may cause this step to be taken. Until some such offer is made, thus presenting a distinctly better, more businesslike and comprehensive plan, employers and the people in general are likely to rest satisfied with an act like the present, and with private, voluntary insurance in stock companies.

That the law and the insurance have in general been satisfactory—much more so than under our very imperfect laws, for instance—is abundantly shown by the circumstance that among people as various in notions and practices as the English, Scotch and Irish they have been about equally acceptable. The degree of satisfaction is also seen in the fact that, without arousing effectual protests, the benefits of the law have been extended to agricultural workmen, domestics, and, in fact, virtually to every class of wage-earners.

MILES M. DAWSON.

Singer Tower Lessons

MANHATTAN'S skyline fire protection problem has long had the attention of fire underwriters. The recent fire on one of the floors of the Singer tower seemed to show that the kernel of the problem for New York is not so much a matter of fire fighting equipment as good building construction.

There has been a great advance in fireproofing methods even in the last eight or ten years. A building with a steel frame and brick walls used to be called "fireproof," and many people took the label as accurate. But people have been educated by the

Baltimore and San Francisco fires to know what really safe construction means. Everything about a building—surface flooring, window frames, doors, trim—must be unburnable. Here applies the saying, "A chain is as strong as its weakest link."

Ernest Flagg, architect of the Singer tower, has long been one of the most outspoken critics of the kind of structures which masquerade as "fireproof." When he set out to design the Singer tower, then the highest building and now the second highest in the world, he decided to eliminate wood altogether.

This is not the only structure in which this practice has been followed. It just happens to be the most conspicuous, and the fire last week, on the twenty-sixth floor, drew attention to the success of the no-wood policy. The tower has a steel frame protected by hollow tile fireproofing, with fireproof floors, partitions and "trim."

Apropos of the fire, Mr. Flagg says:

"The way in which this fire in the Singer tower was controlled goes to show that New York's high buildings can be made really fireproof. The incident serves to illustrate the difference between real fireproof construction and what is often called fireproof construction.

"Of course, I do not yet know the exact particulars of this fire, but if

one may judge from the reports, it was a considerable blaze. It is likely that in many buildings it would have spread and become a great fire.

"That the blaze was extinguished before much damage was done was because it had nothing to feed upon.

"The trouble with many buildings that are called fireproof is that there are tons of wood in them. When floors, trim and window frames are wood the owner may say his building is semi-fireproof, but he cannot truthfully call it fireproof."

HERE AND THERE.

In addition to calling upon the New York Fire Insurance Exchange for data as to methods of rate-making, constitution and by-laws and other items of information, the Legislative Investigating Committee has requested the same information from the Suburban Fire Insurance Exchange, New York Board of Fire Underwriters, National Board of Fire Underwriters and other similar organizations. It is generally thought that the "graft" investigation will take up the time of the committee for several weeks, and after that insurance matters will come up, but not until early in November.

* * *

The fourth annual meeting of the Liability Insurance Association held its preliminary sessions at the Hotel Plaza yesterday and will listen to a series of addresses to-day, which will be reported in the next issue of THE CHRONICLE.

A PENN MUTUAL PREMIUM, less a
PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS is unsurpassed for net low cost and care of interests of all members.

**THE PENN MUTUAL
LIFE INSURANCE COMPANY
OF PHILADELPHIA**

On January 1, 1909, rates were reduced and values increased to full 3% reserve.

Manhattan Funding Affairs

IN the fifth instalment of the results of the inquiry into promotions by Superintendent Hotchkiss of the State Insurance Department, the Life and Casualty Company of New York and the Manhattan Funding Company, both incorporated in this State last March, were considered. The Manhattan Funding Company appears to have been launched, according to the Insurance Department's report, for the purpose of financing the Life and Casualty Company. Neither company has yet sold any stock, so the officers told the examiners.

Some of the promoters and directors of the new concerns were connected with the Columbia Life Assurance Society, which was financed by the Metropolitan Underwriting Company. Superintendent of Insurance Kelsey refused to issue a license to the Columbia company because it appeared from the examination made by his department that the company's capital was chiefly invested in a \$100,000 mortgage on property located on Ward's Island, part of which was under water at high tide.

M. L. Mortimer, an insurance man of 92 William Street, President of the Metropolitan Underwriting Company, the Columbia's backer, is a director in the new Life and Casualty Company. George H. Earl, Secretary of the Northern Pacific Railway Company, who was Vice-President of the Columbia company, is another director of the new insurance concern; Edward Barr, an officer of one of the older concerns, is another director of the new, and so is G. W. Marlor, who appears to have been connected with either the Columbia or the Metropolitan in some way.

One of the features of the new concerns, according to the department's report, is that "the promoters of the Manhattan Funding Company appear to have vested in themselves, without any money payment therefor, a majority of the total capital stock of

\$300,000, with the intention, as stated by the examiners, 'to finance the insurance company with the proceeds obtained from the sale of the minority stock of the Manhattan Funding Company.'" The examiners make this comment on the plan: "This plan will enable the officers and directors, who paid nothing for their stock, to control both companies."

According to the report, Walkup, Baldwin & Co., of 27 William Street, seem to be the active promoters of the funding company, whose stock was all issued to Mortimer in exchange for his original plans of an old line stock life insurance company. This was done to give a nominal value to the stock, the examiners infer. The stock was then immediately returned to the treasury and a majority of it was distributed among the officers and directors for services rendered.

The literature of the insurance company is most enthusiastic. From a probable financial statement as of January 1, 1915, it appears that the funding company, the general manager and agent of the insurance company will have a surplus to stockholders at that time of \$1,888,500 and an established book value of the stock of \$705 per share. A second leaflet shows that if the Manhattan Funding Company succeeds in accumulating \$250,000 to buy stock in the Life and Casualty Company of New York the latter, at the end of five years, besides paying 20 per cent dividends annually, will have accumulated a surplus of \$855,409, thus bringing the book value of its stock up to \$542 a share. One of the copyrighted leaflets of the promotion is entitled "A Modern Gold Mine."

Besides those named, the directors of the Life and Insurance Company of New York as given in the literature are: Edmund W. Wakelee, James W. Husted, Horace De Lisser, Francis N. Chapman, President of the Chapman Contracting Company; Walter Pierce, George M. Dunlop, Frank E.

Bosworth, Joseph Veit, Fred C. Whitney, the theatrical manager; Theodore J. Deuscher, John Napier and J. S. Eakins. Mr. Napier, by the way, told the insurance examiners he was not a director in the company, hadn't been asked to become a director, nor notified of his election as a director. The advisory directors of the Manhattan Funding Company as given in the leaflets include some of these, and also A. P. Smith, cashier of the Mechanics Bank, Brooklyn, and Daniel O. Sprague, Deputy Collector of the Port of New York; and the officers are given as Reuben Stanley Baldwin, President; Harry West, Vice-President, and Maurice De Levante, Secretary and Treasurer.

LIFE PRESIDENTS TO MEET IN CHICAGO.

At the fourth annual meeting of the Association of Life Insurance Presidents to be held on December 9 and 10 in Chicago, the manner and extent of the treatment of life insurance as a study in the colleges and universities of the United States will be discussed. During the present year the association has been making an inquiry into this matter, gathering original statistics from nearly six hundred institutions of higher education.

In connection with the association's plans to prolong human life the following resolution was adopted:

"Resolved, That we hereby urge upon the attention of officers and agents of life insurance companies the need for them to co-operate in all efforts to improve sanitary laws and regulations and the enforcement thereof, and be it further

"Resolved, That the Life Extension Committee of this association be requested to formulate, if possible, a definite plan, to be reported at the next meeting of this association, whereby and whereunder its members may be able to help along, in some systematic way, the movement having for its general purpose the prevention of disease and the extension of the average human life."

OUR

Course of Insurance Education.

Department for Furnishing
Prospects.

New "Model Policy"

Will Plough the Field and Assure
the Harvest for Good Agents.

Phoenix Mutual Life

INSURANCE COMPANY,
Hartford, Conn.

Write Home Office.



CAPITAL, \$500,000

THE "EMPIRE"

Stands for **AGGRESSIVENESS**
PROMPT PAYMENT OF LOSSES
and **CLEAN METHODS.**

Agents wanted who are unattached and can produce business.

Address Agency Department,
THE EMPIRE STATE SURETY CO.,
84 William Street, New York

Trinity Finance Company

SUPT HOTCHKISS, of the State Insurance Department, issued on Monday a report on the examination of the Trinity Finance Company, which ceased to do business some time ago. The department in its statement says that the reason was that the company's plans were found to be a failure, and adds that the methods followed by those responsible are thought by the department to be "as characteristic as they are illuminating."

The Trinity Finance Company was incorporated in Maine in February, 1909, the incorporators being citizens of Maine, but apparently representing one George G. Hynson and a stockselling corporation known as Pratt & Grigsby. The promoters evidently intended that this corporation should have power to do anything, it being by its charter authorized:

"To promote companies, buy and sell their capital stock, purchase and sell bonds, develop and operate mines, manufacture, buy and sell steel and iron, construct bridges and reservoirs, buy and sell timber lands, indorse and guarantee bonds, buy and sell real estate, issue bonds and indentures, and enter into and carry out contracts of every kind and for any lawful purpose."

The issues of this corporation were to be, in common stock \$3,000,000, in preferred stock \$3,000,000, and in 5 per cent gold certificates \$3,000,000. The examination developed that nothing was paid into the treasury for the common stock, which was originally issued to Hynson and by him transferred to Pratt & Grigsby, and that the preferred stock was given to Hynson as a consideration for the adoption of his plan of insurance, and by him transferred to Pratt & Grigsby under an agreement that when the latter sold the gold certificates the purchaser must acquire an equal amount of preferred stock, Hynson, of course, to share in such money return. In the literature of this company, the

fact that the Title Guaranty and Trust Company of New York had agreed to act as trustee, for the purpose of accumulating a fund with which an insurance company was to be formed, was emphasized, and the subscribers for the gold certificates were furnished with copies of a trust indenture between the Trinity Finance Company and the Title Guaranty and Trust Company, the effect of which seems to have been that the trust company acted as agent for Pratt & Grigsby to receive for the account of the latter all moneys taken in by them on the sale of the gold certificates and preferred stock, and to hold the same in separate funds, one of which could be drawn on to the extent of about 27½ per cent of the total amount paid in, and the promotion expenses of the Trinity Finance Company and Pratt & Grigsby thus met.

An active campaign of the usual character seems to have been conducted for some months, with the result that, as shown by the books, there was received from subscribers \$39,309.54, and disbursed \$11,341.61, upward of \$10,000 of which was to Pratt & Grigsby, to cover promotion expenses, and that there is now on deposit with the Title Guaranty and Trust Company of New York, awaiting claimants, the sum of \$27,967.93.

This scheme of large promise and quick failure involved the organization of an insurance company—to be known as the Income Guarantee Corporation of New York—the purpose of which was to issue policies indemnifying against loss of income due to permanent disability from sickness, accident or old age. It doubtless included the absolute control of such insurance company by the stockholders of the Trinity Company, the total issue of whose common stock had already passed to Pratt & Grigsby, for nothing, and whose preferred stock of \$3,000,000 was—apparently without any cash being paid therefor—vested in them for sale.

MR. DAWSON DISAPPROVED THE TRINITY PROMOTION.

Mr. Hotchkiss's statement, as well as the report, refers to a letter from Miles M. Dawson as consulting actuary to Hynson on the feasibility of the original plans for insurance against total and permanent sick disability, and the field which exists for health insurance. Hynson advised Mr. Dawson later of the sort of a promotion scheme which had been planned to organize the insurance company. Then Mr. Dawson advised Hynson that he would not act as actuary for him or his corporation. Mr. Dawson added that he believed such a plan as they had to be essentially fraudulent. This refusal by Mr. Dawson occurred before the Trinity Finance had made either use or abuse of Mr. Dawson's letter in regard to health insurance. This state of facts was made known to the State Insurance Department before the report was filed.

CHICAGO AND THE UNITED.

It must be admitted that it was with glee rather than regret that Chicago insurance men last week received the report of the examination of the United Insurance Company by the New York department. Very few insurance men in the city had any confidence in the undertaking. To some the early connection of O. L. Van Laningham with the promotion was sufficient. There are others who still have sufficient confidence in Van Laningham's ability as a promoter to believe that if he had remained with the United at least the United Fire of New York would have been started ere this. They do not pretend to say that it would have been a successful company. Knowing Van Laningham's methods, they expected it to be promoted so expensively that the stockholders would be up in arms about as soon as it got started. The promoters' explanation is regarded as weak.

No property owner need look beyond the advertising columns of
THE CHRONICLE for FIRE
INSURANCE.

PROSPEROUSLY BUSY!

Our agencies are steadily increasing this year's lead over the figures of our high record in 1909.

Our agents are prosperously busy. With Business Life Insurance and our unequalled Continuous Monthly Income policy they are reaching and satisfying the public and liberally rewarding themselves.

Inquiries invited from delivering producers.

GEORGE D. LANG,

Superintendent of Agencies,

Massachusetts Mutual Life Insurance Company,

Incorporated 1851.

Springfield, Massachusetts

Germania Fire INSURANCE CO.,

NEW YORK.

ORGANIZED, 1859.

Cash Capital.....	\$1,000,000.00
Assets	\$6,562,329.14
Net Surplus.....	\$2,008,419.02
Surplus for Policyholders,	\$3,008,419.02

HEAD OFFICE:

Cor. William and Cedar Streets.

Protective Officers Reply

IN BEHALF of the Protective Holding Corporation, Robert R. Tuttle, as Acting President; Virgil H. Clymer, Vice-President; Frederick S. Dudley, Vice-President; Leonard H. Groesbeck, Treasurer; William H. Horton, Secretary; William N. Titcomb, Assistant Secretary, and Clarence W. Darling, general counsel, have signed the following statement in reply to the report of the New York State Insurance Department on the Protective Holding Corporation and the Protective Fire Insurance Company:

"Summarized, Superintendent W. H. Hotchkiss's report on the Protective, made July 31, 1910, states that the early organization work was conducted at an expense of approximately 22 per cent, and further estimates that when we have completed the raising of \$5,000,000 the total cost of organization may be between 11 per cent and 15 per cent. He does not, however, point out the fact that on May 1, 1910, the present plan of placing the securities by mail was adopted, which, from the time of its adoption up to July 31, secured approximately \$150,000 in subscriptions at a total cost to stockholders, including all fixed charges, commissions and all other expenses, of 14 1/3 per cent.

"Had the Superintendent examined the Protective the day it started to sell its stock, he would have found that the first expenditure for postage and stationery made the expense of organization several hundred per cent. Were he to examine the Protective to-day he would find that the present expense of placing the stock does not exceed 10 per cent, and later on it will, in our opinion, be less than 8 per cent. In his report, he has not taken into consideration the fact that the company is receiving from 4 per cent to 5 per cent interest on its funds during the organization period, which will materially reduce the organization expense.

"We have already secured 1,700 agents who are ready to write insurance policies the moment we have completed our initial capital and surplus. These agents have been selected for their experience, good standing and business producing ability. Insurance companies estimate the cost of securing agents at \$50 per agent or more. As a result of our campaign of soliciting subscriptions to stock, the Protective is well and favorably known in over 500 towns and cities of the United States. We now have a body of over 1,000 stockholders, of whom 201 are bankers and 674 are merchants located in forty-five States. The value of the agency plant we have already established, and the influence of 1,000 prominent business men as stockholders should be considered in connection with the organization expense.

"We object to Superintendent Hotchkiss alleging that we give the 'dividends' of twenty-eight companies as 71 per cent. Our booklet stated that the net earnings of these twenty-eight companies in 1909 were 71 per cent. We are in receipt of a telegram from Mr. Hotchkiss stating that he will correct this error wherever it is possible to do so. We also object to the word 'purporting' as used by Superintendent Hotchkiss. Our table does prove the fact that 71 per cent are the net earnings of twenty-eight New York State companies for 1909.

"All of the Protective stock is now being sold through the New York office by mail, and we now have more than \$300,000 sold, \$330,000 additional reserved for the directors at \$20 per share, and approximately \$75,000 reserved on options by original subscribers. The stock is now being sold on a commission of 5 per cent, and we do not believe the other expenses, including fixed charges, will exceed 3 per cent.

"Our cash assets are increasing daily, as the instalment subscriptions,

which are payable at the rate of 10 per cent per month, are now fast liquidating themselves.

"Our plan of stock distribution by mail has proved efficient, and the raising of \$5,000,000 is merely a matter of time. Subscriptions during the Summer months were received at the rate of \$500,000 annually, and this has now been increased to approximately \$750,000 annually.

"Mr. Hotchkiss has been kind enough to say in conversation at the hearing that of all the companies he has examined the Protective is the best one now being organized, and he believes we will succeed."

AN AVIATION FLIER.

Lloyds, London, has written a \$500,000 policy covering the public liability of the coming international aviation meet at Belmont Park for a flat premium of \$2,500, the line being placed through Paul E. Alberti, of Alberti & Carleton. The brokers have also arranged to obtain from the Columbia Insurance Company of Jersey City policies on aeroplanes covering them from the place of shipment while in transportation and in the hangar at Belmont Park during the meet. The policy is exactly like an ordinary automobile policy, except that the aeroplane is not covered for loss resultant from self-ignition or accidents due to defects in the machinery. The rate quoted is 3 1/2 per cent for one year. The employers' liability has been covered by the General Accident and includes the workmen's compensation indorsement as well. The fire insurance on hangars and other aviation property amounts to about \$15,000, at 1 per cent a month. Now that Lloyds, London, has undertaken the aviation, it is likely that American underwriters will follow, as they did in the matter of automobiles.

No head of a family need look beyond the advertising columns of THE CHRONICLE for LIFE INSURANCE.

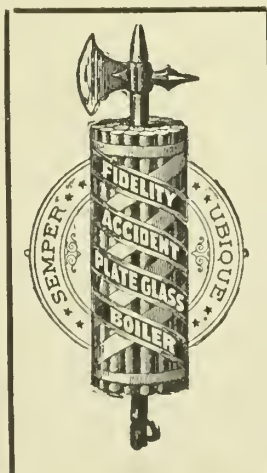
The Connecticut Mutual

That means the best life insurance to have and the best to sell. If you can sell life insurance, you can sell more of it for the CONNECTICUT MUTUAL.

Men of Character and Ability are invited to apply.

Conn. Mutual Life Ins. Co.
Hartford, Conn.

Please mention this paper.



THE FIDELITY & CASUALTY COMPANY

97 TO 103 CEDAR ST., NEW YORK CITY.

Assets - - \$9,607,864.46
Cap. & Surp. - \$3,378,053.64
Losses Paid - \$33,065,866.09

This Company grants insurances as follows:

Bonds of Suretyship for Persons in Positions of Trust, Fidelity Bonds, Burglary, Plate Glass, Steam Boiler, Fly Wheel, Employers, Public, Teams, Workmen's Collective, Elevator, and General Liability; Personal Accident, Health and Physicians' Liability.

OFFICERS:

GEORGE F. SEWARD, President.

Robert J. Hillas, V.-P. & Sec'y. Henry Crossley, Asst. Sec'y.
Frank E. Law, 2d Asst. Sec'y. Geo. W. Allen, 3d Asst. Sec'y.

CASUALTY MEN MEET.

(Continued from Page 1.)

tate your stockholders, as well as your policyholders, on the wonderful achievements in this line. Great as has been your work and wonderful as are the fruits to which you may point, yet I venture here and now to suggest that in this work you have been aided at times by the viewpoint from the outside; and, while many may be loath to acknowledge it, supervision has at times turned the course of plans and propositions, and yet the business has profited rather than been retarded by the so-called interference."

A. W. Damon, President of the National Board of Fire Underwriters and President of the Springfield Fire and Marine Insurance Company, talked about "The Responsibility of the Individual." Mr. Damon said in part:

"While all corporations are considered fair game by the tax gatherer, it does seem as though they took especial delight in bearing down heavily upon insurance companies. And we are entirely helpless regarding the value of the property taxed as it is all in such form that the valuation

can be arrived at with exactness. Although railroad companies are now special subjects for consideration throughout the country, that interest certainly got the best of the fire insurance companies in Massachusetts by a law passed a few years ago. The law referred to provides that in case of destruction of property by fire caused by sparks from a locomotive, there should be deducted from the amount of the claim against them any fire insurance which the owner of the property might hold. When the bill was first brought up for consideration we paid no attention to it, as it seemed too absurd for serious consideration. To our amazement the bill became a law. I have no doubt the measure could have been defeated if we had given it proper attention, but it is one thing to prevent the passage of a bad measure and another matter to induce a legislature to back water and repeal a bad law. We made the attempt, however, and at the hearing I denounced it as the worst piece of class legislation ever passed by the Massachusetts Legislature. I said: 'If President Little, of the West End Street Railway Company (now leased by the Boston Elevated), should appear before you and plead for a law which provided that in case a street car ran down a person and maimed him there should be deducted from the amount of damages awarded by a jury the amount of accident insurance the man was carrying he would be laughed out of court.' And yet it was an exactly parallel case. Nevertheless and notwithstanding, the law still remains on our statute books."

In a paper prepared by President Brown, of the Connecticut Fire Insurance Company, and read before the Fire Insurance Commission of the Illinois Legislature in May last, he called attention to the fact that in France, Italy, Spain and Belgium—in all countries subject to the Code Napoleon, or whose laws are based thereon—the party having a fire is made responsible for the loss he may have caused, not for his own direct act only, but for his negligence and imprudence. Landlords are held responsible for damage to tenant property, or contiguous property, if caused in consequence of defective construction or neglect to keep his premises in what would be regarded as safe condition. In Havre fire set in any inhabited building, carriage or car, is punished with death, and the same punishment is inflicted upon persons convicted of incendiarism, if life is lost, in Brussels and in Hamburg.

"Henrik Ibsen, the Norwegian novelist and dramatist, in describing a visit to his native town of Skien, spoke of the destruction of his old home in a small conflagration caused by the carelessness of a maid servant. The maid servant, he says, was of course executed. So far as I know, no such fate overtook even Mrs. O'Leary's cow, though that bovine caused the destruction of Chicago.

In this land of freedom, carelessness of whatever degree calls for no punishment and little blame. It certainly is no bar to the collection of the full amount of an insurance policy.

"The laxity in the enforcement of some of our laws adds enormously to the loss of life and property in this country, and it is clearly against public policy to show such indifference to so serious a matter. Somehow, the feeling seems to be general that it is something which concerns insurance companies only, and they are expected to foot the bills without complaint, as that is what they were organized for. That companies are merely tax-gatherers, compelled to fix the penalty to fit the crime in every class of risk, does not occur to our lawmakers.

"The new liability laws, recently passed by the New York Legislature on the recommendation of the Wainwright Commission, show the tendency of the times very clearly. Not only is the burden of proof shifted to the employer, but there are other features of the law which make it fairly revolutionary. But woe be to the companies if they advance their rates to cover these added burdens. The experience of our railroads, in their endeavor to secure higher freight rates to meet the great increase in wages and other expenses, shows what opposition they are likely to meet. It seems to be human nature to load all responsibility for one's own acts upon some other fellow."

Among the other addresses was one by Robert Lynn Cox, general counsel and manager of the Association of Life Insurance Presidents, upon the subject, "Modern Co-Operative Methods to Meet Modern Tendencies of Governmental Control." He said in the main:

"The serious problem to-day with nearly every large business corporation is to adjust its affairs so as to meet and satisfy the modern demand for government control of corporations without sacrificing the object for which the corporation was formed. The demand for control or regulation, as it is sometimes called, is in many instances not unlike a demand for a controlling partnership interest in the business, but unaccompanied, however, by an investment in the business, such as stockholders are required to make in order to obtain such an interest.

"Never before have the people been more dissatisfied with the manner in which public officials conduct the public business than at the present time. Yet the people hitherto have never seemed so determined to take the control of private business interests out of the hands of their owners and put them under the control of public officials. The explanation of this inconsistency seems to be that we are all quite ready to impose upon others, or, as we sometimes say, 'the other fellow,' conditions that we would not tolerate for ourselves. Unfortunately for each business interest,

The
Columbian National Life
INSURANCE COMPANY
OF BOSTON, MASS.

LIFE, ACCIDENT AND HEALTH
INSURANCE.

The Only Massachusetts
Non-Participating Company

The New Columbian Policies are
Unexcelled in Clearness and Liberality.

Good Contracts and Territory for
Good Producers.

ARTHUR E. CHILDS, President.

THE LEADING FIRE COMPANY
OF THE WORLD



[of Liverpool, England.]

when standing alone it becomes 'the other fellow,' and is in the minority as compared with all other business interests combined under what we call 'the people.' We in the insurance business are 'the people' when it comes to fixing railroad rates, regulating the sale of drugs, or prohibiting combinations that would fix the price of food products. But we become 'the other fellow' and they 'the people' when the regulation and control of the insurance business is concerned.

"I develop this thought in order to suggest that the extension of government control of business is resulting from a constantly shifting combination of many interests against one interest fighting single-handed. The success of the movement lies in the fact that controlling 'the other fellow' appeals to the selfish interests of a majority, which cannot be successfully resisted by a minority. If the minority be divided among themselves their chances for success are lessened still further, if not entirely lost. Now, inasmuch as under our form of government it is definitely settled that the majority shall rule, it seems to me that government control has not only come to stay, but will steadily extend. Those who protest against restrictive laws being applied to them, and who can recall memories of greater freedom in times past, are fond of believing that the present tendency to interfere with the individual will of the owners of large business interests is but 'a swing of the pendulum,' and that we have about reached the end of the swing. It is my opinion that this pendulum simile, so often used to allay fear and express hope, has done more to mislead business men as to the real problem before them and how to meet it than any other sedative ever administered by the doctors and nurses of business ailments.

"Insurance companies have been accustomed to urge upon State Legislatures the need for a broad statesmanship, free from sectionalism or favor to one as against another, but by confining their preachment to times when they would be favorably affected by the advice they give and withholding

their advice at other times, their sincerity has been open to doubt. We must join hands with the States and show them how that which is evil may be restrained without destruction of that which is essential to the life and progress of the business. State officials are generally willing to listen to argument based on the interests of the business as a whole, though they frequently manifest impatience with a position taken by the individual company seeking to protect its individual interests. Why, then, can we not maintain organizations among ourselves which will not only work for the general interests of the business, but against which the charge of personal interest cannot fairly be raised, and against which it is not likely to be presumed.

"I say, therefore, that in order to meet the problem of statutory regulation we must come at once to regard it as the current of a flowing stream

and not the ebb and flow of a tide. This will lead us to cease battling against it and turn our eyes in the direction we must inevitably be carried whether we like it or not. It will put us in harmony with the forces of civilization and enable us to become an active factor in creating conditions under which our business must be carried on hereafter.

"But more important than this, we must cease to regard the creation of statutory pitfalls and ambushes for our competitors as a proper exercise of our ingenuity and as a legitimate field for legislative effort. With the enormous growth in the magnitude of our business there must come a quickening of our business conscience. While competition must and should continue in order that our business may not stagnate, we must not use or countenance those methods of competition which we would resent if used against us."

"Insurance is Commerce"

GEORGE F. SEWARD, President of the Fidelity and Casualty Company, addressed the Board of Casualty and Surety Underwriters on the subject "Insurance is Commerce." He said in the main:

"It would be idle for any citizen to say as a matter of his own judgment that the Supreme Court of the United States has erred in declaring that insurance is not commerce and cannot be dealt with under the interstate commerce clause of the Constitution and to expect people to be respectful of his opinion. And yet I may venture to say that the attitude of the Supreme Court has been inexplicable to many men of sound judgment. Insurance does not involve the sale of goods nor the transportation of merchandise, but neither the purchase and sale of goods nor the transportation of goods is commerce in a broad sense. Each operation is a part of commerce, and in the same way the insurance on goods in stock is a part

of commerce, and the buying and selling of insurance policies are operations of trade, just as much as if the value of the policies bought and sold was tangible at the moment instead of contingent.

"When the fathers of the Republic provided that Congress might control interstate commerce they did not define what commerce is. It is to be presumed that they intended that the internal trade of the country, as between the States, should not be hampered by State lines and regulations. Commerce was not to be halted, but was to be free. The conception was broad, and the constitutional provision has served its purpose notably. It has been one of the most potent reasons why the internal trade of the nation has proceeded on lines of satisfaction to all concerned and grown to enormous proportions. Insurance men, representing one of the greatest factors in commerce, and witnessing how other interests have prospered under national supervision while their

The Men Now Holding Executive Positions



with The Prudential began in the ranks and worked themselves up by their ability. There is always room for the man who can make good.

Write Us About an Agency.
THE PRUDENTIAL
Insurance Company of America.

Incorporated as a Stock Company by the State of New Jersey.

John F. DRYDEN, Home Office,
President, NEWARK, N. J.

BONDS OF SURETYSHIP.

The Guarantee Company of North America

HEAD OFFICE, MONTREAL

Edward Rawlings, President.

H. E. Rawlings, Asst. Mgr.

Richard B. Scott, Secretary & Treasurer.

It is the Pioneer Company, was established in 1872, and is conducted under a conservative management of over 55 years experience.

It has recouped to employers over \$2,190,000 for losses sustained by the infidelity of employees and has a surplus of \$1,041,423.23 to credit of shareholders and total resources of \$1,919,892.38 for the security of insured.

Branch Offices:

NEW YORK: 111 Broadway,
D. J. Tompkins, Secretary.
BOSTON: 114 Milk Street,
W. A. Hamilton, Agent and Attorney.
CHICAGO: Room 400, The Temple,
J. R. Pruyn, Resident Sec. and Atty.
PHILADELPHIA: 500 Arcade Bldg.
W. H. Jackson, Res. Secretary.
PITTSBURGH: 1120 Farmers Bank Bldg.
E. R. Munro, Resident Secretary.
LOUISVILLE: 316 Columbia Bldg.
P. N. Clarke & Co., Agents.

own has suffered under the vexatious burdens of State supervision, may not be blamed if they stand eager to hear that the aegis of national protection may be thrown about their business.

"The method of reasoning by which these hopes may be defended is authoritative. The State courts have over and over again held that insurance is a commodity, and that the operation of buying and selling is trade, a term synonymous with commerce. The Supreme Court itself has held that the buying and selling of lottery tickets is commerce, and that the operation of a correspondence school is commerce. If so, why is not the buy-

ing and selling of insurance policies commerce?

"The plan of this paper is to bring together these decisions in sufficient quotations so as to put the question up to Congress, whether the time has not come to act on the lines of better sense and in accordance with a better appreciation of the facts and considerations involved. For myself I do not doubt that if Congress were to enact any given piece of legislation based on the proposition that the interstate operations of insurance companies are interstate commerce, the Supreme Court would so far absolutely sustain the legislation. Will Congress do this? The answer is that Congress would be very likely to do it if the case were presented properly.

"I proceed to quote instances where the State courts have held that insurance is trade or commerce.

"The Kansas Supreme Court had before it a case (in re Pinckney, 27 Pac. Rep., 179) in which it was claimed that the word 'trade' as used in the title of an anti-trust act did not embrace the business of insurance. The court said:

"The question presented is, does the word 'trade' used in the title fairly indicate and include the provisions of the act with reference to insurance? It is argued that the usual meaning of the word should govern, and in that sense it has reference to the business of selling or exchanging some tangible substance or commodity for money, or the business of dealing by way of sale or exchange in commodities; and it is said that the use of the word in connection with that of 'products' in the title qualifies the meaning of 'trade' and makes it all the more apparent that the construction contended for is the correct one. That is the commercial sense of the word, and possibly may be the most common signification which is given to it; but it is not the only one, nor the most comprehensive meaning in which the word is properly used. In the broader sense, it is any occupation or business carried on for subsistence or profit. Anderson's Dictionary of Law gives the following definition: 'Generally, equivalent to occupation, employment or business, whether manual or mercantile; any occupation, employment or business carried on for profit, gain or livelihood, not in the liberal arts or in the learned professions.' In Abbott's Law Dictionary the word is defined as 'an occupation, employment or business carried on for gain or profit.' Among the definitions given in the Encyclopaedic Dictionary is the following: 'The business which a person has learnt, and which he carries on for subsistence or profit; occupation, particularly employment whether manual or mercantile, as distinguished from the liberal arts or the learned professions and agriculture.' A like definition of the word is given in the Imperial Dictionary. Rapalje

& Lawrence's Law Dictionary, to which we are cited by the petitioners, gives the restricted definition: 'Traffic, commerce, exchange of goods for other goods or for money.' It is the only authority, however, which uses the word in its commercial sense alone. Bouvier limits the meaning to commerce and traffic and the handicraft of mechanics; and we are also cited by the petitioners to the definition given by Webster which specifically is: 'The act or business of exchanging commodities by barter, or by buying and selling for money; commerce; traffic; barter.' This author, however, gives the more enlarged meaning of the word as well, as follows: 'The business which a person has learned and which he engages in, for procuring subsistence, or for profit; occupation, especially mechanical employment, as distinguished from the liberal arts, the learned professions, and agriculture; as we speak of the trade of a smith, of a carpenter, or mason, but not now of the trade of a farmer, or a lawyer, or a physician.' The broader significance given to the word by most of the lexicographers would fairly embrace and cover the provision of the act with reference to the business of insurance.'

"In Iowa the question arose (Beechley vs. Mulville, 70 N. W., 107) whether the business of insurance was within the purview of an act which prohibited agreements to fix the price of commodities. The court held that insurance was a commodity. * * *

"In Kentucky the Court of Appeals of that State (Aetna Insurance Company vs. Commonwealth, 51 S. W., 624) held that insurance was trade within the common law rule as to contracts in restraint of trade.

"In Ohio the question arose in a case (Taylor vs. Ross, 16 Ohio Decisions, 704) where several persons had been indicted for making a compact in reference to fire insurance rates. The court said:

"From the recognized and well-settled definitions and meanings of the words 'trade,' 'commodity' and 'commerce' as given by lexicographers, as established by courts and sanctioned and approved by long and general usage, it follows that these words could properly have been used in a sense broad enough to include fire insurance, by the Legislature, in the law under consideration, and that the words are susceptible of such definition as will include and cover fire insurance.'

"The Supreme Court said in Paul vs. Virginia that a contract of insurance is not an 'instrumentality of commerce,' but a 'mere incident of commercial intercourse.' Yet in a later case (Gloucester Ferry case, supra) the court said that anything is an instrumentality of commerce which aids and encourages it. Insurance manifestly aids and encourages com-

A General Agency is open
in the State of

PENNSYLVANIA

For one of the best Old Line
Companies in America



Write "B," care of this paper

201ST YEAR.

SUN
Insurance Office
OF LONDON.

FOUNDED 1710.

UNITED STATES BRANCH:

54 PINE STREET, NEW YORK.

WESTERN DEPARTMENT:

171 LA SALLE ST., CHICAGO.

PACIFIC DEPARTMENT:

Sansome & Sacramento Sts.,
SAN FRANCISCO, CAL.

AGENTS WANTED
AT UNREPRESENTED POINTS.

HARTFORD LIFE
INSURANCE COMPANY,
OF CONN.

1909 Policies are Participating,
Non-participating, with Lower Rates
and Values based on FULL RE-
SERVE.

For Right Contracts,
Address, Second Vice-President,
Home Office, HARTFORD, CONN.

merce. Hence, it is an instrumentality.

"There has been, and there must continue to be a steady development of the construction of the Federal Constitution to meet changing economic conditions. In the early stages of the discussion of the meaning of the commerce clause of the Constitution, it was thought to apply only to communication between the States by navigable waters. This probably was due to the fact that commerce between the States was almost wholly carried on by water communication. Since then the development of the country's commerce by means of railroad communication and the great changes that have taken place in economic conditions has led to applications of the clause that were not dreamed of early in the country's history. Thus, Congress now not only regulates railroad and other means of transporting goods from State to State, but it also regulates the business of telegraph and telephone companies as being engaged in interstate commerce. If a merchant arranges, by telephone or telegraph, with a company of another State for insurance, the telephone or telegraph message is held to be commerce between the States, but the contract of insurance that results is not. To the average man there would seem to be a flaw in this logic.

"In *Champion vs. Ames*, 188 U. S. 321, the Supreme Court held that the sending of lottery tickets from one State to another is interstate commerce. * * *

"The elasticity of the commerce clause and its adaptability to new conditions have been recognized frequently by the Supreme Court. Thus, in one of the earliest cases (*Gibbons vs. Ogden*, 9 Wheat., 1) Chief Justice Marshall said:

"Commerce undoubtedly is traffic, but it is something more—it is intercourse. It describes the commercial intercourse between nations and parts of nations in all its branches, and is regulated by prescribing rules for carrying on that intercourse."

"Mr. Justice Brewer in the *Debs* case, 158 U. S., 591, said:

"Constitutional provisions do not change, but their operation extends to new matters, as the modes of business and the habits of life of the people vary with each succeeding generation. The law of the common carrier is the same to-day as when transportation on land was by coach and wagon and on water by canal boat and sailing vessel. Yet, in its actual operation, it touches and regulates transportation by modes then unknown—railroad train and the steamboat. The Constitution has not changed. The power is the same, but it operates to-day upon modes of interstate commerce unknown to the fathers, and it will operate with equal force upon any new modes of such commerce which the future may develop." * * *

"It would surely not be a long step in advance of the court's present position to count insurance among the instrumentalities by which commerce may be carried on, and means by which it may be aided and encouraged."

"It is also important in this connection to bear in mind that the Supreme Court of the United States has, in reality, never passed directly upon this question. Congress has never passed a law which attempted to regulate in any degree the transaction of interstate insurance business. Consequently, the court has never had occasion to pass directly upon the question whether or not such a law would be constitutional. Each case in which the Supreme Court has held that insurance is not interstate commerce has been a case where some State has endeavored to impose upon a foreign insurance company some condition or penalty, and the company has resisted on the ground that as the company is engaged in interstate commerce, the State could not impose such a condition or penalty upon its business. We apprehend that in every case the court could have sustained the right of the State to impose the condition or penalty without deciding whether insurance was commerce or not. In other words, the decision that insurance was not commerce was not essential to the conclusion reached.

"We submit that the court has never passed directly upon the question as to the power of Congress to regulate interstate insurance under the commerce clause. That question can only arise when Congress passes a Federal supervision act, or some act which will clearly recognize that insurance is commerce. When it does pass such an act the court, acting under the rules which it has laid down for its guidance in deciding such questions, and because it can no longer logically adhere to the position that insurance is not commerce, must reverse its old position and enfranchise our business.

"In just what way insurance interests may want to bring about the end is a subject which I do not care to enter upon at the moment, but I commend it to the consideration of the younger and brighter men in our profession."

HURRELL GIVES ADVICE AT CASUALTY DINNER.

Alfred Hurrell, attorney of the New York Insurance Department and associate counsel of the Legislative Investigating Committee, who was one of the speakers at the banquet of the Board of Casualty and Surety Underwriters on Tuesday evening, stated that in his belief the corporation which paid for lobbying was extremely foolish. He instanced the successful fight of the casualty companies last winter to have rulings of the Insurance Superintendent reviewed by the court as the proper procedure.

Other speakers at the banquet were James V. Barry, Insurance Commissioner of Michigan; Edward L. Hearn, Vice-President of the Casualty Company of America, and John T. Stone, and Arthur I. Vorys, former Insurance Commissioner of Ohio.

OBITUARY.

William H. Blackford, President of the Maryland Life Insurance Company, died in Baltimore last Sunday. He had been connected with the company for thirty-one years and had been its President since November of 1887, a period of twenty-three years.

COMMERCIAL - UNION
ASSURANCE CO.,
(LIMITED)

OF LONDON.

OFFICE;

Cor. Pine & William Sts.

NEW YORK.

Personal and Family Insurance Combined

No trouble to get a hearing with this policy
It's something more than life insurance
Write for booklet and agency terms

Address
ALEXANDER McKNIGHT
Vice-President

THE FIDELITY MUTUAL LIFE INSURANCE CO.

L. G. FOUSE, President

OF PHILADELPHIA

Hanover Finance Company Next

SUPT. HOTCHKISS issued a bulletin for publication yesterday in regard to the progress of the Hanover Finance Company of Maine, which in organization and scheme was largely due to George G. Hynson, and is still in active operation.

Instead of offering gold certificates and preferred stock to the public, as was done by the Trinity Finance Company, the Hanover Finance Company offered its bonds to the extent of \$500,000 on an arrangement whereby the purchaser was to receive its stock dollar for dollar for the bonds purchased, the money thus realized to the extent of 40 per cent to be paid to Hynson or used in promotion, and to the extent of 60 per cent deposited with the Carnegie Trust Company under a so-called "First Mortgage." Such mortgage appears, however, to be merely a trust indenture under

which the trust company acts as custodian for 60 per cent of the money received from the sale of the bonds. It thus still has in its hands out of a total of \$44,000 realized from bond sales about \$26,000 to the credit of the company. The 40 per cent promotion expense fund, aggregating upward of \$17,000, was at the time of this examination entirely dissipated.

The department report says:

"The insurance scheme is similar to that of the Income Guarantee Corporation, which was to have been organized by the Trinity Finance Company, but which was abandoned by it.

"In brief, the plan is to guarantee loss of salary or income due to total and permanent disability from any cause whatsoever which prevents the insured from following his specific occupation. * * *

"On page 8 of the prospectus a so-called illustration is given of the operation of the insurance scheme in the following words:

"Illustration No. 2—A bank cashier receiving a salary of \$250 a month has a wife and children depending upon him; has a severe attack of grip, which results in insanity.

"Then what will he do? He goes to an asylum and his wife and children go to work.

"If you were a bank cashier with a family and no means outside of your salary, wouldn't you pay \$6 a month to be guaranteed an income of \$1,200 a year for life should you become disabled?

"The company will not insure any one over fifty years of age, and the maximum policy will provide for an income of \$12,000 a year. No policy issued in excess of 70 per cent of income.

"This is not an untried enterprise! Its feasibility and success have been proven beyond any doubt by the fact that the plan is in successful operation in Germany.

"The premium rates were compiled by an insurance expert of international reputation; by the actuary who was employed by the State of New York to conduct the recent great insurance investigation which involved millions of dollars.—Mr. Miles M. Dawson, of New York."

"The loaded or gross premium rates compiled by Mr. Dawson for the disability annuity of \$600 per annum ceasing at age of 65 vary from \$17.47 at age of 21 to \$92.75 at age of 50, and the additional rates compiled by Mr. Dawson to cover an annuity of \$600 per annum payable after age 65—whether disabled or not, vary from \$28.37 at age 21 to \$197.58 at age 50. These latter rates, however, are net rates, not loaded for expenses, etc. Combining these rates, we get \$45.94 for age 21 to \$290.33 at age 50 for an annuity of \$600 payable through

life for a total and permanent disability and payable on arriving at age 65 whether disabled or not. This gives the premium at the youngest age (21) \$91.88 for \$1,200 annuity, and presumably the bank cashier mentioned in the illustration would be considerably older than 21, so that the premium would be considerably more than \$6 a month. It is true that the illustration does not state that the annuity is payable to those reaching age 65 who are not disabled, but the premium statement in the illustration is misleading, and the reference to Mr. Dawson is unfair and misleading, as he has not compiled any table of rates showing a premium of \$6 a month for an annuity of \$1,200 per annum payable through life to a disabled person. * * *

"In view of the fact that Mr. Hynson had for a consideration previously transferred his rights in the insurance scheme and the premium rates to the Trinity Finance Company, it is not clear what power he had to sell these rights over again to the Hanover Finance Company.

"It is significant that while this investigation was under way the company left this jurisdiction, removing its office to Jersey City, suspended the sale of bonds, adopted a plan of selling treasury stock, voted its President a salary of \$5,000 per annum, to take effect from the date of incorporation and changed its original purpose of organizing an Income Insurance Company under the laws of New York to that of organizing an Income Insurance Company under the laws of New York or any other State or country."

CHRONICLE PARAGRAPHS.

The bond of suretyship of August Ropke, ex-Secretary of the Fidelity Trust Company of Louisville, Ky., has been settled by receipt of a check from the Guarantee Company of North America for \$10,000.

Ropke's books were examined semi-annually by an expert accountant, who, however, failed to discover irregularities extending back over a period of some fifteen years.

* * *

J. D. E. Jones, who was formerly general agent of the Equitable for Rhode Island, has resigned as Vice-President and Rhode Island general agent of the Puritan Life Insurance Company. The company is doing business in Rhode Island and North Carolina, and has about \$2,000,000 insurance in force.

* * *

John W. Walker and Charles N. Bradford, who were bookkeepers in the employ of the North British and Mercantile, were arrested yesterday by detectives from the District Attorney's office. Frank B. Stone, the manager, declared that by juggling the books the men had robbed the company of about \$13,000.

1860 50th YEAR 1910

HOME LIFE

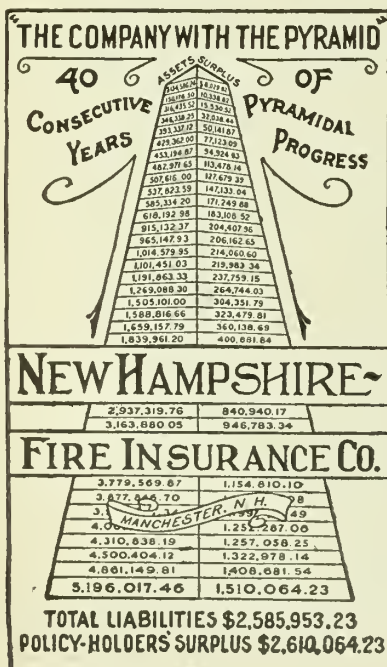
Insurance Company of New York.

GEORGE E. IDE, President.

Assets	\$23,626,018.63
Liabilities	21,858,691.52
(Including Deferred Dividend Fund)	
Dividend Endowment Fund	2,119,044.00
(Deferred Dividends)	1,767,327.07
Net Surplus	92,532,533.60
Insurance in Force	

The record for 1909 shows the following GAINS:

Insurance in Force	\$4,164,239.00
Assets	1,917,117.00
Deferred Dividend Reserve	148,581.00
Contingency Reserve (Surplus)	655,149.17



In New England

BOSTON, Oct. 19.—A bulletin issued by the Secretary of the National Association of Local Fire Insurance Agents announces that President A. W. Neale has selected the following to be members of the Joint Conference Committee: C. H. Woodworth, Buffalo, Chairman; E. B. Case, Chicago; C. F. Hildreth, Freeport, Ill.; John C. North, New Haven, Conn.; C. I. Lunsford, Roanoke, Va. The company members of the committee are: E. H. A. Correa, of the Home, Chairman; Henry Evans, President of the Continental; W. B. Clark, President of the Aetna; Henry W. Eaton, manager of the Liverpool and London and Globe; Charles L. Case, manager of the London Assurance, and R. Dale Benson, President of the Pennsylvania.

The chief subjects to be handled by the committee in conference with the companies are "Trust Lines and Brokers" and "Uniform Blanks." The committee is also authorized to consider any other subjects which may be brought up, either by the companies or agents on the committee.

The new Committee on Agency Qualifications, authorized by the recent Chicago convention, comprises: Lyman M. Drake, of Chicago, Chairman; A. H. Robinson, of Louisville; R. F. Manly, of Birmingham, Ala.; P. D. Kiernan, of Albany, and R. H. Manchester, of Cleveland. O. B. Ryon, of the Illinois Insurance Department, has agreed to assist this committee in its work.

"Local agents, as a whole," comments the bulletin making the foregoing announcement, "look upon the work of this committee as of the utmost importance to the interests of the agency business. The National Association has been building up principles of protection to the agent in his territorial and expiration rights, and this has proved of general benefit

to all agents, irrespective of their standing. While the National Association has for some time been interested in this question, and has conferred with the National Association of Credit Men in regard thereto, the proposition has received a very decided impetus through the agitation of the expense question.

"It seems to be admitted on all sides that an important phase of this question is improvement in agency appointment, and it is with a desire to bring about this improvement, as the first step in the reform, that the National Association has provided for the appointment of a competent committee to consider the subject.

"In view of the fact that the committee's chief object is to draft an application blank for adoption by the insurance departments or by State law, the vote of the Insurance Commissioners at their recent annual convention indorsing the action of the National Association in the appointment of this committee, is regarded as assuring the general co-operation of the State departments in the reform."

Massachusetts Fire Agents to Meet.

Arrangements have been completed for the annual meeting of the Massachusetts Association of Local Fire Insurance Agents, at the American House, Boston, next Saturday, October 22. Manager Frank Lock, of the Atlas, President A. W. Neale of the National Association and Secretary F. H. Wentworth of the National Fire Protection Association will be the principal guests. A large and interesting meeting is looked for.

New England Brevities.

D. S. Pratt, Jr., for the last seventeen years identified with the Home Office of the John Hancock, latterly in charge of the Weekly Premium Policy Division, has resigned that position to enter the wool business in

partnership with his father. Last Saturday President Lamb, with well merited words of commendation, gave Mr. Pratt, on behalf of his associates, a handsome office desk and a travelling bag as souvenirs of their regard.

* * *

"Heterography," which scientific sharps call the condition of thinking one thing and writing another, is to blame for a reference to the Fire Commissioner of Boston as "Mr. Cole" in this column last week. The writer pleads for the indulgence of Mr. Daly, who is the Fire Commissioner, and that of the readers of this column. The reason for the mistake probably rests in the fact that, while the Fire Commissionership was in abeyance, Mr. Cole, a former Police Commissioner, was "mentioned" for the position.

* * *

Colonel Arnold O. Read, Vice-President of the John Hancock Mutual Life, entertained the members of the Massachusetts Historical Society at the Algonquin Club, Boston, last Thursday afternoon.

* * *

The Security of New Haven is to increase its capital stock from \$500,000 to \$700,000, privilege of subscription limited to present stockholders, and payments to be made by December 15.

* * *

At Chicago Munger, Vokum & Wetherbee have been appointed agents of the Massachusetts Fire and Marine; at Cleveland, Ohio, George H. Olmsted; at Akron, Hall & Harter.

* * *

The Boston Board is considering an increase of rates on warehouses containing wool waste of certain description, in view of the costly experience gained by the Crimmins & Pierce fire.

* * *

At last Saturday's meeting of the New England Insurance Exchange R. B. Ives was placed on the Vermont division of the Factory Improvement Committee, vice John J. Downey, resigned.

EMIL SCHWAB.

IT PAYS THE AGENT

To represent the best company. There are many excellent standard life insurance companies. Which is the best? In stability, progressiveness, liberal contracts to agents and low cost to policy-holders no company surpasses

The Union Central Life Insurance Co. of Cincinnati.

Assets, \$74,523,966.28
Liabilities, \$72,324,302.92

Good openings are occurring from time to time. Address

JESSE R. CLARK, President.
ALLAN WATERS, Sup't of Agents.

The Best, Safest, Most Liberal and Most Equitable Forms of Policy Contracts are issued by the



ROLAND O. LAMB, President.

WALTON L. CROCKER, Secretary.

Issues the Most Perfect Forms of Life, Endowment, Instalment and Term Policies. Greatest Sellers in the Market.

LIBERAL CONTRACTS TO THE RIGHT MEN.

ROBERT K. EATON, Supt. of Agencies, Boston.

WILLIAM N. COMPTON, General Agent, Metropolitan District, St. Paul Building,

220 Broadway, New York.

SAFETY FUND INSURANCE

Along the Shores of Lake Michigan

NIAGARA*

Fire Insurance Company

—OF—

NEW YORK

OFFICE:

46 CEDAR STREET, CITY.

CHICAGO, Oct. 19.—The movement for expense reduction in the West appears to be blocked by a deadlock between the two great company organizations—the Western Union and the Western Insurance Bureau. Unless a compromise can be reached it does not look now as if the committees of managers would visit the "excepted cities," as provided for at the meeting held early in the Summer.

Except in the six cities of Chicago, Milwaukee, St. Louis, Louisville, Cincinnati and Cleveland, over which the Union never has had jurisdiction, and the States whose laws prevent united action on commissions and practices, every union company, under the rules, is supposed to follow the union commission scale throughout the union territory. The non-union companies, having had no organization until recently, have been bound by no rules and have made such arrangements as they saw fit with their agents. They have not recognized the "excepted cities" as different from any other large cities, and some of them have excess commission arrangements in Indianapolis, Detroit and other places of importance. When the Western Insurance Bureau extended its jurisdiction over Indiana it did not include Indianapolis, thus making it an "excepted" city so far as the bureau was concerned. On November 2 it will hold a meeting and probably extend its jurisdiction over a number of other States which contain large cities. Whether it will except any of these remains to be seen.

The plan proposed early in the Summer was to take up first the union "excepted" cities, where conditions admittedly are the worst as regards commissions. This is the plan the bureau wants followed now, but the Union does not see it that way. If the various committees should work out plans for reducing commissions in the "excepted" cities it would reduce the expenses of the non-union companies so that they would be the better able to bear the present expense in other large cities and to maintain the present bureau scale of commissions which is higher than the union graded scale. Union companies consider that they would allow themselves to be used as catspaws to pull the non-union chestnuts out of the fire, if they should agree to any such piecemeal plan for dealing with the expense question.

With the present clamor for reduced expenses, the union companies certainly would not be justified in increasing commissions to the bureau scale in order to get uniformity, nor do they desire to do so. While the bureau scale meant a reduction for some of the companies which entered the organization and was therefore consistent with present tendencies and demands, yet the bureau scale gives them an advantage over union companies in dealing with agents. The union companies are not ready to enter into a deal where other companies admittedly have an advantage over them. It looks, therefore, as if the Union would scarcely co-operate with the bureau on any expense reduction proposition until the two classes are placed on an equal com-

THE American Credit-Indemnity Co. OF NEW YORK.

CREDIT INSURANCE ONLY.

Insures Wholesalers and Manufacturers against Excessive Annual Loss through the Insolvency of their Customers.

We can always use a few high-grade solicitors.

ST. LOUIS, MO.

NEW YORK, N. Y.

Offices in All Principal Cities.

A. B. TREAT, General Agent,

302 Broadway, : : : : : New York.

OLDEST
IN
AMERICA

STRONGEST
IN THE
WORLD

THE MUTUAL LIFE Insurance Company of New York

Mutual Life Agents Make Most Money
Because Mutual Life Policies Sell Most Freely

For terms to producing agents, address

GEORGE T. DEXTER

2nd Vice-President

34 Nassau Street

New York, N. Y.

New York Insurance Stocks

Casualty Companies.

	Capital.	Approx. Annual	Div.	Period.	Bid.	Ask.
Aetna Indemnity (\$25)....	\$350,000	V	V	...	200	
Casualty Co. of America...	500,000	6	J&J	120	150	
Fidelity & Casualty.....	1,000,000	18	"	450	500	
Hartford Steam Boiler....	1,000,000	10	"	255	265	
Metropolitan Casualty	200,000	10	"	185	...	
N. Y. Plate Glass (\$50)....	200,000	16	"	500	...	
United States Casualty....	500,000	10	Q	200	225	

Fire Companies.

City of New York.....	\$500,000	10	Q	...	205	
Commonwealth	500,000	10	J&J	326	...	
Continental	2,000,000	40	"	950	...	
Empire City	200,000	8	"	125	...	
Fidelity-Phoenix	2,500,000	V	V	280	290	
German Alliance	400,000	15	J&J	275	300	
German-American	1,500,000	30	"	550	560	
Germania (\$50)	1,000,000	18	"	285	295	
Glens Falls (\$10).....	200,000	30	"	1,525	...	
Globe & Rutgers.....	400,000	40	Q	475	...	

Hanover (\$50)	1,000,000	15	J&J	200	210	
Home	3,000,000	30	"	640	660	
Nassau (\$50)	200,000	10	"	165	175	
Niagara (\$50)	1,000,000	20	"	300	305	
North River (\$25).....	350,000	10	A&O	155	165	
Pacific (\$25)	200,000	14	"	185	...	
Peter Cooper (\$20)	150,000	6	"	90	105	
Stuyvesant	400,000	10	"	155	160	
United States (\$25).....	250,000	V	V	60	70	
Westchester (\$10)	400,000	35	F&A	455	...	
Williamsburg City (\$50)..	250,000	20	J&J	380	400	

Life Companies.

Aetna Life	\$2,000,000	15	Q	650	660	
Connecticut General	300,000	8	J&J	250	...	
Equitable	100,000	7	A	4,000	...	
Germania (\$50)	200,000	12	J&J	210	225	
Hartford Life	500,000	10	"	150	...	
Home	125,000	12	M&N	275	...	
Manhattan Life	100,000	26	O&F	400	425	
Metropolitan (\$25).....	2,000,000	7	M&N	155	175	
Prudential (\$50)	2,000,000	10	Q	450	500	
Travelers' Hartford.....	2,000,000	20	Q	900	...	
United States Life.....	264,000	7	J&J	90	105	

V—No information. Q—Quarterly.

mission basis. In other words, until the bureau adopts the union graded commission scale. The non-union companies, some of which have had to make sacrifices to get down to the bureau scale, are not very likely to make a still further reduction in commissions throughout the field, so a deadlock is caused that may continue indefinitely.

* * *

Several of the smaller fire insurance companies of the West have been approached recently by George H. Scott, who has presented to them a proposition for consolidation with others of the weaker sort. Mr. Scott used to run a general agency in Chicago, representing the National of Allegheny and the Northwestern Fire and Marine of Minneapolis. What success he has met with in his new undertaking is not reported. There are several struggling institutions in the West that, it would appear to an outsider, would much better merge.

* * *

It is reported on what seems to be good authority that a number of the fire companies that are not over-supplied with surplus are arranging to reinsure their term business or have done so already. There has been much complaint about losses in the West all this year with the exception of perhaps a couple of months. As the losses have come on all classes without much discrimination, it is fair to presume that the small companies have had to take their share with the large ones and that some of them will need to release reserves in order to make a respectable showing at the end of the year.

* * *

Announcement last week of the plan for an underwriters' building is said to have cost the promoters of the scheme about a hundred thousand dollars. The plan contemplates a mod-

ern fireproof building twelve stories high, to be located at the southwest corner of Jackson Boulevard and Sherman Street. It appears that present lessees of the buildings on the ground were being negotiated with, but their leases had not all been secured, when a broker told what was going on, and the remaining lessees at once became bulls on the market.

It has been understood for some months that the local fire insurance agencies would leave 159 La Salle Street within a couple of years. Rents in the present building have gone up to a point where the agents have protested vigorously. The Chicago Board of Underwriters is reported to have engaged ten floors of the new Underwriters' Building, which it will let to insurance tenants. Manager Glidden, of the board, hopes that in time at least 75 per cent of all the insurance interests of the city—fire, life and casualty—will be housed under one roof. The gathering of nearly all the local fire offices of the city at 159 La Salle Street has proved the vast advantage of having the agencies in one building.

The removal of the insurance interests to the Underwriters' Building will change the map of the Chicago insurance district. At present the district may be said to centre at the corner of La Salle and Monroe Streets. Jackson Boulevard is two full blocks south of Monroe Street, and the site of the Underwriters' Building will be slightly west of La Salle—just west of the Board of Trade and across Jackson Boulevard from the Royal Insurance Building.

* * *

The Chicago Board of Surety Underwriters held about the best meeting in its history last week, when new officers were elected. Very little complaint is heard of conditions in the surety business in the city. The only non-tariff company in the city

writing surety lines is the American Fidelity, and it does not do a large bonding business in Chicago, nor is there complaint about its surety rates. There are several non-tariff fidelity companies and there is complaint about the rates some of them offer.

The most unsatisfactory part of the whole local bonding situation is that relating to brokers. The board originally recognized as persons proper to receive commissions the brokers approved by the Chicago Board of (Fire) Underwriters, together with some others who are engaged in the surety business to an appreciable extent. This is not satisfactory. Comparatively few of the 3,000 fire brokers do enough surety business to deserve recognition in that branch. With unsatisfactory rules, some offices have paid commissions to persons held by others not entitled to receive them. One of the prominent officers of the surety board says that he hopes satisfactory rules will be worked out this year, under which the board will pass upon the qualifications of its own brokers and not accept those of the fire board simply because the fire board recognizes them.

LA SALLE.

RECTOR 2817

ESTABLISHED 1864

E. S. BAILEY

DEALER IN

INSURANCE STOCKS

A SPECIALTY

66 Broadway

NEW YORK

Hanover Fire

INSURANCE
COMPANY
of New York



Agencies
in all the Principal Places
in the United States.

Life Ins. Co. of Virginia

Home Office, Richmond, Virginia.

J. G. WALKER, President.
T. W. PEMBERTON, 1st Vice-President.
W. L. T. ROGERSON, 2d Vice-President.
E. D. HARRIS, Secretary.

The OLDEST Southern Life Insurance Company.

The LARGEST and STRONGEST Southern Life Insurance Company.

The PIONEER Southern Industrial Life Insurance Company.

Its policies are clear and definite in their provisions and their values are absolutely guaranteed.

Assets Dec. 31, 1909..... \$5,372,691.99
Liabilities Dec. 31, 1909..... 4,312,405.32
Insurance In Force Dec. 31, 1909..... 68,337,613.00
Total Payments to Policyholders since Organization 9,820,412.40

"The Leading Fire Insurance Company of America."



WM. B. CLARK, President.

W. H. KING, Vice-President.

HENRY E. REES, Secretary.

Assistant Secretaries,

A. N. WILLIAMS, E. S. ALLEN,

E. J. SLOAN, GUY E. BEARDSLEY.

THE BANKERS LIFE ASSOCIATION

DES MOINES, IOWA.

ERNEST E. CLARK, President

Exceptional Record During twenty-nine years for
LOW RATE OF MORTALITY
ECONOMY OF MANAGEMENT
PROMPT PAYMENT OF CLAIMS
SECURITY OF ITS FUNDS

and satisfactory results
for its policyholders.

Bob's Remarks

THE Attorney General of Indiana has ruled that the tax to be collected from fire companies should be 2 per cent on gross premiums, instead of 5 per cent on net premiums. As this applies to business of five years back, many of the New York and New Jersey fire insurance companies doing business in Indiana are making plans to contest the claim. Arrangements have been made for a test case between Thomas Bates, of Chicago, attorney for the companies, and the Indiana Attorney General.

Very broad charters are sometimes troublesome. They are often convenient for certain purposes, but frequently collide against laws, especially of modern creation. This is the case with the old Monongahela Insurance Company. Its charter permits nearly everything. Organized over fifty years ago, under the broad laws of Pennsylvania, the powers of the company allow all kinds of insurance, including the word "otherwise." As an unknown quantity, this might apply to transportation by air. Before the entrance of the Monongahela into New York State all of the "frills" in the charter will be eliminated, so as to comply with the law. Whilden & Hancock will be the general and metropolitan managers. The company will probably enter in December.

The time for the filing of policies for accident companies with the Insurance Department at Albany expired on Saturday last. Superintendent Hotchkiss states that most of the companies have complied.

A stockholders' meeting of the Travelers' Indemnity Company of Hartford will be held on November 14 to decide upon an increase of capital from \$500,000 to \$1,000,000. This proposed action is for the purpose of providing for the expected increase of business owing to the new laws as to workmen's compensation. New shares are to be issued at \$150 each, the premium going to surplus.

When the Sovereign Fire Assurance of Canada enters New York State it is expected that Starkweather & Shepley will be the metropolitan managers.

The Home of New York has reinsured the risks of the Commercial Union of London, located in unprotected towns in Texas.

E. V. Hoyt, superintendent of rates and inspections for the Suburban Fire Insurance Exchange, has resigned. He is a most capable and experienced underwriter.

A peculiar case came up a few

days ago. For more than five years a certain risk had been placed in a large American company by an old line insurance man. Without noting the fact that he held no certificate, the commission had been paid to him regularly for years, because he was well known as a broker. Suddenly, on the last renewal it was discovered that he was not "listed." The premium was then charged to a certified broker and that settled the matter.

On Saturday, November 27, it is stated that the Pennsylvania Railroad will introduce its full train service to and from the new terminal station, Seventh avenue and Thirty-second Street. It will be a great boon to every one—local or suburban residents.

Announcement is made that the stockholders of the Hawkeye and Des Moines Fire Insurance companies have decided to consolidate the two institutions under the name of the Hawkeye and Des Moines Fire Insurance Company. It will be the largest Iowa company having a combined capital of \$200,000, surplus \$260,000 and total assets of over \$1,500,000.

J. G. Cloud, formerly manager for the metropolitan and suburban district of the American Fidelity Company, is now connected with the Selden Motor Vehicle Company. He expects, however, to return shortly to the business of liability insurance.

At the office of the New Amsterdam Casualty Company a meeting of the Burglary Insurance Underwriters' Association will be held on October 25. General discussion of the burglary insurance situation will be the subject for consideration.

At a recent meeting the stockholders of the William Penn Fire Insurance Company voted to increase its capital from \$100,000 to \$250,000. Pettibone & Krouse, of Philadelphia, have been appointed managing underwriters for the United States.

The Insurance Directory of Greater New York, Newark, Elizabeth, Jersey City, Hoboken and Bayonne for 1910 and 1911, has just been published by the "Insurance Record." With this issue the "Record Directory" celebrates its twenty-ninth anniversary.

The Alliance of London is now considering the re-entrance of the United States. Purchase of an American plant is in contemplation. For a long while the company did a purely surplus line business in America. Who will be the United States manager is an open question. The Rothschilds are quoted as large holders of the Alliance stock.

BOB.



of New York

SUPERIOR POLICIES

KIMBALL C. ATWOOD, President.
290-292 Broadway, New York.

New England Mutual Life

Insurance Company

BOSTON, : : : MASS.**Chartered 1835**

Assets, January 1, 1910..\$51,316,543.00
 Liabilities 47,050,672.15

Surplus \$4,265,870.85

Sixty-six years of honorable dealing with its policyholders has placed the **NEW ENGLAND MUTUAL LIFE INSURANCE COMPANY** in the front rank of Life Insurance Companies of the Country.

ALFRED D. FOSTER, President.
D. F. APPEL, Vice-President.
J. A. BARBEY, Secretary.
WM. F. DAVIS, Assistant Sec'y.
J. G. WILDMAN, Assist. Sec'y.

EDWARD W. ALLEN, Manager.
 220 Broadway, New York.
LATHROPE E. BALDWIN, Manager.
 141 Broadway, New York.
CHARLES H. STRAUSS, Gen. Ag't.
 200 Fifth Ave., New York.

WESTERN

Assurance Co.

HEAD OFFICE,**TORONTO, - - CANADA.****Incorporated 1851.**

Hon. **GEORGE A. COX**.....President
W. R. BROCK and **JOHN**
HOSKIN, K. C. LL. D. Vice-Presidents
W. B. MEIKLE.....General Manager

United States Statement, Jan. 1, 1910.
 Assets\$2,377,303.37
 Surplus in United States..... 839,268.07

SPECIAL OPPORTUNITIES offered now in Southern States to Representatives of

CITIZENS
NATIONAL LIFE
INSURANCE
CO.

W. H. GREGORY,
 President.

**Agency Secretary Wanted**

One whose experience fits him to act as Home Office Secretary to the Company's agencies can secure good position with large, well established life insurance company. Must have had broad experience. Those who have not need not apply. Address "Secretary," care of this paper.

**THE HOME LIFE INSURANCE COMPANY OF AMERICA**

Incorporated 1899.



General Agents and District Managers who can produce ordinary business can secure "Ground Floor" contracts with **GUARANTEED RE-NEWALS** and an assignment of territory limited only by capacity to produce agency organization and business. Send for Sample Policy. **IT IS ONE YOU CAN SELL.** New business, \$1,500,000—January 1-June 30, 1910.

Address:

JOHN LANGHAM, Jr., President.
JOSEPH L. DURKIN, Secretary.
EDWARD P. MADDEN, Treas.

G. M. NETTLESHIP,
 General Manager,

416-18-20 Walnut St., : **PHILADELPHIA, PA.**

"WILL SIGN YOUR BOND"

The Bankers Surety Co.
 of Cleveland, Ohio,

"EXECUTES SURETY BONDS OF EVERY DESCRIPTION"

DOLAN, EIBLER & MCGINTY,
 General Eastern Agents,

56 Maiden Lane, - - - - - New York City

'Phone 1281—2 John

COMPARATIVE RESERVE TABLES

BY
MILES M. DAWSON
Consulting Actuary.

Containing Mean and Terminal Reserves for the
usual forms of policies and by the
following standards:

American Experience, Select and Ultimate $3\frac{1}{2}$ per cent.
American Experience, Select and Ultimate 3 per cent.
American Experience, Modified Preliminary Term $3\frac{1}{2}$ per cent.
American Experience, Modified Preliminary Term 3 per cent.
American Experience, Select and Ultimate 4 per cent.
Actuaries', Modified Preliminary Term 4 per cent.
American Experience, Committee of Fifteen, $3\frac{1}{2}$ per cent.
American Experience, Illinois and Tennessee, $3\frac{1}{2}$ per cent.
American Experience, Michigan, $3\frac{1}{2}$ per cent.
American Experience, Wisconsin, $3\frac{1}{2}$ per cent.
American Experience, New Jersey, $3\frac{1}{2}$ per cent.
 H^M , Canadian Life Officers' Association, $3\frac{1}{2}$ per cent.
 $O^{[M]}$, Select and Ultimate, $3\frac{1}{2}$ per cent.

THIS covers all the standards, other than the net level
premiums, in use in this country. Tables showing
the first year margins set free by each method of valu-
ation are given.

Send all orders to the Publishers,

The Chronicle Co., Ltd.

No. 90 William St.

NEW YORK

The Chronicle

1866

Published by THE CHRONICLE COMPANY (Ltd.), 90 William Street, New York City

1910

VOLUME LXXXVI.

NEW YORK, OCTOBER 27, 1910

NUMBER 17



THE PLAZA

Liability Insurance Association Men Succeed
Casualty and Surety Underwriters at the Plaza



INCORPORATED 1833.

British America Assurance Company

HEAD OFFICE, TORONTO, CANADA

UNITED STATES BRANCH.
JANUARY 1, 1910.

Assets\$1,556,740.94
Liabilities 902,438.61
Surplus\$ 654,302.33

Hon. GEORGE A. COX, President.
JOHN HOSKIN } Vice-Presidents.
W. R. BROCK }
W. B. MEIKLE, General Mgr.

The Men Now Holding Executive Positions



with The Prudential began in the ranks and worked themselves up by their ability. There is always room for the man who can make good.

Write Us About an Agency.
THE PRUDENTIAL
Insurance Company of America.

Incorporated as a Stock Company by the
State of New Jersey.

John F. DRYDEN, Home Office,
President. NEWARK, N. J.

FOUNDED 1792

118th ANNUAL STATEMENT INSURANCE COMPANY OF NORTH AMERICA. OF PHILADELPHIA, PA.

ASSETS. January 1, 1910.
Real Estate\$ 364,410.00
First Mortgages on Real Estate 373,803.48
Philadelphia, New York, Boston and other City and State Loans 1,134,390.00
Pennsylvania, Philadelphia and Erie, Lehigh Valley and other Companies' Bonds and Stocks 8,909,150.32
Cash in Bank and Bankers' hands 1,134,635.88
Notes Receivable and Unsettled Marine Premiums.... 347,440.69
Net Cash Fire Premiums in course of Transmission.... 1,069,510.62
Accrued Interest, and all other property 52,160.57
Total Assets\$13,385,501.56
LIABILITIES.
Capital Stock\$ 3,000,000.00
Reserve for Re-Insurance .. 6,813,862.47
Reserve for Losses 877,250.00
All other Liabilities 104,982.45
Surplus over all Liabilities.. 2,589,406.64
\$13,385,501.56

Surplus to Policyholders.....\$5,589,406.64
Increase in Reinsurance Reserve 349,934.71
Increase in Net Surplus..... 838,500.99
Increase in Assets..... 1,371,435.93
Eugene L. Edson.....President
Benjamin Rush.....Vice-President
T. Houar Wright.....Secretary
Henry W. Farnum.....Assistant Secretary
John O. Platt.....Assistant Secretary
Agencies in all Prominent Cities & Towns.

NATIONAL LIFE Insurance Company, MONTPELIER, VERMONT.

Established in 1850.
Operating in 37 States.

JOSEPH A. DE BOER, President.

FRED A. HOWLAND, Vice-President
JAMES B. ESTEE, 2nd Vice-President
OSMAN D. CLARK, Secretary
H. M. CUTLER, Treasurer
A. B. BISBEE, Medical Director
C. E. MOULTON, Actuary

This Company held January 1, 1910,
and gained during the past decade:

ASSETS . . . \$47,490,998.98
GAIN, 167 PER CENT.
LIABILITIES . . . \$41,661,130.12
GAIN, 162 PER CENT.
SURPLUS . . . \$5,829,868.86
GAIN, 211 PER CENT.
INSURANCE . . \$161,423,115.00
GAIN, 79 PER CENT.

Absolute Security and Economy of Management

The Preferred
ACCIDENT INSURANCE COMPANY
of New York

SUPERIOR POLICIES

KIMBALL C. ATWOOD, President.
290-292 Broadway, New York.

New England Mutual Life Insurance Company

BOSTON, : : : MASS.
chartered 1835

Assets, January 1, 1910..\$51,316,543.00
Liabilities 47,050,672.15
Surplus \$4,265,870.85

Sixty-six years of honorable dealing with its policyholders has placed the **NEW ENGLAND MUTUAL LIFE INSURANCE COMPANY** in the front rank of Life Insurance Companies of the Country.

ALFRED D. FOSTER, President.
D. F. APPEL, Vice-President.
J. A. BARBEY, Secretary.
WM. F. DAVIS, Assistant Sec'y.
J. G. WILDMAN, Assist. Sec'y.

EDWARD W. ALLEN, Manager.
220 Broadway, New York.
LATHROP E. BALDWIN, Manager.
141 Broadway, New York.
CHARLES H. STRAUSS, Gen. Ag't.
200 Fifth Ave., New York.

To Agents and Brokers!

Are you familiar enough with the new Liability Laws to advise and protect your clients' interests? We will gladly send any information on request.

THE

Philadelphia Casualty Co.

Walter Le Mar Talbot, President

Personal Accident, Health, Liability,
Automobile, Plate Glass and
Credit Insurance.

MEN OF ENERGY ARE OFFERED WORK OF MOMENT

In desirable localities representing a sixty-year old institution, with modern, liberal, law-conforming policies, and helpful Home office co-operation. Much good territory available. Many opportunities for advantageous positions. Inquire NOW.

UNION MUTUAL LIFE INSURANCE COMPANY PORTLAND, MAINE

FRED E. RICHARDS, President.

Address either:
ALBERT E. AWDE,
Supt., 396 Congress St.,
Portland, Maine.
THORNTON CHASE,
Supt., 405 Exch. Bldg.,
Los Angeles, Cal.

"The Leading Fire Insurance Company
of America."



WM. B. CLARK, President.
W. H. KING, Vice-President.
HENRY E. REES, Secretary.

Assistant Secretaries.
A. N. WILLIAMS, E. S. ALLEN,
E. J. SLOAN, GUY E. BEARDSLEY.

RIGHT NOW WRITE NOW LIVE ASSETS for LIVE AGENTS

Live, not Life Insurance, is the only necessity of life that has not increased in cost.

It is a great asset for a Live Agent to represent the *largest* health and accident insurance company in the world, especially at this time with compulsory workmen's insurance imminent and employers' liability insurance becoming costlier every day. Up-to-the-second policies. Most liberal contracts to agents.

CONTINENTAL CASUALTY CO.

H. G. B. ALEXANDER,
President.

1208 Michigan Ave. : : Chicago
"Often Copied: Never Equalled."

The Chronicle

VOLUME LXXXVI. NEW YORK, THURSDAY, OCTOBER 27, 1910

NUMBER 17

PUBLISHED EVERY THURSDAY BY
THE CHRONICLE COMPANY, Limited.
No. 90 WILLIAM ST., NEW YORK.
Phone "567 John." Cable Address, "Chronogram," New York.

Subscription Price:
Three Dollars a Year. Single Copies, Twenty-five Cents.
Postage Prepaid in the United States and Canada.

MILES M. DAWSON, President.
R. B. Dawson, Treas. A. C. Harwick, V.-P. A. L. Dern, Sec'y.
Emil Schwab, Manager New England Department,
200 Devonshire Street, Boston, Mass.

All communications should be addressed to and remittances should be made to The Chronicle Company, Limited.
Entered at the Post Office, New York, N. Y., as Second Class Mail Matter.

Chelsea's Recovery From Conflagration

BOSTON, Oct. 26.—At the dedication of the new City Hall in Chelsea, Mass., last Saturday, much praise was given the Board of Control for its work in aiding in the regeneration of the city, following the conflagration disaster of April, 1908. Among those who spoke was Mayor Fitzgerald, of Boston, who said in part:

"The one thing that impresses me most about the work accomplished is in the building regulations. A new fire code has been established here,

and it is being enforced, with the result that an entirely new type of building construction exists. While there were many who severely criticised these building regulations, every sensible citizen realized that the annual waste by fire loss in this country, if not prevented, would ruin every fire insurance company in the world and would some day bring about a situation which would make the cost of fire insurance prohibitive.

"I congratulate the city upon the establishment of a separate department for building inspection. This

means that no city is worthy of the name which does not enforce the strictest regulations in regard to building inspection. The matter of fire escapes is of importance, especially to school buildings, and every home and factory should give ample protection to the people.

The prompt assistance, waiving technicalities, afforded by the fire insurance companies, which covered some \$8,000,000 of the \$17,000,000 loss sustained on account of the Chelsea conflagration, received little or no recognition during the ceremonies.

Massachusetts Local Agents Meet

BOSTON, Oct. 26.—The annual meeting of the Massachusetts Association of Local Fire Insurance Agents took place on Saturday morning at the new American House, Boston. Last year's ticket of officers, headed by President C. H. Cornish, of New Bedford, was re-elected, with this exception, that William H. Rogers, of Boston, was chosen to succeed Oliver Walker, of Northampton, on the Executive Committee. The following resolution was adopted:

"Resolved, That we indorse the action of the National Association of Local Fire Insurance Agents upon the subject of 'Cost of Fire Insurance,' especially commending the stand taken in respect to the reduction in rates through improved hazards, the elimination of dishonest losses and the settlement of all claims upon a basis of actual loss.

"We also record our approval of the National Association's position in respect to the matter of fire insurance expenses, and do not believe that the conditions call for any general reduction in commissions.

"We commend the national association for its appointment of a special committee to consider higher standards of agency qualifications and to

recommend license laws to the States covering this subject.

"We believe improvement in the standard of agency appointment to be of paramount importance to the business, to be considered by companies and agents as the first step necessary to any changes desired for the betterment of the business.

"We approve the action of the national association in respect to the matter of agents' compensation, and respectfully request the companies to consider the suggestions made that commissions of local agents in the East and South shall be placed on the same basis, or its equal, as paid in the West.

"We deprecate the excessive commissions and excessive agency appointments in some localities, and believe that a reformation of these evils would benefit the public and reduce the cost of insurance.

"We authorize the Executive Committee to take such action in regard to these matters as to it may seem best, and suggest also that the National Committee on Agency Qualifications submit its report as early as possible, and not later than December 15."

After the dinner, which followed the meeting, a letter was read from

Frank Lock, of the Atlas, who was expected, regretting his inability to be present. Franklin Wentworth, Secretary of the National Fire Protection Association, spoke most interestingly regarding the genesis and scope of action of that organization. He noted that the fire loss per capita in Europe averaged 33 cents, against more than \$3 in America.

Fifteen years ago certain classes of factories were constantly burning, so that there was danger that the companies would refuse to insure them at any price. This led to the formation of the Factory Improvement Committee of the New England Insurance Exchange. It was found that each industry had some special hazard, and the committee set about to segregate these hazards, so as to render them very much less perilous. One improvement led to another. Automatic sprinklers were considered, of which there were at one time nine different standards in use within a radius of 150 miles of New York City.

Thus the National Fire Protection Association came into being twelve years ago, its object being to reconcile the differences in fire protective means, and secure the adjustment of standards. Singularly enough the public at large considered the associa-

tion an insurance company. As a matter of fact it included in its membership architects, engineers, credit men, water works men and other branches besides the fire underwriters. Its committees worked without pay in their leisure time for the general good. One task the association was engaged in was to secure the manufacture of uniformly good fire hose. It also was working to rouse the public indifference as to the fire waste by means of its publicity work. Its members aim to make the public realize what this loss of \$3 per capita means to the American citizen. Everything we eat, drink or wear carries a fire tax, and this means a tax of \$50 per annum in this country for a family of five. As long as the country suffers from the conflagration habit, it is the duty of the companies to obtain sufficient premiums to cover it. If legislators limit the income of the companies it is also their duty to limit the outflow. The underwriting loss for the last ten years, unassisted by the banking element, amounted to 3 per cent. If capital should withdraw from fire insurance as a result of such conditions then business credit will

also suffer. It is one mission of the local agents to show the people these facts. The standard of agents should be kept high; they should be the educators of the people. Mr. Wentworth's splendid address, of which the foregoing is but a bare outline, was received with well merited applause.

An uncommonly instructive talk was also given by W. B. Medlicott, general agent of the Atlas, and fire insurance instructor at Harvard University. He set forth that the aim of his curriculum was not only to teach those that intended to take up fire insurance as a business, but also to send men out into the world who would take a proper view of the institution, and play a helpful and prominent part as moulders of public opinion, even though they do not engage in the business. Mr. Medlicott gave an outline of the collateral subjects touched upon in the course of his instruction at the university, and it certainly warrants the hope that the rising generation will take a sensible and just view of the nature of fire insurance, and realize that, whatever oppression it undergoes, is sure to react upon the public at large.

New England Brevities

THE Boston Life Underwriters' Association opened the season with a smoke talk at the City Club last Tuesday. Marlen E. Pew, editor of the "Boston Traveler," spoke on "The Psychology of Approach"; Glover S. Hastings, superintendent of agencies for the New England Mutual Life, on "Agency Conditions," and Charles E. Fish, State Agent of the Phoenix Mutual Life, on "The Man; The Agent; Comparisons and Possibilities."

* * *

H. A. B. Peckham has resigned his position as Secretary of the Boston Mutual Life, which he has filled with signal ability since May 1, 1909, to accept a secretarial position with the Empire Life Insurance Company of Seattle, Wash. Mr. Peckham began his insurance work in 1897 as cashier of the Lynn Agency of the John Hancock Mutual Life. He subsequently accepted a position as agency auditor of the Boston Mutual, with successive promotions to assistant superintendent of agencies, superintendent of agencies and Secretary following. He also edited the company's paper, "The Live Wire," up to May, 1909. Mr. Peckham will be a distinctly valuable acquisition to the official staff of the Empire Life, and expects to enter upon his new duties on November 9 prox. Frank H. Viele, superintendent of agencies of the Boston Mutual Life, has been elected to the secretaryship in place of Mr. Peckham.

A reception was given at the Boston City Club last Tuesday evening to Mr. Peckham by the directors, gen-

eral agents and superintendents of the company.

* * *

Arthur O'Leary has resigned as Secretary of the Roger Williams Fire and Marine, of Providence. Fred D. Cross, formerly New England Special Agent of the Westchester, was elected as successor to Mr. O'Leary. It is planned to reorganize the company with a capital of \$500,000 and a surplus of the same amount.

* * *

Wakefield, Morley & Co., of Hartford, are to manage the New England field of the United Firemen's when it re-enters this section.

* * *

The Boston Board of Fire Underwriters at Tuesday's meeting voted that in order to meet Western competition brewery risks could be written at two annual rates for three years and three annual rates for five years. Also, premiums on wool waste warehouses were materially raised to rates ranging from 1 to 2 per cent, according to conditions.

* * *

The United States Casualty is now writing mercantile open stock and safe burglary insurance, in addition to residence burglary, larceny and theft lines.

* * *

W. S. Redfield, the successful general agent at Providence of the New England Mutual Life, was married recently to Miss C. S. Hastings, daughter of Glover S. Hastings, superintendent of agencies of the company.

EMIL SCHWAB.

OBITUARY.

Edward Agnew.

Edward Agnew, who was connected for nearly twenty-five years with the Pittsburg agency of the Equitable Life Assurance Society, died at the advanced age of 83, after an illness of nearly two years, at his home in Sewickley, on October 20. He was born in Rathfryland, County Down Ireland, August 25, 1828. He came to New York on a sailing vessel in 1846, settling first in Paterson, N. J., coming to Pittsburg in 1850, when he was connected with the old firm of John Dunlap & Co. In 1860 he went to Fort Wayne, Ind., where he was a partner in the tin and hardware business of Ashe & Agnew. He and his partner raised and equipped a battery for the Union Army. In 1865 he returned to Pittsburg and became a partner in the tin firm of Fleming, Agnew & Co. Some years later the Pittsburg Stamping Company was organized, of which he was the leading partner, in which tin and hardware business he remained until 1886, when he entered the insurance business with the Equitable through the Pittsburg agency.

Arthur R. Briggs.

Arthur R. Briggs, President of the Western States Life Insurance Company, died at San Francisco on Monday after a brief illness. He went to California from Ohio in 1876, and since then had been closely identified with the development of California's resources. For fifteen years he was President of the California State Board of Trade, and was afterward head of the California Development Board. When the new life insurance company was organized he accepted the Presidency. He was a large land owner in the Sacramento and the San Joaquin Valleys.

William P. Harford.

William P. Harford, assistant general agent of the Northwestern department at Omaha of the Aetna Fire, died on Tuesday after a long illness. Mr. Harford underwent an operation several months ago, but its relief was only temporary. He was 74 years old and had been with the Aetna for forty-five years. He was a teacher at Morrow, Ohio, and incidentally started a local agency, representing the Aetna. He became district special agent and formerly Ohio State agent, and in 1892 followed Mr. Wyman to Omaha as his assistant in the general agency.

No New York employer need look beyond the advertising columns of THE CHRONICLE for LIABILITY INSURANCE.

LIABILITY UNDERWRITERS AT THE PLAZA

Addresses on Current Conditions and Present Problems Delivered by S. H. Wolfe, Charles Hughes, Miss Crystal Eastman, H. V. Mercer, Miles M. Dawson, August Belmont, John Mitchell and P. Tecumseh Sherman at the Annual Meeting.



THE fourth annual meeting of the Liability Insurance Association, which opened its sessions on last Wednesday afternoon at the Hotel Plaza and continued through Thursday, the following companies were represented: Aetna Life Insurance Company, Casualty Company of America, Employers' Liability Assurance Corporation, Empire State Surety Company, Fidelity and Casualty Company, Frankfort Marine, Accident and Plate Glass Insurance Company, General Accident Assurance Corporation, London Guarantee and Accident Company, Maryland Casualty Company, New Amsterdam Casualty Company, Ocean Accident and Guarantee Corporation, Pennsylvania Casualty Company, Philadelphia Casualty Company, Pacific Coast Casualty Company, Travelers' Insurance Company, United States Casualty Company, United States Fidelity and Guaranty Company, and the Union Casualty Company, which was elected a member last week.

The preliminary session was devoted to a discussion of the question of liability loss reserves, their inadequacy under present methods of calculation, and suggestions for legislation designed to provide proper reserves.

The first paper was read by S. H. Wolfe, who gave a brief and concise statement of what he believed to be the defects of the present systems of computing loss reserves, and explained the important factors in calculating such reserves. He then said:

The law of averages applies to liability insurance as it does to every other field of activity. The practical operations of insurance companies

would be rendered impossible without it. It will require no demonstration upon my part to prove that the larger the number of happenings exposed to observation the more reliable will be the resulting statistics, and it seems to me that therein lies a solution for this problem—in other words, that a careful observation of the practical operations of the companies will enable us to derive the actual cost for the various forms of policies—i. e., the pure premium for the particular hazard. I imagine that no company in this country has been able by its own operations solely to accurately fix the cost for each particular class. Individual companies have individual underwriting and adjustment ideas. If we are able, therefore, to obtain the experience of all the companies and correctly tabulate it we would have not only the benefit of an extensive field of observation, but, in addition thereto, we would be able to eliminate those conditions which, I have just pointed out, may be peculiar to any one company.

Attempts in the past to get the companies to co-operate in the preparation of statistics of this kind have not been successful. It is not my intention to attempt to find out why the movement has not been a success. I am convinced, however, that failure must inevitably result from an attempt to secure the figures by mere company agreement. In this emergency it would appear that the State could profitably and properly step in and require the tabulation to be made under its supervision. Under these circumstances all companies would doubtless be had to contribute their experience with a full realization that the details of their business would not be exposed to the gaze of competitors, but would be used solely for the purpose of deriving a factor which they need for their own protection.

I am fully aware that an objection against the use of "pure premiums"

derived from the experiences of the past will be urged. I recognize fully that the changes in the laws and in the attitude of the courts, which I have pointed out a few moments ago, will operate to render those premiums more or less insufficient, but ways exist for correcting this condition. In the first place the calculation would be a continuing process, and each year, therefore, there would be introduced a correcting factor. In the second place it would be possible, in my opinion, to provide temporarily for an arbitrary constant which would represent the necessary addition to the pure premium according to the best judgment of competent underwriters.

Having derived the pure premium, the procedure to obtain the reserve would be as follows: The business of any calendar year would be arranged by classes, and opposite each class would be placed the pure premium (plus the constant) which should have been received on the basis of the standard experience. From such net premium receipts would be deducted the payments which have been made to policyholders in each of the tabulated classes. The difference between the premiums and the payments would be the amount which the company should hold as a reserve to take care of the future losses of that class. As the claims of each year are disposed of the reserve would automatically disappear. It will be noted that the application of this method for a number of years will yield results which will not require the use of the arbitrary constant referred to, and it seems to me that among the advantages which it possesses is the one which removes from the consideration of the loss reserve the premium which was charged to the insured—rates made in competition, therefore, cease to be a disturbing factor in this method of calculation.

Ideas Help an Agent Sell Policies

SECURITY MUTUAL LIFE INSURANCE COMPANY

Binghamton, N. Y.

Furnishes Ideas Through an Educational System

For particulars address

HOME OFFICE

BONDS OF SURETYSHIP.

The Guarantee Company of North America
HEAD OFFICE, MONTREAL

Edward Rawlings, President.

Richard B. Scott, Secretary & Treasurer.

H. E. Rawlings, Asst. Mgr.

It is the Pioneer Company, was established in 1872, and is conducted under a conservative management of over 55 years experience.

It has recouped to employers over \$2,190,000 for losses sustained by the infidelity of employees and has a surplus of \$1,041,423.23 to credit of shareholders and total resources of \$1,919,892.38 for the security of insured.

Branch Offices:

NEW YORK: 111 Broadway,
D. J. Tompkins, Secretary.
BOSTON: 114 Milk Street,
W. A. Hamilton, Agent and Attorney.
CHICAGO: Room 400, The Temple,
J. R. Pruyn, Resident Sec. and Atty.
PHILADELPHIA: 500 Arcade Bldg.
W. H. Jackson, Res. Secretary.
PITTSBURG: 1120 Farmers Bank Bldg.
R. R. Munro, Resident Secretary.
LOUISVILLE: 316 Columbia Bldg.
P. N. Clarke & Co., Agents.

I have attempted to show that the premium is the substance and the loss reserve is the shadow; if the premium be once derived by safe, sane methods, loss reserves will take care of themselves. The derivation of the premium in the manner outlined will enable the State to insist that no premium lower than the recognized minimum rate shall be charged by any company. Similar action is now enforced by the State in its supervision of life insurance companies, for if one of these companies should use premiums less than those prescribed by the tables of mortality and interest fixed by the State as a minimum standard, it is visited with a penalty in the shape of additional reserves and the penalty has proven to be severe enough to deter any company from following a course which in the opinion of the State would be unsafe.

The method suggested above would entail no hardship upon the well managed company; if the minimum rate should be higher than that required by its careful underwriting, the difference would be temporarily carried in its loss reserve and ultimately find its way into its surplus. To summarize, I would say that in my opinion the new compensation law will have a decided effect upon the loss ratio of the companies, and, therefore, upon the questions of reserves which should be maintained for the unpaid losses. For the method suggested above no originality is claimed, for the idea must have been in the minds of practical underwriters for some time. If, however, I have succeeded in making the necessity for concerted action in this direction more apparent to you, I feel that I have accomplished the purpose of my talk.

Charles Hughes Talks.

Charles Hughes, chief examiner of the casualty companies for the New York State Insurance Department, also made an address, in the course of which he pointed out the inequalities of the present systems of loss reserve computation, showing by the citation of their operation in regard to the claims against undivided companies that they were entirely inadequate. He said in the main:

It is a feature of the liability business that the loss payments on the business written in any one year are not completed until from eight to ten years have elapsed. In order to as-

certain whether the business is being conducted at a profit or not it is, therefore, necessary that some basis be adopted for finding the present value of the future loss payments. It is preferable that the basis adopted should produce even higher reserves than is absolutely necessary, rather than lower reserves, as if the reserves are much lower than is necessary a company may, by paying large dividends to stockholders and charging low rates for the insurance, find itself in a few years without enough funds to pay its accumulated losses.

Another weakness of these laws is clearly demonstrated by a study of the average costs obtained under the New York law. In the 1909 statement the young companies had to charge \$28.40 for each notice and \$512.19 for each suit, these averages having been obtained from the combined experience of the older companies, while the individual experiences of the older companies gave costs varying from \$22.82 to \$40.13 for notices and \$401.06 to \$672.63 for suits. It may be that some of the young companies reserving on the averages derived from the combined experiences are actually doing a class of business that will result in ultimate costs as large as the largest or as small as the smallest of the older companies; in either case the using of the averages produces a reserve which is not a proper present value of its outstanding losses. Also the suit cost is too small, being the average cost of all suits settled, whether settled soon after the happening of the accident or later, while it is only charged against suits where the injury is at least eighteen months old. The law is also illogical in that no deduction is allowed for partial payments on account of these suits. If such deduction should be allowed, however, the present inadequacy reserves would be still further reduced.

The insufficiency of the reserves for the older companies produced under these notice and suit cost laws is admitted by many of the companies themselves, although it cannot always be clearly demonstrated from their annual statements. For the young companies using the average derived from the combined experience, and for some of the small old companies using their own averages, the insufficiency under the New York law can be readily demonstrated. The method followed to test the 1907 reserve

is to deduct from the reserve of 1907 the amount entered in line 28, page 7 of the 1908 statement. This gives the balance remaining at the end of 1908 to provide for the losses reported prior to the end of 1907 and still outstanding at the end of 1908. From page 19 of the 1908 statement we find what this amount actually should be by taking the whole of item 1 plus one-third of item 2, minus one-third of item 3. The 1908 reserve can be tested in a similar manner. The results for companies shown in the following schedule are most significant:

Company.....	Year.....	Deficiency.....	Percentage of deficiency to total reserve.
1.....	1907	\$307,140	21.9
	1908	559,401	49.4
2.....	1907	370,536	34.4
	1908	491,967	70.7
3.....	1907	15,675	26.2
	1908	40,627	45.6
4.....	1907	111,510	21.3
	1908	161,501	31.3
5.....	1907	111,730	8.1
	1908	209,081	21.5
6.....	1907	57,506	46.2
	1908	113,516	121.8
7.....	1907	46,341	9.8
	1908	168,082	52.8
8.....	1907	61,457	123.7
	1908	46,767	62.3
9.....	1907	83,594	60.1
	1908	133,152	184.1
10.....	1907	62,179	284.9
	1908	43,850	98.9
11.....	1907	150,387	57.3
	1908	237,280	103.1
12.....	1907	147,798	23.8
	1908	245,524	38.0

Although taking a full one-third of the eighteen months' notices and only deducting one-third of the payments in making this test probably results in too many notices being used and not enough of the payments deducted, there is little doubt that the deficiencies will ultimately prove to be greater than those shown, as the "inadequate" reserves produced under the New York law for a subsequent year have been used to prove the deficiencies for a previous year. Many of the companies voluntarily charged additional reserves, which, in some cases, were greater than the deficien-

The Employers' Liability Assurance Corporation, Ltd.

LIABILITY, STEAM BOILER, ACCIDENT, HEALTH, FIDELITY and BURGLARY INSURANCE.

UNITED STATES BRANCH.

SAMUEL APPLETON, United States Manager,

Employers' Liability Building, 33 BROAD STREET, BOSTON, MASS.

EDMUND DWIGHT, Resident Manager for New York State, 66 MAIDEN LANE, NEW YORK.

AGENTS WANTED.

THE HOME LIFE INSURANCE COMPANY OF AMERICA

Incorporated 1899.



General Agents and District Managers who can produce ordinary business can secure "Ground Floor" contracts with **GUARANTEED RE-NEWALS** and an assignment of territory limited only by capacity to produce agency organization and business. Send for Sample Policy. **IT IS ONE YOU CAN SELL.** New business, \$1,500,000—January 1-June 30, 1910.

Address:

G. M. NETTLESHIP,
General Manager,

JOHN LANGHAM, Jr., President.
JOSEPH L. DURKIN, Secretary.
EDWARD P. MADDEN, Treas.

416-18-20 Walnut St., : PHILADELPHIA, PA.

cies shown. The reserve at the end of 1907 was less than the amount paid during 1908 on losses outstanding at the end of 1907 for five companies, and a similar condition existed with regard to the 1909 payments on losses outstanding at the end of 1908 for five companies also, three of the companies being in both groups.

Another weakness of these laws is the fact that it takes many years for increases in the cost of each notice and suit to make any appreciable increase in the average costs used by the companies to calculate the loss reserve. It is generally thought that part of the inadequacy of the loss reserve is due to the treatment of the expenses incident to losses, particularly the unallocated expenses. This is probably true and could be partly overcome by defining either in the law or by a departmental ruling what shall be charged as claim expenses and how the unallocated claim expenses shall be distributed.

Hughes Discusses Remedies.

Mr. Hughes analyzed the suggestions contained in the special report on reserves recently prepared by a special committee of liability companies, and in regard to this and the various plans suggested had the following to say:

One of the strongest arguments in favor of Plan E—applying equally to Plan B—is the notice it gives to companies just commencing that they will have to reserve on the basis of an ultimate loss ratio of at least 55 per cent. A definite ratio will do much to prevent extravagance and rate cutting by new companies. For instance, a company should know that at the end of the first year out of every \$200 premium \$100 would be charged for premium reserve and \$55 for loss payments and loss reserve, leaving only \$45, or 22½ per cent for expenses and profits. If, as is generally expected, the effect of the new workmen's compensation laws and the changes in the liability law will result in a considerable increase in the ultimate loss ratio, it is most important that any loss reserve law should be at least as elastic as Plan E. The suggestion has been made that any new law should commence somewhat as follows:

Each such company shall charge as a liability an amount equal to the present value of its outstanding liability losses, in no event, however, shall such amount be less than the reserve for liability losses computed as hereinafter provided.

The purpose of this is to "put it up" to the company to charge more than the reserve computed on the basis provided in the law if the peculiarities of the company's business indicate any necessity for a higher reserve. It seems perfectly proper to put the onus of carrying sufficient reserves on the officers of the companies, who are, or should be, in a better position to estimate the reserve than State officials. Another thing which prompts this suggestion is the fact that in the past one or two companies have charged merely the reserves produced by the law, knowing them to be very inadequate, giving as the reason that they are doing everything required by the law.

It is apparent that the broadening of the Employers' Liability law of this State will materially increase the average cost of each notice of injury and will also increase the average cost per 100 of earned premiums. The compulsory Workmen's Compensation law will have a similar effect, for the reason that even if the companies were in possession of enough data to calculate the exact premiums necessary to cover the risk, the percentage of commission paid to agents will have to be much smaller than the percentage hitherto paid on ordinary liability policies. There are two reasons for the decrease in the agents' commissions; one is that otherwise the premiums would be so high that the employers would start companies of their own, and the other that the employer who is subject to a workmen's compensation law will not require any education on the subject of the necessity of carrying insurance.

The "Committee on Reserves Other Than Life" of the National Convention of Insurance Commissioners has given considerable thought to the question of the sufficiency of the reserves produced by the various liability loss reserve laws of the different States, and in its report to the convention at Mobile in September of this year suggested that it be instructed to continue its study of the matter with the committee of the companies and endeavor to frame a law and submit it to the Insurance Commissioners of the States in time for them to introduce it at the next legislative sessions. It is proper here



Protective Fire Insurance Company

OF SYRACUSE, NEW YORK

Capital, \$2,500,000 Surplus, \$2,500,000
(Now Being Provided)

The public advertising of the PROTECTIVE will be the most distinctive and efficient ever put out by a fire insurance company. It will include the use of magazines and newspapers, the development of local business for local agents by new methods, and will talk the idea of fire insurance and the idea of the right company and the right agent, as those ideas have never been talked before.

Live fire agents, wishing to represent a strong and progressive Company, should write promptly to

Tuttle, Wightman & Dudley

Managing Underwriters for the United States
SYRACUSE, NEW YORK

to refer to the whole-hearted manner in which the members of the Companies' Committee have devoted much time and energy to the study of this matter and the compilation of a great quantity of most instructive statistics:

New companies are springing up every day, and it is most important that they should not be permitted to accumulate a large premium income

without carrying a proper reserve to provide for the large amount of deferred loss payments which must inevitably be made. A new law producing adequate reserves will act as a protection for the older companies against suicidal rate cutting by new companies, and will also protect the new companies against the fatal results of their own optimism.

SECOND DAY'S SESSION

AT THE opening of the second day's session of the Liability Insurance Association meeting the following officers were elected for the coming year:

President, A. Duncan Reid, executive superintendent of the Ocean Accident and Guarantee Corporation; Vice-President, Theo. E. Gatey, manager of the liability department of the Fidelity and Casualty Company; Secretary and Treasurer, Walter E. Hoag, assistant United States manager of the General Accident Assurance Corporation. Executive Committee—Charles H. Franklin, United States manager of the Frankfort Marine Accident and Plate Glass Insurance Company (Chairman); W. F. Moore, President of the New Amsterdam Casualty Company; E. T. Green, President of the Pacific Coast Casualty Company; J. J. Murray, of the

Employers' Liability Assurance Corporation.

Miss Crystal Eastman, Secretary of the Commission on Employers' Liability and Causes of Industrial Accidents of New York State, read a paper presenting the workmen's side of the question of liability for injury to employees. Following Miss Eastman came an address by H. V. Mercer, a member of the Minnesota Commission on Compensation Legislation, who presented the speech of the constitutionality of compensation legislation. He said in part:

Some argument has been produced to the effect that it would be difficult to hold the employer in case he had no fault, but fault is not necessarily the basis of liability in such cases. See *Chicago, R. I. & Pac. Ry. Co. vs. Zernieke*, 183 U. S. 582.

The man who put into operation the dangerous machinery of dangerous employment would be liable by reason of public necessity to be controlled under the elements of the police power for the protection of the general welfare. It has been intimated that this rule would not apply except in the case of quasi-public corporations, but this is not the law. Relations otherwise private may become public under public necessity if the State decides that the public needs protection. See *State vs. Wagener* 77 Minn. 483; *Harbison vs. Knoxville Iron Co.*, 198 U. S. 13.

It is for the Legislature first to determine whether or not this is a proper classification, and if there be reasonable basis for declaring the employment to be dangerous, the courts will follow the judgment of the Legislature, even though their own judgment might not accord with that of the Legislature. See *Lochner vs. N. Y.*, 198 U. S. 45; *Holden vs. Hardy*, 169 U. S. 365.

The police power of the several States was never delegated by the Federal Constitution, nor prohibited by that instrument from reasonable State exercise.

A search of the Federal Constitution fails to reveal any delegation of the police power within the States; neither the Federal nor State Constitutions have prohibited it to the State, except to the extent of requiring equal reasonable and lawful regulations.

There is no appreciable Constitutional difficulty in uniform State legislation for workmen's compensation acts if we treat this subject with a comprehension of the few limitations as distinguished from the fear of the many bugaboos.

The 14th Amendment secures the

liberty of contract between employer and employe, except when limited by the police power; the exercise of the police power rests in the Legislative Department; the courts interfere to uphold the Constitution only to prevent arbitrary power from being exercised under cover of the police power.

This is the great Federal Constitutional question with respect to workmen's compensation acts. Can we say that employer and employe must stand by regulations upon this question? In my opinion yes.

The police power—the public power to protect the interests of humanity for public preservation—is the safety valve here.

The whole question relates to the use of property, as well as personality; it may be machinery or the right to contract—each equally property—but it is, nevertheless, a limitation upon the use. The limitation is based upon the theory that the use is dangerous and the consequences must follow as a legal duty. Judged by the usual rule of following moral obligations with human law, this legal duty is a proper one. Judged by the implied condition that law only recognizes the ownership and use of property by virtue of the social compact, the owner is not an absolute one, except in a private sense, and his rights are always subservient to the necessary public control. When he enters or adopts the social compact he impliedly so agrees.

With an evil as disastrous in totals as was our Civil War, with twenty-three of the greatest foreign countries committed to the change, the several States acting through commissions to form scientific legislation on the question, with a fair, almost urgent, agitation by substantially all persons who understand the evils and insufficiencies of the present system, it would seem to require a very peculiar judge to hold that a law fairly drawn, as a compensation act in dangerous employments, should be held an arbitrary, as distinguished from a discreet, legislative act.

August Belmont, as Chairman of the Department on Compensation for Industrial Accidents and Their Prevention, spoke as follows:

A result of the tabulation of statistics secured by our committee on statistics and cost will have a serious bearing on what is recommended in the way of a bill. The important thing is this: That from the employer's standpoint and from the standpoint of the insurance companies the fundamental principle is to insure, all based upon a law of averages, and the more complete and more general the employments covered by a compensation plan, the more will be reduced the cost of insurance and uniformity of legislation will help in that way.

Personally, I believe it is the one question that transcends all of the rest, and that is the idea of uniformity. Uniformity means, as I stated before, less cost, and as a business man I think that is essential. Nothing is worse. This question that it should be left on the one hand to perhaps the over-conservative employer who, always feeling that the regulation of his business, naturally as you do, that he is better fitted to

A PENN MUTUAL PREMIUM, less a
PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS is unsurpassed for net low cost and care of interests of all members.

THE PENN MUTUAL LIFE INSURANCE COMPANY OF PHILADELPHIA

On January 1, 1909, rates were reduced and values increased to full 3% reserve.

201ST YEAR.

SUN Insurance Office OF LONDON.

FOUNDED 1710.

UNITED STATES BRANCH:

54 PINE STREET, NEW YORK.

WESTERN DEPARTMENT:

171 LA SALLE ST., CHICAGO.

PACIFIC DEPARTMENT:

Sansome & Sacramento Sts.,
SAN FRANCISCO, CAL.

AGENTS WANTED
AT UNREPRESENTED POINTS.

manage it than anybody else—that is his general attitude, no matter how progressive he is. On the other hand, the pressure of labor which is seeking its betterment without any necessary reference to the altruistic features. And the third is the sentimentalist who does not consider very much the economic questions at all. So that you recognize in the National Civic Federation an ally that wishes to bring the most practical thought obtainable.

I don't want to detain you any longer, but I wish to say to you that I hope you will in every way assist the Civic Federation in obtaining data and statistics upon which to found a conclusion through which it can co-operate with you and all those interested in bringing about a wise, effective and economical result of this important question.

John Mitchell, former President of the United Mine Workers of America, and a member of the New York Commission on Employers' Liability and Causes of Industrial Accidents, had these things to say to the association:

It is, of course, impossible to pre-

vent all industrial accidents. However sure the precautions, however perfect the arrangement, it is inconceivable that the gigantic industrial movement of the American people should be conducted without some fatalities. The industrial structure is a huge machine, hard running, and with many unguarded parts, and many of the fatalities, many of the deaths in general, are simply and solely the result of conditions beyond human control, and inseparable from the ordinary course of existence. But thousands of easily preventable accidents and fatalities occur each year, and it is from these that the wage-earners strive to secure relief.

In the United States the number of persons killed and injured is not even counted, but Mr. William Hard credits the American Institute of Social Service with the statement that 536,165 workmen are killed or maimed every year in American industry, while Dr. Hoffman has estimated the annual number of industrial accidents at approximately 2,000,000. As a matter of fact, however, the death roll of industry is longer than is evident from official figures. No one can compute, of course, the number annually yielding up their lives or compelled to become a burden upon their friends or relatives, or dependent upon the charity or munificence of society, who have come to their death or disability as a result of disease contracted in their occupations. It is a strange commentary upon our boasted American civilization that in this country twice or three times as many persons per 1,000 employees are killed and injured in the course of their employment as in any other country in the world.

It is not my purpose to disparage the institutions of my own country, because I believe that with all our failings, and with all our sins of omission and commission, we have, in many respects, the best government ever instituted among men; but I cannot blind myself to the fact that in the matter of providing protection for the life and safety of the workman, and in compensating him for injury sustained in the course of his employment, we are lagging far behind the nations of the Old World. It may be said that this is not a parental Government, and that the state should not be called upon to regulate our industrial relations, and, while I agree that they are the best governed who are least governed, I contend, never-

theless, that it is a proper function of the Government to throw around the weakest of its citizens all the safeguards and all the protection possible.

Regrettable and alarming as is the number of accidents attendant upon the peaceful conduct of our industries, yet we might reconcile ourselves to even the conditions as they now exist if it were not possible, by the exercise of reasonable precautions, to reduce the number of industrial accidents. But when we observe the contrasts between the number killed and injured in the industries of other nations with that of our own we are led to the conclusion that if it cost more to kill a workman in America than to protect him—as it does in Europe—the American workman would not be killed, he would be protected, and the number of industrial accidents would be reduced at least one-half. As an illustration of what has been accomplished in foreign countries, and as an evidence of what could be accomplished under proper regulations in the United States, your attention is directed to the conditions prevailing in the mining industry of the following countries:

	Average number men employed each year.....	Total number of men killed.....	Death rate per 1,000 employed
India	79,007	676	0.86
Austria	53,794	928	1.74
Belgium	132,251	1,401	1.06
France	162,917	2,944	1.81
Prussia	397,002	8,460	2.13
Great Britain.....	796,303	10,319	1.29
United States.....	544,756	19,778	3.46

In considering these statistics it is well to remember that the physical conditions of mining in the United States are not more hazardous than the conditions prevailing in the countries of the Old World. Indeed, the natural conditions of American mining are more safe than are the natural conditions in the countries enumerated in this table. Therefore, the disproportionate number of fatal mining accidents in the United States, as against all European nations, must be attributed to inadequate mining regulations. It is, therefore, highly important to the preservation of life and the promotion of health, that the fac-

Life Ins. Co. of Virginia

Home Office, Richmond, Virginia.

J. G. WALKER, President.
T. W. PEMBERTON, 1st Vice-President.
W. L. T. ROGERSON, 2d Vice-President.
E. D. HARRIS, Secretary.

The OLDEST Southern Life Insurance Company.
The LARGEST and STRONGEST Southern Life Insurance Company.
The PIONEER Southern Industrial Life Insurance Company.

Its policies are clear and definite in their provisions and their values are absolutely guaranteed.

Assets Dec. 31, 1909..... \$5,372,691.99
Liabilities Dec. 31, 1909..... 4,312,405.32
Insurance In Force Dec. 31, 1909..... 68,337,613.00
Total Payments to Policy-holders since Organization 9,820,412.48

"THE COMPANY WITH THE PYRAMID"

40 CONSECUTIVE YEARS OF PYRAMIDAL PROGRESS

NEW HAMPSHIRE FIRE INSURANCE CO.

2,937,319.76 840,940.17
3,163,880.05 846,783.34

3,779,569.67 1,154,610.10
3,877,846.70 1,215,409.78
3,976,122.83 1,276,209.49
4,074,398.95 1,337,009.20
4,172,675.07 1,397,809.91
4,270,951.19 1,458,610.62
4,369,227.31 1,519,411.33
4,467,503.43 1,580,212.04
4,565,779.55 1,641,012.75
4,664,055.67 1,701,813.46
4,762,331.79 1,762,614.17
4,860,607.91 1,823,414.88
4,958,884.03 1,884,215.59
5,057,160.15 1,945,016.30
5,155,436.27 2,005,817.01
5,253,712.39 2,066,617.72
5,351,988.51 2,127,418.43
5,450,264.63 2,188,219.14
5,548,540.75 2,249,019.85
5,646,816.87 2,309,820.56
5,745,092.99 2,370,621.27
5,843,369.11 2,431,421.98
5,941,645.23 2,492,222.69
6,039,921.35 2,553,023.40
6,138,197.47 2,613,824.11
6,236,473.59 2,674,624.82
6,334,749.71 2,735,425.53
6,433,025.83 2,796,226.24
6,531,301.95 2,857,026.95
6,629,578.07 2,917,827.66
6,727,854.19 2,978,628.37
6,826,130.31 3,039,429.08
6,924,406.43 3,100,229.79
7,022,682.55 3,161,030.50
7,120,958.67 3,221,831.21
7,219,234.79 3,282,631.92
7,317,510.91 3,343,432.63
7,415,787.03 3,404,233.34
7,514,063.15 3,465,034.05
7,612,339.27 3,525,834.76
7,710,615.39 3,586,635.47
7,808,891.51 3,647,436.18
7,907,167.63 3,708,236.89
8,005,443.75 3,769,037.60
8,103,719.87 3,829,838.31
8,202,000.00 3,890,639.02
8,300,280.12 3,951,439.73
8,398,560.25 4,012,240.44
8,496,840.37 4,073,041.15
8,595,120.50 4,133,841.86
8,693,400.62 4,194,642.57
8,791,680.75 4,255,443.28
8,889,960.87 4,316,243.99
8,988,240.99 4,377,044.70
9,086,521.12 4,437,845.41
9,184,801.24 4,498,646.12
9,283,081.37 4,559,446.83
9,381,361.49 4,620,247.54
9,479,641.62 4,681,048.25
9,577,921.74 4,741,848.96
9,676,201.87 4,802,649.67
9,774,481.99 4,863,450.38
9,872,762.12 4,924,251.09
9,971,042.24 4,985,051.80
10,069,322.37 5,045,852.51
10,167,602.49 5,106,653.22
10,265,882.62 5,167,453.93
10,364,162.74 5,228,254.64
10,462,442.87 5,289,055.35
10,560,722.99 5,349,856.06
10,659,003.12 5,410,656.77
10,757,283.24 5,471,457.48
10,855,563.37 5,532,258.19
10,953,843.49 5,593,058.90
11,052,123.62 5,653,859.61
11,150,403.74 5,714,660.32
11,248,683.87 5,775,461.03
11,346,963.99 5,836,261.74
11,445,244.12 5,897,062.45
11,543,524.24 5,957,863.16
11,641,804.37 6,018,663.87
11,740,084.49 6,079,464.58
11,838,364.62 6,140,265.29
11,936,644.74 6,201,065.99
12,034,924.87 6,261,866.70
12,133,204.99 6,322,667.41
12,231,485.12 6,383,468.12
12,329,765.24 6,444,268.83
12,428,045.37 6,505,069.54
12,526,325.49 6,565,870.25
12,624,605.62 6,626,670.96
12,722,885.74 6,687,471.67
12,821,165.87 6,748,272.38
12,919,445.99 6,809,073.09
13,017,726.12 6,869,873.80
13,116,006.24 6,930,674.51
13,214,286.37 6,991,475.22
13,312,566.49 7,052,275.93
13,410,846.62 7,113,076.64
13,509,126.74 7,173,877.35
13,607,406.87 7,234,678.06
13,705,686.99 7,295,478.77
13,803,967.12 7,356,279.48
13,902,247.24 7,417,080.19
14,000,527.37 7,477,880.90
14,098,807.49 7,538,681.61
14,197,087.62 7,599,482.32
14,295,367.74 7,660,283.03
14,393,647.87 7,721,083.74
14,491,927.99 7,781,884.45
14,590,208.12 7,842,685.16
14,688,488.24 7,903,485.87
14,786,768.37 7,964,286.58
14,885,048.49 8,025,087.29
14,983,328.62 8,085,888.00
15,081,608.74 8,146,688.71
15,179,888.87 8,207,489.42
15,278,168.99 8,268,290.13
15,376,449.12 8,329,090.84
15,474,729.24 8,389,891.55
15,573,009.37 8,450,692.26
15,671,289.49 8,511,492.97
15,769,569.62 8,572,293.68
15,867,849.74 8,633,094.39
15,966,129.87 8,693,895.10
16,064,409.99 8,754,695.81
16,162,690.12 8,815,496.52
16,260,970.24 8,876,297.23
16,359,250.37 8,937,097.94
16,457,530.49 9,000,000.00

TOTAL LIABILITIES \$2,585,953.23
POLICY-HOLDERS SURPLUS \$2,610,064.23

THE FRANKFORT

MARINE, ACCIDENT AND PLATE GLASS INSURANCE CO.

OF FRANKFORT-ON-THAINE-MAIN GERMANY
ESTABLISHED 1865.

United States Department, 100 William Street, New York, N. Y.

TRUSTEES:
RICHARD DELAFIELD, Pres. of National Park Bank
ERNST THALMANN, of Ladenburg, Thalmann & Co.
STUYVESANT FISH, 52 Wall Street, New York City.

C. H. FRANKLIN, U. S. Mgr. and Attorney JNO. M. SMITH, Sec. U. S. Branch

INSURANCES TRANSACTED

LIABILITY—
Employers, General, Vessel Owners, Burglary
Public, Landlords, Contingent, Workmen's Collective
Teams, Elevator, Druggists & Physicians. Individual Accident & Health
Industrial Accident & Health

AGENTS WANTED FOR UNOCCUPIED TERRITORY

tory and mining laws of all our States—which at the present time are wholly inadequate—should be greatly extended and should be enforced with the utmost vigor. Manufacturers should be required, under pain of severe penalty, to equip machinery and working places with every practical safety device that it is possible to secure, and the State itself should establish museums of safety devices and industrial hygiene in which should be exhibited drawings or models of all safety appliances that are in use in this and other countries.

As a further means of reducing accidents our iniquitous and antiquated liability laws should be supplanted by an automatic system of compensation to workmen for losses caused by industrial accidents. If the money now spent by employers in defending themselves against personal injury litigation were paid directly to the injured workman, or to the dependents of workmen who have been killed, it would go a long way toward relieving their distress, toward extricating the nation from the disgraceful and humiliating position it now occupies in respect to this question. The United States is now the only industrial nation on earth that maintains the old system of liability based upon negligence. We still live under the common law only slightly modified by statute. This law was evolved more than a century ago and at a time when there was not a mine, mill, factory or railroad of any importance in the United States. The system may have been just then, but it is unjust now. We were wholly an agricultural people 100 years ago. We are now an industrial nation, and our machinery is more complex than that of any other nation on earth. Our men work harder; they live under a severe nervous strain. We are a heterogeneous people. Hundreds of thousands of immigrants come to our shores each year; we and they work and live together, and it is not to be wondered at that we more readily fall victims to industrial accidents and occupational diseases than do the workmen in the more slowgoing homogeneous nations of Europe. Therefore, we even more than they require protection against the dangers of modern industrialism.

As a rule, an injured workman has no remedy at law if his injury were caused by the act of a fellow workman, or if he contributed in any de-

gree, to his own injury. In many instances he has no remedy at law whatever, because it has been held by the courts that the workman in accepting employment assumes all the risk of his work. The result of all this judge-made law has been that the workman is practically helpless, the employer is under heavy expense defending himself in the courts and the courts of the State and nation are burdened beyond their capacity with litigation, that in every other nation is eliminated because of the automatic settlement of such claims.

P. Tecumseh Sherman, former Commissioner of Labor of New York State, made an address, in the course of which he called attention to his belief in the necessity of providing some elective alternative to the obligation which a compensation law would impose upon the employer. He con-

tinued:

A compensation law, I think it is universally admitted, is necessary to apply generally to all employers, but there will be many employers, especially in large industries, who will get up schemes of their own (there are many already), which schemes will provide for the employees injured on a better basis than the compensation imposes on every employer. Such schemes should be permitted by any just compensation law. They should be permitted to replace that law from beginning to end and to replace all other liability whatsoever. I think these schemes present the solution for this problem in large industries and the legal compensation which we hope to have adopted by law in all the Legislatures of all the States of our country presents the solution for the vast body of small employers.

MR. DAWSON'S SPEECH

I AM honored to have been invited to address this company of specialists upon casualty insurance on two subjects to which I have given much attention, without, however, arriving at any final conclusions concerning the wisdom of this or that course, especially in view of the great variance of conditions in one country from those in another.

Your chairman has asked me to speak on two distinct, though correlated subjects, one being the governmental aspect of what is in other countries called social insurance, of which employers' liability or workmen's compensation insurance is a part, and the other the actuarial aspect of the same subject.

In the leading European countries, as is now well known, within the last twenty-five years the laws relating to the liability of employers to employees who are injured in the course of their employment, and to the dependents of employees who are killed in the course of employment, are upon an entirely new basis, viz., not that the employer should, as an individual, pay for his own negligence and not otherwise, but that he should, as a mere means of transferring all the costs of the product into the price to be paid by the consumer, reasonably compensate all who suffer because of accidents occurring in the course of their employment.

It is customary in discussing legislation of this type to state the principle much as I have stated it, but the fact is that this is a very incomplete statement. If the legislation and the conditions which it produces were no more than is included in that statement the very thing upon which the principle is based would surely fail of realization; for if employers did not insure against their risk under these workmen's compensation laws there would be at best a very imperfect distribution of the costs of indus-

trial accidents, so as to form a part of the price of the product. This may be seen very readily by considering what would take place in sub-contracting, where many of the sub-contractors would, we will say, run the risk themselves, and would not take into account this part of the cost in making their bids. It would follow that other contractors who did wish to take it into account could not do so, and that, therefore, the entire cost would come out of the profits of contractors, and would not fall upon the consumer. Moreover, a very large part of the work which is done is in the form of service directly performed for the employer, and most frequently this likewise is when there are few employees. If in such instances the employers do not insure, it may happen, and often will, that the individual employer will be heavily penalized.

The fundamentally correct principle perhaps was that which was first enunciated, so far as proposed legislation is concerned, by Emperor William I of Germany, when, in words which were no doubt supplied by Bis-

1860 50th YEAR 1910

HOME LIFE

Insurance Company of New York.

GEORGE E. IDE, President.

Assets	\$23,626,018.63
Liabilities	21,858,691.52
(Including Deferred Dividend Fund)	
Dividend Endowment Fund	
(Deferred Dividends)	2,119,044.00
Net Surplus	1,767,327.09
Insurance in Force	92,532,553.80

The record for 1909 shows the following GAINS:

Insurance in Force	\$4,164,239.00
Assets	1,917,117.00
Deferred Dividend Reserve	148,581.00
Contingency Reserve (Surplus)	655,149.17

The

Columbian National Life

INSURANCE COMPANY
OF BOSTON, MASS.

LIFE, ACCIDENT AND HEALTH
INSURANCE.

The Only Massachusetts
Non-Participating Company

The New Columbian Policies are
Unexcelled in Clearness and Liberality.

Good Contracts and Territory for
Good Producers.

ARTHUR E. CHILDS, President.

marck, he addressed the Reichstag, asking for legislation of this character. It was his proposal, however, that the entire cost of the casualties of a given group of industries which are so related that they could and should bear this cost in common, should in the first instance be borne by those industries through a system of insurance, which, of course, absolutely assures that these costs will enter into the price of the product and be paid by the consumer.

Only in Austria, Hungary, Norway, Holland and Italy has the German principle of compulsory insurance been accepted, and in none of these countries excepting Hungary has it taken a form similar to that which was introduced in Germany.

In all the countries, however, which have passed laws of the workmen's compensation type, it has been found in practice that a very large percentage are covered by insurance, varying in number of employers from 50 per cent to 80 per cent, and in number of employees reaching even as high as 90 per cent. Therefore, in actual practice these workmen's compensation acts have proved in effect to be insurance acts. This has been found to be true, even when the principle has been extended to agricultural laborers and to household servants, as in Great Britain. The employers who do not insure are found in all countries to be in part a considerable number of those who have but one employee, and in part to be a few of the large corporations which by reason of the large number of employees can have a reasonably safe average of loss without transferring their risks to insurance companies.

The various attitudes of European governments toward insurance and insurance companies are exceedingly interesting and instructive. It will be found that they flow more or less directly out of the varying nature of the workmen's compensation laws themselves. They may be recapitulated as follows:

As stated, in Germany, Austria, Hungary, Norway, Italy and Holland there is compulsory insurance. These

countries, however, deal with this subject in widely different manners, as follows:

In Germany all of the employers of a certain group of industries must be insured in a mutual society conducted and managed by themselves. This society has the right to fix rates of premiums for classes of industries, and also for individual industries, to inspect, to enforce regulations, to pay claims and its own expenses, including expenditures for prevention, for care and cure of the injured, etc. During the year the sums required to make these payments are furnished by the state savings bank, interest being charged for the use of the same, and at the end of the year the actual cost is apportioned among the members according to the rates fixed by the society itself, and each member is notified of the amount of his assessment. If there is any failure to pay within the prescribed time the state enforces payment in the same manner as the payment of other taxes.

Actuarially, the German system is also pure assessment. It is so completely an assessment system that there is no attempt even to collect within the year (or for the purposes of the year, although at its close) a sufficient amount not merely to pay the portion of the claims due to the accidents of the year which become payable during the year, but also to set up a sufficient fund out of the receipts for the year to meet the claims payable in future because of the accidents of that year. Instead, only enough is asked for to cover the payments actually made during the previous year, whether due to accidents of that year, or the year before, or any year previous thereto. The corrective that is applied is that in order to meet extraordinary situations, such as the prostration of industry by war or panic, the government insists upon a certain quota being collected for contingency reserve.

In Austria, under a compulsory insurance system, the Government divides the country into seven districts, each with an insurance society or fund governed in part by employers, in part by employees, and in part by the

State. Each of these societies covers all the hazards of that district, and all who are obliged to insure must be insured with the society of the district in which their business is carried on.

Actuarially, the intention in Austria was to collect premiums each year, which should be large enough both to cover the payments of that year in respect of accidents occurring in that year, and also to set up "capitalized values" sufficient to meet all payments that would fall due in future because of accidents occurring in that year. This has been realized in but one of the seven district societies, and the most important of them are impaired to an extent almost, if not quite, equal to half the reserves which they should hold.

In Hungary, where compulsory insurance has but recently been introduced, the system is like that of Austria, in that there are two district societies instead of separate mutual associations for groups of similar industries. But actuarially it is like that of Germany, in that although some reserves are to be accumulated for emergency purposes, the claims payable are each year paid from the proceeds of assessments levied that year, without regard to whether the claims arise from accidents occurring that year or in previous years.

In Norway, where there is also compulsory insurance, introduced in 1894, the system is pure state insurance. Every employer must be insured in the state insurance society, unless specially excepted by the Storting. A few such exceptions have been made, as, for instance, the state railways, which have a system of their own.

As in Austria, the Norwegian Government Insurance Department has aimed at collecting premiums sufficient in amount to pay each year the claims arising out of accidents occurring that year which are payable during the year, and also to set up "capitalized values" for all claims arising out of accidents occurring that year which become payable in the future. The Norwegian department has succeeded much better than the district societies in Austria. There was a small deficiency at one time—about

COMMERCIAL - UNION ASSURANCE CO., (LIMITED) OF LONDON.

OFFICE;
Cor. Pine & William Sts.
NEW YORK.

PROSPEROUSLY BUSY!

Our agencies are steadily increasing this year's lead over the figures of our high record in 1909.

Our agents are prosperously busy. With Business Life Insurance and our unequalled Continuous Monthly Income policy they are reaching and satisfying the public and liberally rewarding themselves.

Inquiries invited from delivering producers.

GEORGE D. LANG,

Superintendent of Agencies,

Massachusetts Mutual Life Insurance Company,

Incorporated 1851.

Springfield, Massachusetts.

\$100,000 in amount—to cover which an appropriation was made, but not all of this appropriation proved to be required. At the present time the department is, in fact, strengthening its reserves out of current salvages. This it is doing for the reason that the mortality table used for measuring the lives of the totally disabled has proved unreliable, the experience of the Norwegian department having been that the totally and permanently disabled omitting the first few months of disability, are quite as long-lived as the average of the Norwegian population.

In Italy, where there is also compulsory insurance, there is free choice of companies. Under these circumstances it would hardly do for the Government to require all employers to insure, unless it furnished some institution in which they must be insured if not insured elsewhere, and unless also such institution were ready to accept all employers who might be refused insurance elsewhere. Such an institution has been set up in Italy through the influence of the Government. It is conducted on the mutual plan, and aims at maintaining solvency on a "capitalized values" basis. This company has a large share of the Italian business naturally, but by no means all, and private companies have competed with it successfully.

In Holland there is a peculiar sort of state insurance, viz., the state has set up an insurance institution in which everybody is considered to be insured. This institution adjusts all losses and sets up reserves for all deferred payments and particularly for all annuities, for widows, orphans and the permanently disabled. In case the employer does not insure elsewhere, thus rendering the other insurance company liable to make good all payments which the State Insurance Department may make on

his account, and all reserves which it may set up to cover future payments to be made on his account, the employer must pay to the State Insurance Department the premium which it fixes as the proper one for his establishment. He may, however, pay a premium to any insurance company doing business in Holland which will conform to the requirements of the State, and which will promise to indemnify the State Insurance Department for all payments which it may make and all reserves which it may set up. The private companies, which, notwithstanding these conditions, are successfully competing with the State Insurance Department in Holland, must also make deposits with the department to secure that they will carry out their agreement, upon which deposits it may draw as the money may be required, and they must contribute toward the payment of the expenses of the State Insurance Department as that department may determine.

In Denmark, where they do not have compulsory insurance, the state, as in Holland, adjusts all claims and determines the amount to be paid. It does not permit employers or insurance companies to make these adjustments for themselves. Under these conditions likewise, which were at first very much resented, private insurance companies, both mutual and stock, are thriving.

In Sweden the law does not require the employer to insure; but notwithstanding a state insurance department has been set up and a leading and able casualty man has been put in charge of it. This department is required to accept all risks which offer. In consequence, the private companies have weeded out the poorer risks, and, notwithstanding that the state department is so favored by the Government that all its expenses of what-

ever character and nature, including commissions of 6 per cent on the premiums, are paid by the state out of the proceeds of general taxation, some of the private companies have fairly held their own and made money. There is no provision in Sweden, as in Denmark, for the state department's adjusting all claims, but as its adjustments are of a fixed and almost arbitrary character, well-known throughout the country, it is difficult for the private companies to adjust a claim at a less amount. There is no requirement as in Holland that the private companies deposit with the state department money to assure the payment of claims falling due in the future, but arising out of accidents taking place presently; but the opportunity is given to the companies to purchase such annuities if they choose, and it is very generally availed of by the private stock companies, especially when the injury, though disabling, is such that they do not think it will materially shorten life.

In France there is also a state insurance department, but with free choice of companies, and without employers being obliged to insure. The State Insurance Department has about 1 per cent of the business only. It is not permitted to cover temporary disabilities, which fact has proved a great handicap. It must also accept all who apply, and it would seem from the high rates which it has found necessary to charge that it has been made a target for poor risks which were either refused insurance by the private companies, or heavily penalized in rates.

As in Sweden, the Government also offers to French companies the privilege of purchasing the annuities to cover their liability for pensions to the permanently disabled, or widows, or orphans; and this is often taken advantage of, the rates offered by the government being attractive, and involving a considerable loss.

There is one remarkable thing in France, viz., that while the Government does not compel employers to insure at all, and much less to insure with it in the first instance, it does require all employers to pay a small tax into a government fund which guarantees the payment of benefits to workmen or their dependents in event the employer or the company in which he is insured fails. France also completely releases the employer from liability in event he is insured in a French company regularly licensed to do business.

In Belgium, as in France, a Government department has the right to insure employers against their risk under the workmen's compensation act. This power, however, was given in Belgium to a department which is already a state savings bank, a state life insurance company and a state annuity fund, and is very successful in all of these branches, besides doing much to encourage the building of

**OLDEST
IN
AMERICA**

**STRONGEST
IN THE
WORLD**

THE MUTUAL LIFE Insurance Company of New York

**Mutual Life Agents Make Most Money
Because Mutual Life Policies Sell Most Freely**

For terms to producing agents, address

GEORGE T. DEXTER

2nd Vice-President

34 Nassau Street

New York, N. Y.

workmen's houses to be sold to them on the instalment plan. This department has no workmen's compensation insurance whatever, its manager believing that to engage in a business which would call for close and careful adjustment of workmen's claims would prejudice all the other branches of its business, which are conducted chiefly for the benefit of workingmen and their families.

As in France, if the employer insures in a Belgian company, duly licensed to do business in that country, he is relieved from liability. He may insure in a foreign company if he chooses, but in such case he would continue to be liable in case the company failed to fulfil its obligations.

In Great Britain, as in Denmark, there is no state insurance of employers against their risks under the workmen's compensation act, but as in Sweden and in France the Government does permit private companies if they choose to do so to purchase annuities from a government department, covering payments to be made in the future because of accidents which have occurred presently. The terms upon which such an annuity is sold in Great Britain are that the single premium therefor shall be three-fourths of the premium charged in the Government Annuity Department for

a life annuity when purchased directly. The idea is that, roughly, the totally and permanently disabled will not average by one-fourth to live so long as the healthy persons who come forward to buy annuities. Companies must in any event report reserves computed on this basis, but not as a liability.

In Great Britain, when the workmen's compensation act took effect in 1897, it was fully expected that establishment funds or mutual associations to which both employers and employees contributed, would prove to be the cheapest and most satisfactory method of insuring the risks imposed by the act. This has not proved to be the case, which fact is not attributed so much to any want of economy or dissatisfaction with these establishment funds, either on the part of their members or the employers, as to the fact that whatever difficulties have arisen have become very widely known, while the merits and virtues have not been widely heralded. At the same time, these establishment funds have been used by some employers as a weapon to break down labor unions, so that the sentiment of the trade unions of Great Britain has been adverse, and frequently severely adverse. Moreover, since these establishment funds must, according to the terms of the act, have adequate rates and be maintained solvent at all times, they have not been so attractive to employers. This brings me to one of the most interesting features of workmen's compensation insurance as carried on by mutual societies, which is that employers virtually everywhere resist to the last degree the payment of premiums large enough both to meet the current disbursements in payment of claims and to set up "capitalized values" to cover claims payable in the future because of accidents which have occurred presently.

Undoubtedly, their resistance was one of the reasons why the German system was established on the assessment plan, though, of course, in view of the fact that compulsion really takes the place of reserve, because the purpose of a reserve is to assure the payment, and the compulsion of

itself assures the payment, it is doubtless true that the great imperial Chancellor had in mind the advantages that might accrue to German industries if this burden were imposed upon them gradually, instead of the full burden at one time.

In Austria, as has been seen, the resistance of the employers has been so potent that the mutual district societies are, with one exception—and that by no means one of the most important districts—heavily impaired. In Hungary, which is under the same crown, their influence has been strong enough to cause the system to be modelled on that of Germany, neglecting entirely to set up "capitalized values."

In countries such as Sweden, where there is no requirement that reserves fully equal to the capitalized values be set up, it is found that, while the state department, as a matter of course, and the better of the private stock companies, amply secure their claims by means of adequate reserves, the mutual associations of employers as a class hold much lighter reserves, and quite a number of them of the inter-insurance type hold very small reserves, asserting that they need no reserve, and that all the group of employers is doing is to go without insurance and average up their losses. This plausible but fallacious argument is sufficient to excuse their laxity—to themselves, at least.

The same phenomenon is found in other countries. It would not be fair to say that it is absolutely without exception, because unquestionably some of the voluntary mutual societies are conducted with exemplary prudence, and do maintain as large reserves as in the judgment of the trained actuaries associated with them are absolutely necessary. But even in these the tendency to keep the reserves down to the lowest point believed to be absolutely necessary is marked, and indeed the pressure for greater economy of cost may be said invariably to take this form in mutual associations of employers, which is decidedly dangerous when insurance in them is not compulsory. Laxity on this point, however, is not confined to mutual associations, but in countries

The Connecticut Mutual

That means the best life insurance to have and the best to sell. If you can sell life insurance, you can sell more of it for the CONNECTICUT MUTUAL.

Men of Character and Ability are invited to apply.

Conn. Mutual Life Ins. Co.,
Hartford, Conn.

Please mention this paper.

THE LEADING FIRE COMPANY
OF THE WORLD



[of Liverpool, England.]

The year of 1910 is rapidly drawing to a close, this being the last quarter of the year.

The amount of money earned by the agents of the Philadelphia Life from now until the end of the year will more than equal the total earnings of agents of other companies for the year 1910.

If you are in a position to contract with the Philadelphia Life at this time, it would be to your interest; or, if you contemplate making a change at the close of the year, let us hear from you now, as perhaps the territory that you would prefer would be closed at that time.

Write Perry To-Day.

where strict standards of adequacy and solvency are not enforced there is a strong disposition on the part of some of the stock companies likewise to hold reserves which may or may not be sufficient. It ought not to be so difficult to determine within reasonable limits what reserves are required under a workmen's compensation act, even though benefits be payable in the form of pensions or annuities, for all that is necessary is to ascertain the fair present value of these pensions and charge the same as a liability. It will be seen, therefore, that, furnished proper tables of mortality and making proper assumptions as to future interest, the amount of reserve required may be computed with great accuracy. The problems are nowhere near so serious, for instance, as are those of setting up ample employers' liability insurance reserves under the existing laws of most of the States of the United States, because in determining what reserves each company shall carry we are dealing chiefly with the uncertain questions involved in litigation, of which the two most important are, first, is the company liable at all, and, second, if so, for what amount? Under workmen's compensation acts both of these questions are supposed to be settled promptly, and the sole thing required in order to fix the amount of the reserve is to ascertain within reasonable limits the duration of the lives of the disabled, and of widows and orphans.

The question arises very naturally as to what attitude ought the government of the United States or the various State governments to take toward insurance under workmen's compensation acts. Doubtless there will be found persons who will argue in favor of one or another of these systems.

Clearly, if the system of Germany or the system of Norway, for instance, were introduced the solution would be very thorough and complete. Among the arguments in favor of doing this will probably be found the proposition that such a system might be nationwide, and that therefore a large saving might be effected by avoiding the creation of an enormous army of agents with commission payments to them of 10 or even 15 per cent of the premiums involving perhaps a charge upon industry of at least \$30,000,000 per annum for commissions alone. Similar arguments will doubtless be advanced for state insurance, though confined to a single State, and, indeed, state insurance, on a compulsory basis at that, was already a fait accompli, so far as mining is concerned, in the State of Colorado before any other State had passed an act which in any way recognized the principle of workmen's compensation.

Notwithstanding this, it is perhaps improbable that in our country a system of state insurance, or even of compulsory mutual insurance will soon be introduced. It is wildly improbable that a system such as in Sweden or Denmark, under which a state insurance department is competing with private companies, will be introduced, and there is no great probability that there will be a widespread call for any system of the state guaranteeing that claims will be met whenever employers or the companies in which they are insured become insolvent, as is the law of France.

It seems, therefore, much more probable, and by many it is believed to be absolutely called for by the genius of our institutions that the workmen's compensation acts in this country should take the form of merely holding the employers liable,

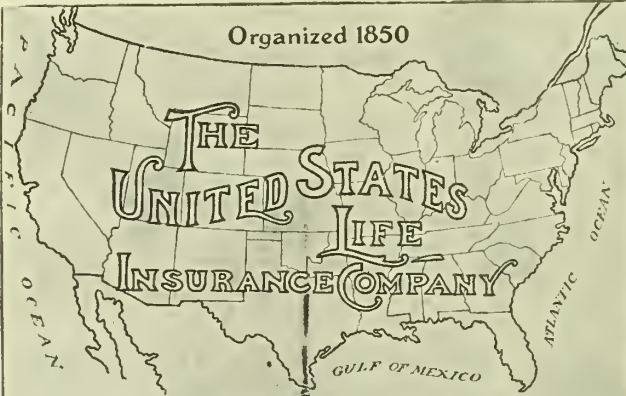
and definitely fixing the limits of their liability, and then permitting them to insure or not, as they please, and in such companies or societies as they please. If this, which is precisely what has been done in New York, which has alone, so far, provided directly for the application of the principle of workmen's compensation, is to be the policy throughout the country, then it is respectfully suggested that it should be accompanied by provisions as follows:

First—Requiring the maintenance of absolute solvency on the part of the stock companies and the voluntary mutual associations of employers which cover this risk. To assure this solvency proper standards should be determined upon and set up, and it seems to me that mutual companies should also be required to deposit from time to time with the state assets sufficient in amount to cover the capitalized values of all payments to fall due in future because of accidents which have already occurred. Stock companies should likewise be held up to the same standards, but provided they maintain themselves amply and abundantly solvent, perhaps deposits may not be necessary.

Second—Provision should be made for definitely encouraging the taking of insurance. This can be done by providing in the law that the employer is entirely relieved of liability if he insures in a company or association licensed to do business in the State, and also that he may insure his employees against accidents of all kinds, including those which do not arise in the course of the employment, as well as those which do so arise, and that in such case he may collect a certain portion of the premiums by deducting the same from the wages of the employees. It would be well also as a further inducement to permit employers to insure employees against both sickness and accident, and possibly also death from any cause, making proper deductions from the wages of the employees in sums not exceeding the excess of the cost of this insurance over the cost and value of insurance of the benefits under the workmen's compensation act.

Under such conditions, definitely encouraging the taking of insurance, it is probable that almost all the employers would protect themselves and thereby the workmen, their dependents, and thus society itself, against disasters which will at times overwhelm employers if made liable under workmen's compensation acts and not so protected by insurance.

Organized 1850



THE
UNITED STATES
LIFE
INSURANCE COMPANY

ISSUES GUARANTEED CONTRACTS

JOHN P. MUNN, M.D. [PRESIDENT] FINANCE COMMITTEE CLARENCE H. KELSEY <i>Pres Title Guarantees and Trust Co.</i> WILLIAM H. PORTER <i>Pres Chem. Ind. Bank</i> EDWARD TOWNSEND <i>Pres Importers & Traders Ind. Bank</i>	Good men, whether experienced in life insurance or not, may make direct contracts with this company, for a limited territory if desired, and secure for themselves, in addition to first year's commission, a renewal interest insuring an income for the future. Address the Company at its Home Office, No. 277 Broadway, N. Y.
--	--

No institution employing men in positions of financial trust need look beyond the advertising columns of **THE CHRONICLE** for **FIDELITY INSURANCE.**

Heard and Seen in the West

CHICAGO, Oct. 26.—One of the prominent non-union managers has expressed the belief that hope of reducing fire insurance expense in the West is practically at an end until the States take the subject up. The refusal of the union companies to go ahead with the programme for reducing expenses in the "excepted" cities, unless other cities also are taken up has given rise to considerable ill feeling. The Union attitude was explained last week. The non-union companies, on their side, say that when the question of reducing expenses in the "excepted" cities was taken up consideration was not given to other territory. The arrangement was merely for the six cities in which neither the Union nor any other general body has exercised jurisdiction, and in which expense conditions are the worst. They point out that one non-union manager desired to take up expenses all over union territory, and that it was given out from a union source that no territory other than the "excepted" cities was to be dealt with—this because agents at other points had expressed fear that their incomes were to be cut down.

The non-union people express the belief that union companies have heard from their large city agents in unmistakable tones and want some graceful way of getting out of considering the question. They also remark the fact that since the committees were appointed to visit the "excepted" cities the Union has held its annual meeting and elected as its President one of the most prominent local agents in the entire West.

To some outsiders it appears that the union companies made a mistake in not demanding in the first place that the subject of expense in the entire Western field be taken up. There is little doubt that if they had done so the negotiations would have stopped right then. After all the years the non-union companies have

refused to join the Union it is not likely they would have consented to adopt the union graded scale of commissions throughout the West. As it is, it looks as if the union companies had gone into an arrangement unfavorable to themselves and then sought an excuse for getting out of it by demanding something which had not been agreed to.

* * *

On a recent visit to Chicago E. G. Richards, United States manager of the North British and Mercantile, discussed somewhat the reasons for transferring the Western department headquarters from Chicago to New York. He said that it had come to pass that it was almost impossible to get any considerable meeting of managers or executive officers who could speak with authority. Nearly every question had to be taken up with the Western manager or the manager of some other section before an answer could be given or any agreement entered into. Mr. Richards thinks it detrimental to the best interests of a company to have its business divided to such an extent that the President or manager does not know the conditions in its entire field.

These remarks of Mr. Richards have recalled some events of the past which give force to his argument that managers or general agents of specific territories should be in close enough communication with the home office or United States department, so they will not act contrary to will of their superiors. It is remembered that Western managers from time to time have been overruled by their home offices on important matters, such as the 25 per cent advance of 1902, against which some Western managers voted, and the Missouri rating bill of 1900, which received the approval of Chicago, but afterward was vetoed after arguments by an attorney sent to Missouri by orders from the East. Such instances are

demoralizing and certainly are to be avoided if possible, even at considerable cost.

* * *

The year now drawing to a close has been a trying one in the West, according to a man who has been in harness in this field for many years. There have been other periods which gave companies and managers much more worry, he says, but seldom a year when bad practices and other features of the underwriting situation have been more annoying. It has taken vast pressure to hold the volume of business up to a fairly satisfactory figure and pressure for business almost invariably means some resorting to bad practices. Losses have been heavier than usual several months out of the year. The stock companies are losing more and more business to London Lloyds and other unauthorized concerns. Mutuals admitted to the various States have made inroads on certain classes. The increased credits for coinsurance, the Minnesota standard clear space clause, the Kansas rating law, the agitation of the expense question—these and many another annoying question have kept the Western manager from thinking life one sweet dream.

* * *

Announcement of the coming merger of the Hawkeye and the Des Moines Fire, coming simultaneously with that of the completion of the merger of the National and the Ben Franklin of Pittsburg, and following by only a few months that of the Capital and the Merchants' and Bankers of Des Moines, creates some interest in the West. The Des Moines Fire and the Hawkeye are leaders in Iowa premiums, and their merger places them far ahead of their nearest competitor. Both have a large farm business, and for the last year or two that has not been profitable and appears to be growing worse rather than better. The Hawkeye has entered a number of States outside of Iowa, and the Des Moines a few, but with only \$100,000 capital it was uphill work getting planted where the prestige of being home companies

IT PAYS THE AGENT

To represent the best company. There are many excellent standard life insurance companies. Which is the best? In stability, progressiveness, liberal contracts to agents and low cost to policy-holders no company surpasses

The Union Central Life Insurance Co. of Cincinnati.

Assets, \$74,523,966.28
Liabilities, \$72,324,302.92

Good openings are occurring from time to time. Address

JESSE R. CLARK, President.
ALLAN WATERS, Sup't of Agents.



CAPITAL, \$500,000

THE "EMPIRE"

**Stands for AGGRESSIVENESS
PROMPT PAYMENT OF LOSSES
and CLEAN METHODS.**

Agents wanted who are unattached and can produce business.

**Address Agency Department,
THE EMPIRE STATE SURETY CO.,
84 William Street, New York**

SPECIAL OPPORTUNITIES offered now in Southern States to Representatives of

**CITIZENS
NATIONAL LIFE
INSURANCE
CO.**

W. H. GREGORY,
President.

**Germania Fire
INSURANCE CO.,
NEW YORK.**

ORGANIZED 1889.

Cash Capital.....\$1,000,000.00
Assets\$6,562,329.14
Net Surplus.....\$2,008,419.02
Surplus for Policyholders,\$3,008,419.02

HEAD OFFICE:
Cor. William and Cedar Streets.

NOTEWORTHY ADVANCE.

The
**BERKSHIRE LIFE
Insurance Company,**
OF PITTSFIELD, MASSACHUSETTS,

takes an advanced step in the interest of the policyholder by the adoption of the following liberal features in its new policy contract:

- Low premium rates.
- Large surrender values.
- Dividends at the end of each policy year.
- Thirty-one days of grace in payment of all premiums after the first year.
- Paid-up insurance or cash surrender value or extended insurance after two years' premiums have been paid.
- Loans for the full cash surrender value.
- Policy payable in one sum or in instalments for terms of years.
- Policy has no restrictions upon residence or travel and is incontestable after the first policy year, except for non-payment of premiums.
- Right of the insured to change the beneficiary.
- Liberal re-instatement privileges.
- Every effort has been made to make this new policy the very perfection in a life insurance contract.

For further information apply to
JOHN H. ROBINSON, General Agent
FRANK ALLEN, Associate General Agent
For New York and New Jersey,
Postal Building,
253 Broadway, • • • • NEW YORK.

was lost. The Hawkeye and Des Moines Fire, with \$200,000 capital and assets of over \$1,500,000, will find itself much more welcome in agencies than either of the constituent companies was, and should be able to build up a general business over a considerable territory, which will relieve it to some extent of its dependence upon Iowa State business.

* * *

Have the promoters of insurance companies found a new way of getting the public to take their stock? If one of them should say that the reports the New York department is sending out nearly every week on promotions on that State are not hurting his business, nobody would believe him. A promoter of considerable experience said the other day that if he ever undertook to organize another company he would adopt the plan of a certain Western life company. According to his version, a few men of means took the stock, paid for it, got the company licensed and going, and now are putting salesmen on the road to sell their holdings at a greatly advanced price over what they paid. These salesmen are not selling promotion stock, for the company is a going concern. The company is not selling stock, and, therefore, is not subject to criticism by an insurance department. There presumably is no law to prevent an individual stockholder from selling his own stock if he sees fit or employing others to do it for him, and apparently no law giving supervision over promotions would reach him, even though his methods might be open to criticism.

* * *

The liberality of the agency contracts of some of the life companies not operating under the New York law is causing comment, especially in view of the address of Superintendent Hotchkiss of New York before the Insurance Commissioners on the value of new business. It is stated

on good authority that one man with quite a reputation as a business getter has recently been given a contract calling for 90 per cent, a bonus and the advance of one very liberal renewal. That is a reminder of the "racing" days of "auld lang syne."

* * *

The poor Life Underwriters' Association of Chicago is still being regaled from month to month with speeches by ministers, lawyers and others outside of the life insurance business, as in the days that are past. Every administration for several years has been besought to cut out these speeches or reduce their number, and substitute some debates on live topics of practical value to the members. Every administration has expressed its intention to do so, and every one has seen its intentions go where good intentions are used for paving blocks.

On one occasion a member of the organization did get an opportunity to tell something worth hearing, and on the strength of it another member the next day wrote a \$7,000 case which he previously regarded as hopeless. Other members have been put on the programme, but have not had a chance to be heard because the invited orators spoke till everybody had gone home or ought to have done so. The Chicago association contains some magnificent material in its membership—successful general agents, expert salesmen, agency actuaries, who from the storehouse of their experience could and would give other members most valuable information and suggestions, if they had a chance. But they have not. Custom decrees that on a certain evening about eight months out of the year the members shall assemble, eat a good dinner, listen to the minutes of the last meeting, transact routine business and listen to one, two or three eloquent addresses on some such eminently practical subject as "Bunker Hill."

LA SALLE.

THE 1910 BROWN BOOK.

The tenth annual edition of the Brown Book of Life Insurance Economics has just been issued. Students and patrons of this work who would comprehend readily the improvement, which has taken place in a single year in practically all departments of the business of life insurance, will be interested in the record of 1909 as set forth in the opening review. Therein is shown, as no mere compilation of official statistics can show, how largely the unsatisfactory conditions which but recently affected the business have been remedied, where not altogether eliminated. Notable among such showings may be mentioned that treating of the great decrease in discontinued business as related to economy in expenditure and the average life tenure of outstanding business; that under the head of "What Is Versus What Was,"

in which is shown in concise tabulation the advantage of quality as against quantity in respect of gains from new business and rates of expenditure, and that dealing with the marked increase in dividend distribution in the last as compared with the first half of the decade. As a statistical history of life insurance covering the experience of the older representative companies for extended periods, the Brown Book appeals to all connected with the business in whatever capacity. Increasing physical infirmities, due to advanced age, compel Benjamin F. Brown, the author, to announce that the tenth annual edition of the Brown Book will in all probability be the last.

Crum & Forster have been appointed general agents for the Union Fire Insurance Company of Buffalo, accepting risks in the home city.

New York Insurance Stocks

Casualty Companies.

	Capital.	Div.	Period.	Bid.	Ask.
	Approx. Annual				
Aetna Indemnity (\$25)....	\$350,000	V	V	...	200
Casualty Co. of America....	500,000	6	J&J	120	150
Fidelity & Casualty.....	1,000,000	18	"	450	500
Hartford Steam Boiler....	1,000,000	10	"	255	265
Metropolitan Casualty	200,000	10	"	185	...
N. Y. Plate Glass (\$50)....	200,000	16	"	500	...
United States Casualty....	500,000	10	Q	200	225

Fire Companies.

City of New York.....	\$500,000	10	Q	...	205
Commonwealth	500,000	10	J&J	125	...
Continental	2,000,000	40	"	1,000	1,100
Empire City	200,000	8	"	125	...
Fidelity-Phenix	2,500,000	V	V	280	290
German Alliance	400,000	15	J&J	275	300
German-American	1,500,000	30	"	550	560
Germania (\$50)	1,000,000	18	"	285	295
Glens Falls (\$10).....	200,000	30	"	1,525	...
Globe & Rutgers.....	400,000	40	Q	475	...

Hanover (\$50)	1,000,000	15	J&J	200	210
Home	3,000,000	30	"	640	660
Nassau (\$50)	200,000	10	"	165	175
Niagara (\$50)	1,000,000	20	"	300	305
North River (\$25).....	350,000	10	A&O	155	165
Pacific (\$25)	200,000	14	"	185	...
Peter Cooper (\$20)	150,000	6	"	90	105
Stuyvesant	400,000	10	"	155	160
United States (\$25).....	250,000	V	V	60	70
Westchester (\$10)	400,000	40	F&A	455	...
Williamsburg City (\$50)..	250,000	20	J&J	380	400

Life Companies.

Aetna Life	\$2,000,000	15	Q	650	660
Connecticut General	300,000	8	J&J	250	...
Equitable	100,000	7	A	4,000	...
Germania (\$50)	200,000	12	J&J	210	225
Hartford Life	500,000	10	"	150	...
Home	125,000	12	M&N	275	...
Manhattan Life	100,000	26	O&F	400	425
Metropolitan (\$25).....	2,000,000	7	M&N	155	175
Prudential (\$50)	2,000,000	10	Q	450	500
Travelers' Hartford.....	2,000,000	20	Q	900	...
United States Life.....	264,000	7	J&J	90	105

V—No information. Q—Quarterly.

PERSONNEL OF FIRM TO MANAGE PROTECTIVE.

Unusual interest for fire underwriters is to be found in the organization of the firm of Tuttle, Wightman & Dudley, managing underwriters, with offices at Syracuse, N. Y., and 437 Fifth Avenue, New York City.

Robert H. Tuttle has spent his life as a fire underwriter and manager of agents. For fifteen years he has been at the head of the firm of Robert R. Tuttle & Co., of Syracuse, which has represented several large companies in the territory of New York, Pennsylvania and New Jersey, and has been the largest fire agency in New York State outside of the metropolitan district. Mr. Tuttle's agency is comprised of a carefully selected force of a thousand agents, by whom he is respected and held in affection. Under his direction the loss ratio of his agency has averaged less than 30 per cent.

Richard Wightman as an advertising man has specialized with marked success along insurance and financial lines, in which his business has averaged between \$1,000,000 and \$2,000,000 annually. He has recently made large sales, through advertising, of the bonds of the American Real Estate Company of New York, and has also supervised the advertising announcements of the firm of Robert H. Ingersoll & Bro., the watch manufacturers. He is known as a contributor to leading magazines and has written two insurance brochures which have gained wide circulation.

Frederick S. Dudley, the third member of the firm, is President of the American Letter Company, which renders important service in the matter of sales plans to 800 prominent business houses in New York City, and is also head of the firm of Seymour, Dudley & Co., also of New York.

Tuttle, Wightman & Dudley will

serve as managing underwriters to the Protective Fire Insurance Company, of Syracuse, N. Y. The ultimate capital and surplus of the Protective is set at \$5,000,000, and the company's organization under the laws of the State of New York is now fast nearing completion. The Protective now has more than a thousand stockholders—bankers and business men—in forty-five States, and approximately 1,700 agents ready to take the field. Additional agencies, general and local, are being established daily, and the best class of representatives are being secured. The advertising policy of the Protective, under the direction of the managing underwriters, will be national in its scope.

HERE AND THERE.

The New Jersey Supreme Court has decided that the \$14,600,000 reserve fund of the Prudential Insurance Company is subject to taxation by the city of Newark. This decision reverses the decision of the State Board of Taxation, and gives the city over \$600,000 annually. Counsel for the company when asked if an appeal would be taken said that was a matter of course.

* * *

At a meeting of the stockholders of the National Insurance Company and the Ben Franklin Fire Insurance Company at Pittsburg the proposition to merge the two companies was approved and the action of the boards of directors of the companies in this connection ratified according to the legal requirements. The new company will be known as the National-Ben Franklin and will have a capital of \$1,000,000 and over \$3,000,000 assets.

* * *

The Swiss Re-Insurance Company of Zurich, Switzerland, has been admitted to transact business in this State. It is expected that Bayard & Berresford will be the managers.

WISCONSIN PURSUES UNAUTHORIZED INSURANCE.

The Wisconsin Insurance Department has ruled that any solicitation or attempt by unauthorized insurance companies, whether life, fire or casualty, to do business in the State, by mail or otherwise, is unlawful, and may be punished by criminal proceedings. The Wisconsin law, it is said, expressly forbid not only the writing of a policy by an unauthorized company in the State, but also the placing of unauthorized insurance anywhere upon property in the State.

Three years ago legislation in Wisconsin forced over twenty of the leading life insurance companies of the country out of the State. They are now carrying on their business, taking care of renewals and, in some cases, writing what new business they can from offices in Chicago and elsewhere out of Wisconsin. Heretofore it has generally been considered that if a citizen of a State saw fit to do business by mail with an outside or unadmitted concern he could not be interfered with. The ruling of the Wisconsin Department is based upon an opinion of the Attorney General.

RECTOR 2817

ESTABLISHED 1864

E. S. BAILEY

DEALER IN

INSURANCE STOCKS

A SPECIALTY

66 Broadway NEW YORK

HARTFORD LIFE

INSURANCE COMPANY,
OF CONN.

1909 Policies are Participating,
Non-participating, with Lower Rates
and Values based on FULL RE-
SERVE.

For Right Contracts,
Address, Second Vice-President.
Home Office, HARTFORD, CONN.

WESTERN ASSURANCE CO.

HEAD OFFICE,
TORONTO, - - CANADA.

Incorporated 1851.

Hon. GEORGE A. COX.....President
W. R. BROCK and JOHN
HOSKIN, K. C. LL. D., Vice-Presidents
W. B. MEIKLE.....General Manager

United States Statement, Jan. 1, 1910.
Assets\$2,377,303.37
Surplus in United States..... 839,268.07

T H E PROVIDENT LIFE AND TRUST COMPANY OF PHILADELPHIA

Insurance in Force, \$214,509,255.00
(Paid for Basis)

Assets \$70,514,350.45
(Market Value, Dec. 31, 1909)

Contingency Reserve . \$9,207,276.38
(Inclusive of Capital Stock, \$1,000,000.)

The Provident has been particularly distinguished for the development of a highly trained force of agents. The systematic instruction which its agents receive has resulted in their being recognized as representatives of exceptional knowledge of the business and of marked efficiency.

Chronicle Paragraphs

AT THE last meeting of the Suburban Fire Insurance Exchange, held on October 18, a committee of five was appointed to look into the question of alleged excess brokerage paid by members on risks located in the area of the Exchange. In this regard many good friends of the Suburban have often remarked that if the original arrangement had been made 15 per cent for brokers and 25 per cent for agents—as against 10 and 20, respectively—the whole scheme of the Exchange would have “gone through with bells” and would have been a stronger organization.

The appointment of the Investigation Committee of five is simply the reflex of this drastic feature of low commission basis upon which the Suburban was founded. It is also the natural result of the competition of members, which, in a measure, was expected to occur at the very birth of the Exchange, and, from current report, has been going on for some time.

With the development of the airship enterprise comes up naturally the question of insurance. Among the companies which have recently commenced to write this class of business is the Boston covering against fire or collision.

The Anglo-American Fire Insurance Company of Toronto, Canada, has appointed C. N. Pinkney & Co., of 43 Cedar Street, as United States agents.

Minnesota business of the Capital of New Hampshire has been reinsured in the Phoenix of Hartford.

The plan as recommended by the Loss Reserve Committee of Liability Underwriters at the recent meeting in the Hotel Plaza, has been approved and referred back to the committee for final tabulation and co-operation with the Insurance Commissioners.

For the Royal Indemnity Company, now in process of organization by persons controlling the Royal Insurance Company of Liverpool, Charles H. Holland, formerly of Australia, has been appointed manager. During the last three years he has been organizing the casualty business of the Royal in Australia and New Zealand.

The rapid growth of the casualty business has induced many fire companies to provide ways and means for writing this class. As to the large foreign offices, represented in this country the following have already arranged to write casualty risks: Commercial Union, London and Lancashire and the Royal. Announcement

is now made that the North British and Mercantile will enter the field through the Railway Passengers' Assurance Company of London, which has been acquired by the former company. With fire companies taking up casualty underwriting as an adjunct, it has been remarked that as yet nothing has been done as to the reverse—casualty companies having fire annexes.

Under the appointments of Joseph Button, of Virginia, President of the National Convention of Insurance Commissioners, Superintendent William H. Hotchkiss, of New York, appears on six important committees out of fifteen—Executive (chairman), Laws and Legislation, Examinations, Fraternal Insurance, Valuation of Securities and Reserves Other Than Life.

On October 25 the first meeting and dinner of the Insurance Society was held at the Underwriters' Club. Archibald G. Thatcher was the speaker on the subject, “Marine Insurance.”

Pettibone & Krouse, of Philadelphia, have been appointed managers for Pennsylvania for the Western and Atlantic Fire Insurance Company of Nashville, Tenn. The company has just received its license for Pennsylvania. It is expected that the capital and surplus of about \$150,000 each will be increased largely.

A special meeting of stockholders of the National Surety Company has been called for November 9 in order to vote on the proposition to increase the capital stock of the company from \$750,000 to \$1,500,000.

Third Vice-President and Auditor James H. Stone, of the Maryland Casualty Company, has been appointed as manager of the fidelity and surety department of the company, with entire charge of all the features of that branch of the company's operations. He is succeeded as auditor by Milton R. Andrews.

Hayden's Annual Encyclopedia of Insurance in the United States for 1909-1910 was issued within the last week. The Encyclopedia, which was established in 1891 by H. R. Hayden, contains the usual invaluable compendium of biographical information in regard to underwriters and condensed descriptions of insurance companies, together with digests of the legal decisions in 1909 affecting all phases of insurance.

When the new Hilliard Building, at John and Dutch Streets, is completed Kelly & Fuller will occupy large and important office space.

Survivorship Annuity Tables

Net Premiums, Mean and Terminal Reserves

American Experience Table,
LIFE OF NOMINATOR

Danish Survivorship Annuitants' Table,
LIFE OF ANNUITANT

And $3\frac{1}{2}$ Per Cent. Interest

BY
MILES M. DAWSON,
Consulting Actuary

SEND ALL ORDERS TO

The Chronicle Co. (Ltd.)

No. 90 William St.

NEW YORK



ESTABLISHED 1836.

ENTERED U. S. 1848.

The statement of the condition of the United States Branch on the 1st day of January, 1910, in accordance with the Laws of the State of New York, is as follows:

ASSETS\$13,885,802.88
LIABILITIES 8,766,622.58

SURPLUS\$5,119,180.30

As an illustration of the Company's practice in maintaining its assets in the United States in years of excessive loss, the following figures may interest policyholders:

Year.	Assets at January 1.	Income	Expenditure.	Excess of Expenditure.
1871	\$3,054,361	\$3,163,901	\$5,122,653	\$1,958,752
1872	3,640,450	3,733,101	4,484,999	751,898
1873	4,165,290			

Thus showing excess of expenditure in the two years of\$2,710,650
And increase of assets in the same time of 1,110,929

Progress of the United States Branch: Net Fire Premiums: 1848, \$4,519; 1858, \$471,998; 1868, \$1,739,620; 1878, \$2,422,126; 1888, \$3,928,010; 1908, \$4,979,422; 1908, \$7,427,617.63.

LOSSES.—The amount paid in the satisfaction of fire losses in the United States to the beginning of the present year was over \$119,461,623.72. This large sum, in conjunction with the growth of the company's business, evinces the confidence of the public and the faithfulness with which the Company's losses are adjusted and settled.

The Chronicle

1866

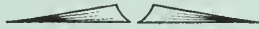
Published by THE CHRONICLE COMPANY (Ltd.), 90 William Street, New York City

1910

VOLUME LXXXVI.

NEW YORK, NOVEMBER 3, 1910

NUMBER 18



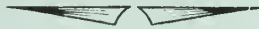
ANNOUNCEMENT!



Beginning with next week's issue,
the address and publication office of

THE CHRONICLE

Will be at
80 Wall Street



COMPARATIVE RESERVE TABLES

By MILES M. DAWSON,
Consulting Actuary.

Containing Mean and Terminal Reserves for the usual forms of policies and by the following standards—

- American Experience, Select and Ultimate $3\frac{1}{2}$ per cent.
- American Experience, Select and Ultimate 3 per cent.
- American Experience, Modified Preliminary Term $3\frac{1}{2}$ per cent.
- American Experience, Modified Preliminary Term 3 per cent.
- American Experience, Select and Ultimate 4 per cent.
- Actuaries', Modified Preliminary Term 4 per cent.
- American Experience, Committee of Fifteen, $3\frac{1}{2}$ per cent.
- American Experience, Illinois and Tennessee, $3\frac{1}{2}$ per cent.
- American Experience, Michigan, $3\frac{1}{2}$ per cent.
- American Experience, Wisconsin, $3\frac{1}{2}$ per cent.
- American Experience, New Jersey, $3\frac{1}{2}$ per cent.
- H^M, Canadian Life Officers' Association, $3\frac{1}{2}$ per cent.
- O^[M], Select and Ultimate, $3\frac{1}{2}$ per cent.

This covers all the standards, other than the net level premiums, in this country. Tables showing the first year margins set free by each method of valuation are given.

EDITION ALMOST EXHAUSTED ————— SAVES TIME AND MONEY

VARIOUS DERIVED TABLES---American Experience 3 and $3\frac{1}{2}$ PER CENT.

By MILES M. DAWSON

Table of Contents.

Single Premiums, Pure Endowment.
Accumulations, Pure Endowment.
Forborne Immediate Annuities.
Accumulated Temporary Insurances.
Accumulated Increasing Insurance.
Single Premiums Endowment Insurance.
Single Premiums Temporary Insurance.
Immediate Temporary Annuities.
Valuation Columns.

SELECT AND ULTIMATE VALUES.

Single Premiums, Whole Life.
Life Annuities.
Terminal Reserves, Life, Limited Payment Endowment.

Mean Reserves, Life, Limited Payment, Endowment.

LOGARITHMS, SEVEN PLACES.

Forborne Immediate Annuities.
Curtate Summations of D Column.
Immediate Temporary Annuities.

Uses.

- Computing Annual Term Insurance Premiums:
Divide endowment insurance values by immediate temporary annuities.
- Computing Annual Endowment Insurance Premiums:
Divide endowment insurance values by immediate temporary annuities.
For these purposes the "select and ultimate" will be most useful.
- Computing Annual Pure Endowment Premiums:
Divide pure endowment values by immediate temporary annuities or take reciprocals of forborne immediate annuities.
By these means, the net extra premium for a special guaranty can be quickly and accurately computed.
- Computing Annual Semi or Double Endowment Premiums:
Add temporary insurance and pure endowment values for proper amounts and divide by immediate temporary annuity.
- Computing Limited Premiums:
Divide the proper single premiums by immediate temporary annuity.
- Computing Surrender Values:
Extended Insurance. Find the temporary insurance value next lower than the sum to purchase extension. This gives even number of years. Apply remainder to pay for additional days according to daily differences in the table.
- Extended Insurance with Fractional Paid-up Endowment:
Deduct from purchase money, value of insurance for unexpired term; multiply remainder by accumulation, pure endowment, to get amount of endowment.
- Computing Terminal Reserves:
Unvarying Benefits. Multiply net premiums by forborne immediate annuity and deduct accumulated temporary insurance.
Return Premium, Full Reserve. Multiply net premium by forborne immediate annuity and deduct accumulated temporary insurance and accumulated increasing insurance, multiplied by gross premiums to be reduced.
Return Premium, Extra Reserve. Multiply net extra premiums by forborne immediate annuity and deduct accumulated increasing insurance, multiplied by gross premiums to be returned.
- Warranted Commissions for New Business.
Surrender Values.
Dividends.

SEND ALL ORDERS TO **THE CHRONICLE CO. (Ltd.)** 90 William Street, New York.

The Chronicle

VOLUME LXXXVI.

NEW YORK, THURSDAY, NOVEMBER 3, 1910

NUMBER 18

PUBLISHED EVERY THURSDAY BY
THE CHRONICLE COMPANY, Limited.
No. 90 WILLIAM ST., NEW YORK.
Phone "567 John." Cable Address, "Chronogram," New York.

Subscription Price:
Three Dollars a Year. Single Copies, Twenty-five Cents.
Postage Prepaid in the United States and Canada.

MILES M. DAWSON, President.
R. B. Dawson, Treas. A. C. Harwick, V.-P. A. L. Dern, Sec'y.
Emil Schwab, Manager New England Department,
200 Devonshire Street, Boston, Mass.

All communications should be addressed to and remittances should be made to The Chronicle Company, Limited.
Entered at the Post Office, New York, N. Y., as Second Class Mail Matter.

House of Lords on Workmen's Compensation

AN interesting digest of some leading British cases in regard to workmen's compensation appeared in the current issue of the "Australasian Insurance and Banking Record." The cases are enough in point to have a significance here at the present time. The digest is, in the main, as follows:

"During the month of July a number of important cases under the workmen's compensation act came on appeal before the House of Lords and the Court of Appeal. Reports of those dealt with by the House of Lords—two in number—are given in our law columns, the judgments being final. One turned on the question whether an engineer on a steam trawler, who was found drowned, met with accident 'out of and in course of his employment.' The facts are stated in the report. The County Court judge, before whom the case came in the first instance, held in the affirmative, and awarded £300 to the widow. Appeal was made to the Court of Appeal, which set aside the award of the County Court judge. This judgment was then appealed against, and after hearing arguments, the five law lords were divided in opinion, two being in favor of allowing the appeal, and three in favor of dismissing it. It was, therefore, dismissed by a majority. The effect of the judgment is that if a member of a crew chooses to sit on a rail to cool himself in the evening, and falls over and is drowned, the accident is not one rising 'out of and in the course of his employment.' The report is an interesting one.

"The second case also originated in an accident by drowning. A stoker had left his ship in the evening to make some purchases ashore, and after visiting sundry drinking saloons returned to the vessel about midnight. In descending the ladder from the quay to the deck he fell into the water and was drowned. As in the previous case, the County Court judge found for the widow. The Court of Appeal was appealed to, and set aside

the decision of the County Court judge. The case was carried to the House of Lords, and by a majority of three to two the appeal was allowed, and the original judgment, in favor of the widow, was restored. A fine distinction was made by the Lord Chancellor (one of the majority) between 'out of employment' and 'in the course of employment.' The stoker did not go ashore 'in the course of his employment,' but the cause of the accident arose 'out of' the employment. The judges forming the minority could not see, however, that the employment had anything to do with the accident.

"We turn to the cases brought before the Court of Appeal. On July 6, Yates vs. South Kirby, Fetherstone and Hensworth Collieries, Limited, was dealt with. Yates, a collier, while at work, heard a shout for help and proceeded to the spot whence it came. He found that another collier had been knocked down by some falling timber. He picked him up, but the injured man died. The effect on Yates was that he sustained a nervous shock which incapacitated him from his usual work and he applied for compensation. The County Court judge found that there was a genuine incapacity to work, which was due to nervous shock and awarded compensation. The employers appealed, but the Court of Appeal dismissed the appeal, holding that if a workman sustained a nervous shock producing physiological injury which incapacitated him from his ordinary work as a collier it was just as much an accident arising out of and in the course of the employment, and entitling the man to compensation as the loss of muscular power was. Moreover, the Court of Appeal held that Yates was bound to go to help his fellow-workman—a sound dictum.

"On July 8 a drowning case (Gilbert vs. Owners of Steam Trawler 'Nizam') similar in some respects to those settled by the House of Lords, as referred to above, was dealt with.

The second engineer (Gilbert) of the steam trawler, which was lying in dry dock, went home for his dinner. Returning, in trying to get on board the ship, he apparently fell over the side of the jetty into the empty dock and was killed. The County Court judge awarded the widow compensation, holding that the deceased went on shore as a duty to get his dinner, and in the course of his employment. The owners appealed, and the Court of Appeal allowed the appeal. The Master of the Rolls held that it by no means follows that every workman is entitled to the protection of the act whenever an accident happens to him on his way from his home to his employers' place of business. Absolute proof was not required, but there must be evidence which would justify an inference that the accident arose out of and in the course of the employment. But when all that was known was that this man's body was found in the dry dock, that he had gone home to get his dinner and had been seen talking to some one before the accident and nothing more, there was not a particle of evidence to justify the court in saying that the accident arose out of and in the course of his employment.

"On July 11 the Court of Appeal delivered judgment in the case, Hoskins vs. J. Lancaster. The applicant, a collier, was proceeding to his work. When passing through a gate leading to the colliery the gate slammed and caught him against the post, and the iron fastening pierced the muscles of the left arm. The County Court judge awarded him compensation, and the Court of Appeal dismissed the appeal. It was essential to the employment that the appellant should pass through the gate which was the property of his employers, and that the course of his employment included the time spent in passing from the gate to the place where he had to use his pick. The Master of the Rolls added that it must not however, be assumed that because the court came to the present conclusion on this case, the

protection of the act was to be extended to workmen on any part of their employers' property; each case must depend on its own facts as to the reasonable interval of time and space during which the employment lasted.

"On the following day, July 12, two cases were disposed of. In that of *Eke vs. Hart-Dyke*, Eke was ordered to open out certain cesspools for inspection. He afterwards complained of being unwell and died, the cause of his death being ascribed to ptomaine poisoning caused by sewer gas being inhaled or absorbed into his system. The County Court judge found to this effect, and awarded compensation to the widow. The respondent appealed and the court allowed the appeal, holding that a disease is not an accident. The second case (*Nisbet vs. Rayne and Burn*) turned on the question, 'Is murder an accident?' Nisbet, while carrying money for his employers (colliery proprietors) was murdered. The widow applied to the Newcastle-upon-Tyne County Court, and the judge held that the risk by Nisbet in carrying a large sum of money was a risk incidental to his employment, and likely to have been in the contemplation of the parties when Nisbet was engaged, and he accordingly made an award in favor of the applicant for £300. The respondents appealed to the Court of Appeal, and at the conclusion of the arguments, judgment was reserved until July 21, when the appeal was dismissed. Each of the three judges delivered his own judgment. We quote from that by Lord Justice Kennedy as follows:

"The murder of the deceased cashier undoubtedly happened in the course of his employment. I am of opinion that it also arose out of his employment. As cashier he was habitually entrusted with the personal duty of traveling to and fro with large sums of money for the payment of his employer's workmen. Thereby he became specially subjected to the risk which caused his death—the risk of personal violence inflicted upon him in order to rob him of that money. In the case of *Falcom vs. London and Glasgow Engineering and Shipbuilding Company* (3 F., 564) the Lord Justice Clerk said "it was against accidents incidental to the special employment that the benefit of this statute was given." In fact, he so met with his death. What the appellants mainly urge, however, is that, even if the death arose out of and in the course of the employment, it was not within the meaning of the words "injury by accident." I agree that there is no English decision which is exactly in point. * * * But whilst the description of death by murderous violence as an "accident" cannot honestly be said to accord with the common understanding of the word, wherein is implied a negation of wilfulness and intention, I conceive it to be my duty rather to stretch the

meaning of the word from the narrower to the wider sense of which it is inherently and etymologically capable, that is, "any unforeseen and untoward event producing personal harm," than to exclude from the operation of this section a class of injury which it is quite unreasonable to suppose that the Legislature did not intend to include within it. If the word be so interpreted the expression "an injury by accident arising out of and in the course of employment" includes the death of the deceased in the present case, and also the similar case suggested in the course of the argument—the hurt or death of a gamekeeper through violence used to him by poachers whilst he is discharging the duties of his service."

"On July 22, a case (*Skates vs. Jones & Company*) was decided which raised a question of some importance as to the meaning of Section 4 of the workmen's compensation act, 1906—namely, whether if a person who is carrying on a trade or business contracts for the execution of a work which is not within the scope of his trade or business, but is necessary for the carrying on of the trade or business—e. g., where a shopkeeper contracts for the rebuilding of his business premises—he thereby becomes a principal within the meaning of the section. The facts are stated in the judgment of Lord Justice Kennedy as follows:

"Two shopkeepers named Jones and the keeper of a billiard saloon named Acocks were minded to join together in running a skating rink at Tonypandy, in Wales. They bought an existing iron structure at Kingston-upon-Thames, and made some contract, the exact terms of which did not appear, with one Thomas Howarth to remove the structure from Kingston to Tonypandy. Skates, the applicant, was employed by and worked for Howarth on this job and met with an accident. He claimed against the trio who speculated in the skating rink venture."

"The learned County Court judge held that the claim was not one which could be maintained under Section 4 of the workmen's compensation act, 1906, and dismissed the application. Skates appealed, but the court dismissed the appeal. The Master of the Rolls in the course of his judgment remarked that Section 4 is one of the most difficult sections of the act, and that different views had been held in Scotland and Ireland, if not also in England.

"All the cases to which we have referred are interesting from more points of view than one. They demanded the exercise of a high degree of intellectuality and of logical power. As the judgments will form precedents, unless overthrown in the case of those delivered by the Court of Appeal by the House of Lords, or unless nullified by fresh legislation, an improbable event, they call for careful study by underwriters.

LEGISLATIVE SERVICES.

The "Journal of Commerce" in its issue of yesterday published the following paragraph: "The insurance brokers have secured \$6,000 in subscriptions from the insurance companies toward the \$7,500 bill of Richards & Heald for legal services in connection with proposed legislation regarding Lloyds, London, etc., this year."

VIRGINIA CONSPIRACY CASE.

In a lengthy decision on demurrer to the warrants in the insurance conspiracy case, Judge T. J. Barham, in the Corporation Court, at Newport News, Va., held that there is common law in Virginia to cover criminal conspiracy, and that if proven, the offense alleged by the Commonwealth is indictable under the common law. This decision practically settles the case, so far as the trial court is concerned, though the hearing on the warrants, as amended by order of the court, will be held this week.

In their argument on the demurrer to the warrants, counsel for defense averred that there was no law under which this case could be tried, and that the common law, even if it existed, which they claimed did not, could not cover this case, because the State Legislature had enacted a law driving the insurance combination out of Virginia, and then repealed that law, thereby inviting the Southeastern Underwriters' Association and similar organizations back into Virginia.

Twenty-four officers and members of the executive and Virginia committees of the Southeastern Underwriters' Association were arrested at Hot Springs last May on warrants sworn out by Commonwealth's Attorney Charles C. Berkeley, charging them with conspiring to raise the fire insurance rates in Newport News. The arrests followed the issuing of a "pink slip" raising the insurance rates in Newport News ten per cent. after the Council had increased the tax on the fire insurance companies.

SURPLUS LINE INSURANCE

The Yorkshire Insurance Co., Ltd.
of York, England.

Established 1824.

Home Office Assets, \$12,191,000.

FRANK & DuBOIS,

United States Attorneys,
47 William St., New York.

Authority to adjust and pay all losses
and power of attorney to accept
service of legal process.

Funds held on deposit in New York
banks for protection of Amer-
ican policyholders.

Non-Board Underwriters in the West

AT THE first general meeting of the Western Insurance Bureau since its organization by non-board underwriters last Summer it was voted unanimously in Chicago yesterday to apply their regulations of the bureau to the business in a large number of the Western States, operations having been restricted so far to Illinois and Indiana. The bureau went on record as willing to co-operate in reducing expenses in the excepted cities as soon as an equitable agreement can be reached with the Western Union. E. G. Halle, of the Germania, President of the bureau, was in the chair.

The new States to be entered are Michigan, Wisconsin, Minnesota, North and South Dakota and Missouri.

The regulations as regards commissions and other expenses are to apply after January 1, but the large cities of Detroit, Milwaukee, Minneapolis,

St. Paul, St. Louis and Kansas City are excepted.

The greatest difficulty will probably be encountered in Wisconsin, where the competition of the local companies has led to high commissions, but Presidents Jones of the Milwaukee Mechanics, Woelliger of the Concordia and Patten of the Northwestern National assured the meeting that the field could be put on the new basis with little friction.

A large delegation of Iowa companies was present yesterday and assured the bureau of their co-operation outside the State, as the Iowa Anti-Compact law makes their membership in that State doubtful.

W. E. Haines, Secretary of the Ohio Farmers, and C. D. Mullen, Secretary of the Columbia of Omaha, explained the conditions in their States, and the desirability of entering Ohio was referred to the Executive Committee for negotiations with the Ohio

companies. That committee was also authorized to formulate a rule to make possible the collection of the earned premium of not-taken policies. Where the jurisdiction of a member does not cover the entire field of the bureau the officers of the company were invited to become members for the other States.

The following resolution was adopted on the scope of the expense-reduction campaign, indicating the disposition of the bureau companies to restrict their co-operation for the present to the excepted cities:

"Resolved, That the Western Insurance Bureau stands ready to take up the question of the reduction of the excessive commissions and other expenses in the so-called excepted cities as soon as the necessary co-operation can be secured on a basis of fairness and equity to all interests, so as to make the success of such a movement reasonably assured."

A Minor's Right to Premiums

AN INTERESTING case in regard to the non-recovery of life insurance premiums by a minor, Hamm vs. Prudential Ins. Co., 122 N. Y. Supp. 35, is cited in the "Insurance Green Bag" as follows:

A policy was issued to a minor at age 17. After having paid a number of premiums, his guardian ad litem brought a suit to rescind the contract and recover the moneys paid. The company defended under Section 55 of the Insurance Law (N. Y.) as amended by Chapter 437 of the laws of 1902, which is in substance as follows:

That where a minor of the age of 15 years and upward having effected insurance, shall not, by reason only of such minority, be deemed incompetent to contract for such insurance

or for the surrender thereof or give a valid discharge for any benefit accruing thereunder.

In the City Court of Hudson there was judgment for the minor, which the County Court reversed and the Supreme Court, Appellate Division, Third Department, N. Y., affirmed, saying in part:

"The plaintiff's contention is that at common law the infant had the right to make the contract, which was not void, but only voidable at his election, and that this statute is simply a declaration of the common-law rule. It is difficult, however, to see for what purpose the statute was passed, if that be its interpretation. No insurance company would insure an infant, with the right of the infant at any time to cancel the policy and to recover back the premiums paid. There

are many reasons why it may be well for the infant, and those dependent upon the infant, that it should be possible to effect insurance upon his life. It may reasonably be supposed that the Legislature had in mind the desirability of an infant's having the power to make a valid contract, one that should be binding upon him as to the obligations imposed in order to secure to him the benefits which it could give.

"A further question is raised—that his policy is not merely a policy of insurance, but what is called an endowment policy, or one under the terms of which a certain sum was to be repaid to the assured at a period of twenty years, and that the policy was in the nature of an investment,

(Continued on Page 10.)

HARTFORD LIFE

Wants You

If You Can Do Things.

Write to

Hartford, Conn.

Royal Exchange Assurance

OF LONDON.

Incorporated by Royal Charter A.D. 1720.

UNITED STATES OFFICE:

92 William Street  New York City

UBERTO C. CROSBY, General Manager.

RICHARD D. HARVEY, Assistant General Manager.

Insurance Institutes in the Antipodes

By George Beattie

Address Delivered at Inaugural Meeting of the Insurance Institute of Auckland.

VERY general have been the expressions of regret at the inability of our esteemed president (Mr. James Buttle) to accord honor to the institute by delivering an inaugural address, but absence from the Dominion at the particular juncture, irrespective of other inordinate demands upon available time, would obviously preclude him an option. The words of commendation and encouragement to which he gave utterance whilst presiding over the largely attended preliminary meeting—bearing upon the necessity for an Insurance Institute, its place in the domain of underwriting, and its likely effect viewed from an educational standpoint—are not likely to be forgotten, and steps will no doubt be taken at an early date to give heed to all of his suggestions. The promise, too, of a substantial donation towards the establishment of a Prize Essay Fund, or other of a similar character, is further earnest of the wish of the president that the institute should commence its super-

structure of work upon a true and stable foundation.

The request of the executive that I would, under the circumstances, endeavor to undertake the duty of writing an address is an undoubted mark of favor, and one which is highly appreciated. An intimation of compliance therewith was accompanied by an announcement that the few weeks time which intervenes until the holding of the first meeting, as prescribed by rule, would not permit of the compilation of matter, so sifted as to be worthy of the occasion. Members must, therefore, satisfied with what, at best, cannot be described as other than a hurried survey of the world of Insurance Institutes, a glance at what they are doing, and what yet remains for accomplishment, together with a few general observations upon the absence of, and pressing need for, educational facilities for such as contemplate entering upon an insurance career.

In offering these more or less disconnected notes, one does so with a feeling akin to trepidation, recognizing that there are included in the list of foundation members of the institute, some who, by long years of experience, are in possession of a maturity of judgment which should make them far more competent to speak the "words of advice" so essential to the welfare of the underwriter in embryo. Members will kindly ponder over the "words" and blot out of recollection their channel of conveyance.

It should not be incumbent upon me to outline, in detail, the purpose of an organization such as has been formed in our midst, seeing that there are very many valuable records extant of the doings of the Federated Insurance Institutes of Great Britain and Ireland, which body was founded nearly fifteen years ago. These records embrace, along with other features, papers upon almost every conceivable phase of underwriting in all of its departments, as also upon topics closely allied thereto, and provide the student with a library, the value of which cannot be too highly appraised. Affiliation with the federation is open to any Insurance Institute, whether established abroad, or in any part of the British Empire, on terms and conditions as provided by the constitution and by-laws. The operations of the federation embrace: (a) the publication of a journal; (b) the holding of examinations; (under certain conditions the federation will adjudicate upon papers set for examination by any affiliated institute); (c) the

offering of prizes for essays or research in any subject bearing on insurance business; (d) the formation of a library of insurance works; (e) the encouragement and support of the Insurance Clerks Orphanage; (f) the general welfare of the insurance profession.

To attain proficiency in any calling there must be study, with a special emphasis in its application to highly technical subjects, and to permit of study there must be an acquirement of books. A studious life cannot make us unhappy. Has not Seneca, the great philosopher, put it that "of all others a studious life is the least tiresome. It makes us easy to ourselves and to others, and gains us both friends and reputation."

Our public libraries, even when possessed of standard technical works, are not always reasonably accessible to students, and an Insurance Institute is, therefore, looked to to provide the requisite food for the young mind. No amount of experience will be compensation for a mind which has been imperfectly grounded in theory and sound principle, and no youth enter-

WESTERN ASSURANCE CO.

HEAD OFFICE,

TORONTO, - - CANADA.

Incorporated 1851.

Hon. GEORGE A. COX.....President
W. R. BROCK and JOHN
HOSKIN, K. C. LL. D., Vice-Presidents
W. B. MEIKLE.....General Manager

United States Statement, Jan. 1, 1910.

Assets\$2,377,303.37
Surplus in United States..... 839,268.07

SPECIAL OPPORTUNITIES offered now in Southern States to Representatives of

**CITIZENS
NATIONAL LIFE
INSURANCE
CO.**

W. H. GREGORY,
President.

Hanover Fire

INSURANCE
COMPANY
of New York



Agencies
in all the Principal Places
in the United States.

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS is unsurpassed for net low cost and care of interests of all members.

**THE PENN MUTUAL
LIFE INSURANCE COMPANY
OF PHILADELPHIA**

On January 1, 1909, rates were reduced and values increased to full 3% reserve.

ing upon an insurance career, should be deprived of the opportunity for securing a complete theoretical knowledge. It cannot be obtained, as yet, in our schools or university colleges, though the day is not far distant when an insurance course will be open to choice as, for instance, that of, say medicine. The graduate in medicine hopes that his research, or an application, rather of results therefrom, may result in a saving of life. The actuary on the other hand, by preparation of mortality tables based upon careful selection of lives over stipulated periods, and by a close scrutiny of attendant elements, aims at making the best possible provision for those dependent upon the life when it has passed over. Surely one is the complement of the other, but how very different the provision for study. All honor to the English Institute of Actuaries and to the Scottish Faculty for the erudition exhibited in treatises of admitted academic worth, by many of their fellows and associates, despite lack of recognition by Government educational authorities.

A quarter of a century ago the domain of underwriting was comparatively limited by contrast with the actualities of to-day. At that time it was represented by a few clearly defined branches, whereas the present day discloses a sphere so comprehensive, that no hazard or eventuality is held to be incapable of indemnification. Indeed, the ramifications of present day commerce and the varying responsibilities incidental thereto, are such that the man of prudence will carry no risk upon life or property which may properly be made the subject matter of an insurance contract. To an excess of keenness in competition, frequently leading to, and resulting in, unfair treatment of employes, may, in part, be attributed much of our industrial legislation of to-day, and which has thrown open so many additional avenues for employment of underwriting skill.

This may be viewed as satisfactory by the insurance speculator, or company promoter, but new hazards, at least, should not be undertaken in the

absence of knowledge as to essential fundamentals. Where—it may be asked—is this knowledge, and when found how is it to be assimilated by the youth deprived of opportunities for class study? He has a hazy idea that there are some technical works, with titles displayed in large gilt letters, in the office bookcase and which he considers will, no doubt, have to be read by him as a duty, when the passing of the time brings the anticipated advancement. On whose shoulders should be cast the blame for so circumscribed an outlook?

In Great Britain the disabilities have been recognized and some steps taken by way of remedy. The London School of Economics (University of London) initiated in 1903 a course of lectures, and the London Chamber of Commerce has also given its countenance to the subject. The trend of present opinion, however, would seem to lie towards the foundation of Chairs of Commerce—with insurance as a component part—at some of the modern universities such a consummation can hardly be looked upon as an unqualified solution of the position, having regard to the enormous and ever increasing importance of insurance indemnity in one or other of its forms to the community.

To the United States of America attention is drawn consequent upon an advanced outlook in respect to matters of scientific interest. No State is without its college or university and no curricula would be viewed as complete which lacked provision for imparting instruction upon what is of vital import to the people. So, in regard to the topic of insurance, the vastness of the field, the immensity and the variety of interests, have all combined to produce a knowledge and skill which cannot be excelled by any other country. The establishment of Chairs of Insurance at some of their universities has long been under review, and the outcome of preliminary action in the direction of lecture ships will be carefully scrutinized in many quarters. In the classification and rating of fire hazards, for instance, our American cousins

have evolved—the term is used with reservation—a system of schedule rating and loading which omits no element from the count. At any rate, if not entitled to the credit of initiating this schedule system, they have, assuredly, improved and advanced it to a degree until it approximates closely to the definition of an exact science. It has been adopted in Australasia, and time has not served to disclose inherent weakness. On the contrary, its solid foundation—based upon justice and reason—calls for a more extended outlook, ensures greater discrimination and more exactness in detail, all of which factors must assist to remove the reproach of a good risk having to pay for a bad.

The aggregate number of institutes in Great Britain and Ireland (a majority of which are members of the Federation) is now assuming considerable proportion, all the provincial centers being represented. In other lands using the English language as the medium of speech, institutes are becoming the rule rather than the exception. They are to be found in the United States of America, Canada, South Africa, the Commonwealth of Australia, to which more extended reference will follow, and in our own Dominion of New Zealand. Limits of time preclude an enlargement upon what has been attained in all of these parts, but the pioneers of the movement have earned at least the gratitude of all who have profited by their labors. Their maxim was, obviously, "Nil sine labori."

In the Commonwealth of Australia vitality of a highly commendable order has been displayed in connection with the Insurance Institutes of Melbourne, Sydney and Brisbane. With a large membership in each case and a keen interest evinced on the part of leading underwriters, the results adduced will not occasion surprise. An examination of syllabi will disclose lectures upon subjects covering a wide range of thought, and some of the presidential addresses, embodying as they do, the experience of a life's work of men eminent in the profession, are worthy of reproduction in

The
Columbian National Life
INSURANCE COMPANY
OF BOSTON, MASS.

**LIFE, ACCIDENT AND HEALTH
INSURANCE.**

The Only Massachusetts
Non-Participating Company

The New Columbian Policies are
Unexcelled in Clearness and Liberality.

Good Contracts and Territory for
Good Producers.

ARTHUR E. CHILDS, President.



CAPITAL, \$500,000

THE "EMPIRE"

**Stands for AGGRESSIVENESS
PROMPT PAYMENT OF LOSSES
and CLEAN METHODS.**

Agents wanted who are unattached and can produce business.

**Address Agency Department,
THE EMPIRE STATE SURETY CO.,
84 William Street, New York**

Can You Save Anything on Your Present Salary?



Get into a business that gives you an opportunity to make something better than a mere living. Sell Life Insurance for The Prudential.

Write Us About an Agency.

THE PRUDENTIAL
Insurance Company of America.

Incorporated as a Stock Company by the State of New Jersey.

John F. DRYDEN, President. Home Office, NEWARK, N. J.

INCORPORATED 1833.

British America Assurance Company

HEAD OFFICE, TORONTO, CANADA

UNITED STATES BRANCH.

JANUARY 1, 1910.

Assets	\$1,556,740.94
Liabilities	902,438.61
Surplus	\$ 654,302.33

Hon. GEORGE A. COX, President.
JOHN HOSKIN } Vice-Presidents.
W. R. BROCK }
W. B. MEIKLE, General Mgr.

Life Ins. Co. of Virginia

Home Office, Richmond, Virginia.

J. G. WALKER, President.
T. W. PEMBERTON, 1st Vice-President.
W. L. T. ROGERSON, 2d Vice-President.
E. D. HARRIS, Secretary.

The OLDEST Southern Life Insurance Company.
The LARGEST and STRONGEST Southern Life Insurance Company.
The PIONEER Southern Industrial Life Insurance Company.

Its policies are clear and definite in their provisions and their values are absolutely guaranteed.

Assets Dec. 31, 1909.....	\$5,372,691.99
Liabilities Dec. 31, 1909.....	4,312,405.32
Insurance In Force Dec. 31, 1909	68,337,613.00
Total Payments to Policyholders since Organization	9,820,412.46

"The Leading Fire Insurance Company of America."



WM. B. CLARK, President.
W. H. KING, Vice-President.
HENRY E. REES, Secretary.

Assistant Secretaries,
A. N. WILLIAMS, E. S. ALLEN,
E. J. SLOAN, GUY E. BEARDSLEY.

pamphlet form for purposes of regular reference. An arrangement of a federal nature has been entered into by the three institutes, whereby each undertakes to have prepared a paper on such branch of the business as may be allotted to it. The paper is read simultaneously in each institute, and the criticisms of members are recorded and forwarded to the author for review and reply at a subsequent meeting. Such arrangement ensures a greater exhibition of zeal because of the wider circle of men and matter from which to make choice. The prize essay competitions, also, are open to all members, and entrants therein are stimulated by knowledge that success, if lacking the accompaniment of a formal certificate—to which so much importance is attached in other spheres—will imply a "hall mark," the value of which may not easily be assessed. The unsuccessful competitor has at least benefited by the application of mind to study of subject, which application surely is synonymous with success, though it may not be immediately apparent.

Classes have been formed under competent instructors, all of which channels for the dissemination of knowledge evidence an appreciation—if tardy—of the responsibilities of elders towards those who may decide to choose insurance as a calling.

In the Dominion of New Zealand, the institute founded in Wellington in 1899, and from which many excellent and scholarly papers have emanated, would appear to have gone into recess. The hope may be expressed that it will emerge therefrom and continue the educational work which it has set itself out to do. Success is not to be measured solely by attend-

ance at meetings, though a large assemblage of eager expectant faces has undoubted potential value. With institutes at Auckland and Wellington and the early formation of similar organizations in Dunedin and Christchurch, a scheme, which would ensure a wider range of syllabus and provide inter-arrangements for examinations, would be easy of preparation, thereby securing for the profession of underwriter in this fair land a status and importance far in excess of that at present accorded to it.

It is a matter for comment that the Government, which is itself a competitor—rightly or wrongly—in the life, fire and accident fields has not recognized the obligation to make provision in its educational seminaries for obtaining tuition in insurance subjects.

A feature of Insurance Institutes in general is the opportunity which they afford for social intercourse amongst members. No better medium can be suggested for bringing together the various sections of the profession and for the production of a healthy spirit of camaraderie. The fire and marine men have nothing to lose, and probably much to gain, by coming into contact with their life confreres, and all three will receive inspiration from the modern compendium, the accident underwriter. Each has his problems to face, but there is, nevertheless, a community of interest which seeks reasonable outlet for interchange of view. The element for good in the frequent meeting of senior and junior also is worthy of note. Ability is indicated, character is evidenced, and parts hitherto latent are brought to light, these in themselves affording ample return for time and energy given to the support of an institute.

Plate Glass Rate War

BY THE resignation of the Metropolitan Casualty Company from the Plate Glass Insurance Association, the companies writing this class of insurance are again facing a rate war. In view of the notice of the Metropolitan of its withdrawal, which takes effect in thirty days, the association has voted to suspend all regulations as to rates and commissions. In accordance with this action, E. M. Gridley, secretary of the association, has sent the following announcement to brokers in regard to the course of the association:

"The Plate Glass Underwriters' Association at a meeting held October 27, 1910, voted to suspend all rules and regulations as to quotation of rates, etc., on plate glass insurance business, but the association continues its organization and will for the present continue its activities to the compilation of statistics. The companies forming this association are Aetna Indemnity Company,

Metropolitan Casualty Insurance Company, Fidelity & Casualty Company, New Amsterdam Casualty Company, Lloyds Plate Glass Insurance Company, New Jersey Fidelity & Plate Glass Insurance Company, Maryland Casualty Company, New York Plate Glass Insurance Company."

The brokers whom underwriters consider largely responsible for the present condition of affairs will now be forced to obtain sixteen bids on every renewal or new application won from every company writing this class of business in order to protect themselves.

No institution employing men in positions of financial trust need look beyond the advertising columns of THE CHRONICLE for FIDELITY INSURANCE.

Two Mutuals in Question

THE condition of the Liberty Mutual Fire Insurance Company and the Lincoln Mutual Fire Insurance Company has been brought to the attention of the State Attorney General by Commissioner McCulloch, of the Pennsylvania Insurance Department, because of lack of funds to pay loss claims.

Frank R. Shattuck, attorney for the companies, declared that he had requested the Attorney General to grant a stay of ten days before appointing receivers, to enable the officers of the companies to raise enough money to close up all past transactions.

Both the companies have their offices in the Drexel building. Chetwood & Co., Inc., are their agents. Colonel James B. Coryell, commander of the Fourth Brigade, National Guard of Pennsylvania, is president; Eli B. Hallowell, vice-president, and Henry Farnum, secretary and treasurer of the two institutions. Mr. Hallowell is treasurer of the Chetwood firm.

George B. Chetwood, president of the agency, declared that the two companies expected to raise the needed funds this week.

"The amount needed is not great, not more than \$20,000," he said. "There have been some judgments against us, and the matter was taken up by the Attorney General."

Colonel Coryell also declared that the sum needed is about \$20,000.

The companies began business about three years ago and placed risks chiefly in Philadelphia, Camden, New York and Chicago.

In explanation of the affairs of the two companies Attorney Shattuck said that two weeks ago it became evident that to write more insurance business would be improper.

"Notices were therefore sent to all policyholders, warning them of the situation and advising them to place their insurance elsewhere," said Mr. Shattuck. "At the same time they were told that new business would not be accepted. It is doubtful if receivers can do any good."

under other than the corporate titles of such companies, and that there have also been in use combination policies written by two or more companies. The question of the legality of this practice had the consideration of the department early in the year, and it was determined that the issuance of such contracts was not contemplated by the insurance law. The department, nevertheless, believed in the desirability of combination policies, and therefore proposed the amendment to Section 121 herein referred to, which expressly provides for such policies. The amendment does not, however, recognize such a contract as is described in the first paragraph of this letter.

"We must ask that you advise us whether or not your company is issuing in this State an underwriters' policy of the character under discussion. If so, as above stated, the company is violating the provisions of the insurance law. If the company is issuing such a policy in other States, presumably it is doing so under the laws of such other States, and we, therefore, have no desire to review such act on its part.

"We would request a detailed statement from you in reference to the subject matter of this letter, and would ask that at the time of making such statement you file with the department a copy of the underwriters' policy herein referred to."

Underwriters' Policies

SUPT. HOTCHKISS, of the New York State Insurance Department, has sent a letter to fire insurance companies which issue underwriters' policies that are not their combined contract of two or more companies, in the course of which he said:

"It is reported to the department that your company is issuing a so-called 'Underwriters' Policy' under the above title; that the policy in question is in no sense of the word a combination policy, but a contract of your company, and your company alone, issued under the title indicated. The department must hold that the issuance of such a contract in this State by your company would consti-

tute a violation of the provisions of the insurance law.

"Under an amendment to Section 121 of the insurance law, passed this year, two or more insurance corporations authorized to transact business in this State may issue a combination standard form of policy, using a distinctive title therefor which shall appear at the heading of the policy. This amendment to the law does not, however, recognize an underwriters' policy written by a single corporation under a distinctive title differing from the corporate title of the company.

"We appreciate that for years past it has been the practice throughout the United States for single companies to issue underwriters' policies

HOTEL AMPERSAND

DISMISSAL AFFIRMED

The judgment of dismissal recently granted by Justice Whitney in *Eaton vs. Orient Insurance Company*, has been affirmed by the Appellate Division unanimously without opinion. This was one of the libel cases instituted by Eaton and based upon the answer of the insurance company. A motion for judgment was made in this case before Justice Whitney by the defendant, which motion was granted, and the order granting the motion is now affirmed. The total amount involved in these litigations was very large.

Germania Fire

INSURANCE CO.,

NEW YORK.

ORGANIZED 1850.

Cash Capital.....\$1,000,000.00
Assets\$6,562,329.14
Net Surplus.....\$2,008,419.02
Surplus for Policyholders,\$3,008,419.02

HEAD OFFICE:

Cor. William and Cedar Streets.

PROSPEROUSLY BUSY!

Our agencies are steadily increasing this year's lead over the figures of our high record in 1909.

Our agents are prosperously busy. With Business Life Insurance and our unequalled Continuous Monthly Income policy they are reaching and satisfying the public and liberally rewarding themselves.

Inquiries invited from delivering producers.

GEORGE D. LANG,

Superintendent of Agencies,

Massachusetts Mutual Life Insurance Company,

Incorporated 1851.

Springfield, Massachusetts

The Department Store Hazard

IN the "Quarterly" of the National Fire Protection Association, Winthrop P. Tenney discusses the department store hazard, in the course of which he said:

"Department stores are a product of our modern civilized life. They are a national growth of the individual store presided over by an ambitious, energetic owner. Just when the ordinary store takes on the added dignity, in such it be, of a department store is hard to say. Perhaps four or five diversified departments under one head of general management may constitute a department store, in a strict acceptance of the word, but it has been customary to designate as department stores only those immense structures housing fifty or more departments, containing large numbers of clerks, accountants, buyers, salesmen and other employes, and it is only with such stores that this paper deals.

"It has been said that anything may be found in the large city department store, and this is in the main true. The goods exposed for sale in all department stores are not necessarily of the same grade. A department store is essentially a store for the multitude; a 'popular' store catering to the tastes and purses of all the people, and each differs in the quality and grade of goods sold. Any one familiar with the stores in his city can classify them as high, medium and low-grade stores, according to the quality of goods sold and the class of trade supplied. The character of the department store has little influence on the fire risk, provided the management is first-class.

"General retailing, with its attendant processes, is the principal work done in department stores. To give some idea of the usual departments and stock exposed for sale the following list may be given as fairly representative of all department stores, though each store often has its specialty; general dry goods and small wares, furniture and house furnishings of all kinds, pianos, pictures and framing, ladies' and gentlemen's clothing and wearing apparel (including tailoring and altering), boots and shoes, millinery, crockery, glass and china ware, toys, books, kitchen ware, leather goods, harnesses, groceries, curtains, carpets, rugs and awnings, music, phonographs, medicine and toilet articles, printing, wall paper, etc. Outside the regular work of selling is the mechanical work—repairing, carpentering and electrical work made necessary by the constant deterioration and change in the various departments.

"It should be remembered that much of the stock displayed is of a highly inflammable nature and as variable in character as celluloid comb

stock, ammunition or calcium carbide are from crockery, china and glassware. The stock is nearly all susceptible to water damage and breakage, or may be ruined by smoke. So that with the large values subject to even an inextensive fire, and the accompanying destruction from smoke or water, the resulting loss may be very large.

Department Store Construction.

"The construction of department stores is of the utmost importance, more so perhaps than that in any other form of building. The older and smaller stores are usually located in inferior buildings, often renovated for the purpose. Walls are brick, with joist floors and ceilings plaster sheathed throughout. They often have concealed spaces at roofs, and sometimes pitched roofs. New department stores in congested districts are now usually of fire resistive type. They have brick or stone facing on iron frame, with reinforced concrete or terra cotta floors and roofs. This is the only suitable type of building for department store occupancy. The large amounts of inflammable stock which these stores contain, and their location, render them sources of potential danger often underestimated by the layman.

"In the older stores practically all the floor openings, such as light wells, stairways and passenger elevator, form open shafts extending from basement to roof, which are extremely dangerous in case of fire. Store managers have always pleaded that the enclosing of these openings would seriously interfere with the commercial success of the store. They believe that a light open store is a necessary feature, enabling the customers to obtain a wide view of the stock exposed for sale, and they strenuously object to enclosing these vertical openings. Without entering into a discussion on this point, we wish to say that since the advent of wired glass there is no excuse for allowing such dangerous openings to exist. Polished wired glass gives a very satisfactory method of enclosure without greatly obstructing the view which they claim is so important. Modern stores are now using this material for light shafts, passenger elevator and stairways, and in time we may see this serious vertical hazard entirely disappear. Freight elevators are almost always located in brick wells with fire doors at each floor. Bundle chutes, which are circular metal chutes connecting each floor with packing and shipping rooms, should have heavy self-closing doors at each opening.

"Curtain boards, so-called, have a certain importance in risks equipped with automatic sprinklers when the

value at stake does not warrant a large outlay for wired glass, or when the enclosure of a main staircase may be felt to be a detriment to the business. These drops may be made ornamental, and should project below ceiling around the openings at least eighteen inches. They serve to bank up the heat from any fire on a floor, thus causing the sprinklers to operate more quickly, and prevent others on the floors above from opening unnecessarily. They are of no positive value in preventing the spread of a fire, however.

"The floor area of the department store is another factor which may greatly influence the spread of fire. Experience suggests the necessity of making the undivided area not greater than ten thousand square feet, and where large floor areas are necessary fire walls should be introduced with fire doors at the openings. Here again we clash with the ideas of department store managers, who prefer to have a large unobstructed area over which a customer's eyes may roam at will. Where a department store has an established trade with regular patronage, limiting the area is not so important to them. New stores, however, may need this additional help. The fact that department stores are successfully run in London, with fire walls cutting them off at frequent intervals, seems to disprove the theory so common in America that an unobstructed area is necessary.

"Curtain boards might also be used in these cases, and offer some slight protection by preventing the heat from passing quickly throughout the floor area and causing an abnormal number of sprinkler heads to open in a comparatively small fire. They are of no certain value, however.

Exposure Hazard.

"Many department stores have succumbed to exposure fires. This is not surprising, when we consider that they are usually located in highly congested districts. While it is difficult, if not impossible, to protect such a building from a sweeping conflagra-

SAFETY FUND INSURANCE

NIAGARA

Fire Insurance Company

—OF—

NEW YORK

OFFICE:

46 CEDAR STREET, CITY.

tion, it is perfectly practicable to protect it against an incipient or moderate conflagration.

"This can be done in the usual manner of protecting the heavily exposed windows by shutters and the others by wired glass or open sprinklers.

Their Fire Record.

"The National Fire Protection Association has records of 269 department store fires which have been classified as follows:

Fires.	No. of P.C. of Fires.	Fires.
Occurring in waste or rubbish of various kinds...	70	26
Unknown	65	24
Defective electric wiring, many from temporary wiring in show windows	49	18
Employe fires, due to carelessness of store employes, mechanics, etc., with a few due to carelessness of shoppers.....	31	12
Exposure	17	6
Kitchens connected with restaurant or candy kitchen	11	4
Boiler or power plants...	10	4
Stoves, defective flues or chimneys	9	3
Spontaneous combustion in furniture rooms.....	5	1
Incendiary	1	..
K. O. lamp exploded.....	1	..
	269	

Fire Protection.

"In considering fire protection of the department stores we must keep in mind their construction and location, as well as the public service character of these buildings. These points are of more than ordinary importance, and especially noticeable if contrasted with the average factory. The owner of the average factory may choose many equally good sites for building. His factory may be completely isolated, or have only light exposure. He need not give special consideration to fire resistive construction, but may erect a factory which best suits his business and the capital that he wishes to invest.

While he is responsible for the safety of his employes, their comparatively small number renders their satisfactory protection something to which he need give little thought.

"Not so with department stores. The department store is a public service store. It tries every way to attract visitors, hoping to make them customers. In inviting and seeking to attract these people to enter the store, it accepts a great moral responsibility for their safety, and is bound to take every precaution against fire or any extraordinary accident which will in the smallest degree give rise to a loss of public confidence. It is appalling to think what might occur in any department store thronged with thousands of holiday shoppers should a fire become the cause of panic among the customers.

"The large department stores usually realize the value of modern fire protective practices, and stand ready to adopt any device or method which will insure less liability from fire, or which will afford any additional means of fire protection.

"First and foremost, no matter what the construction of the department store, there should be an installation of automatic sprinklers well supplied by water works, batteries of pressure tanks and steam pumps. Alarm devices should be installed in the sprinkler systems operating electric gongs in suitable places, and in addition a complete thermostat system under daily test, giving alarm at a central station when there is any undue rise of temperature in any part of the building. A further system of supervisory connections on sprinkler gate valves, and other sprinkler system devices, insures their being kept in proper order, and gives an alarm at a central station if such is not the case.

"Watchmen are employed, and make hourly rounds through the property, ringing in regular stations on a clock or at a central station.

"The installation of standpipes, roof hydrants and monitor nozzles, hand chemicals and fire pails, completes the rather complex and, it may seem, cumbersome protection inside

the building.

"The outside protection usually consists of wired glass windows, shutters and open sprinklers co-operating with the public fire department. A fire brigade, composed of employes, well drilled and familiar with the various fire fighting devices, trained to extinguish small fires, allay the fears of customers, prevent unnecessary loss by water from sprinklers and co-operate with the public firemen, is a necessary and valuable aid to fire protection.

"The value of well built, self-supporting brick walls, blank and parapet wherever possible, must not be overlooked as fire protective features against both incipient or sweeping conflagration, as well as their effect in limiting fires in stores themselves. There is nothing equal to or of more value than a good brick wall of this description, and it should be given full prominence in any scheme of fire protection in city buildings.

HERE AND THERE.

John B. Murphy, who was connected with the "brokers branch" of the National Surety Company has resigned as resident vice-president of that company.

* * *

John H. Sell, formerly president of the Peoples' Surety, has become connected with the contract bond department of the National Surety.

* * *

B. P. Sullivan, Louisiana Fire Marshal, is making a thorough canvass of the city of New Orleans in order to correct defective flues, dangerous electrical installations and other hazards, upon which responsibility is placed for unusually heavy fire losses in that city.

* * *

The Equitable Life Assurance Society has opened spacious offices in the Flat Iron Building, at Broadway and Twenty-third street, in charge of Herman Lcroy. THE CHRONICLE is glad to see Mr. Leroy back in the life insurance business, and to be connected again with one of the large companies.

COMMERCIAL - UNION ASSURANCE CO., (LIMITED) OF LONDON.

OFFICE;
Cor. Pine & William Sts.
NEW YORK.

THE HOME LIFE INSURANCE COMPANY OF AMERICA

Incorporated 1899.



General Agents and District Managers who can produce ordinary business can secure "Ground Floor" contracts with **GUARANTEED RENEWALS** and an assignment of territory limited only by capacity to produce agency organization and business. Send for Sample Policy. **IT IS ONE YOU CAN SELL.** New business, \$1,500,000—January 1-June 30, 1910.

Address:

G. M. NETTLESHIP,
General Manager,

JOHN LANGHAM, Jr., President.
JOSEPH L. DURKIN, Secretary.
EDWARD P. MADDEN, Treas.

416-18-20 Walnut St., : PHILADELPHIA, PA.

OBITUARY.

Dr. Edward Holman Hamill.

Dr. Edward Holman Hamill, consulting medical director of the Prudential Insurance Company, died last Saturday at his home in Chatham, N. J., as the result of a nervous breakdown. He was born in 1845, and after graduating from the College of Physicians and Surgeons in New York he joined the Prudential. He was at one time president of the Life Insurance Medical Directors of America.

Daniel L. Van Antwerp.

Daniel L. Van Antwerp, a prominent insurance man of Troy, N. Y., was struck by an automobile last week and died at the hospital Tuesday morning. His condition was considered critical from the first and he never regained consciousness. Mr. Van Antwerp began his insurance career with Nehr & Carpenter nearly thirty years ago and continued with that firm and its successors until his death.

KNIGHTS OF ST. JOHN
PUT IN LIQUIDATION.

On application of Superintendent of Insurance Hotchkiss an order has been entered in the Special Term of the Supreme Court for New York County, directing him to liquidate the Knights of St. John and Malta, a fraternal beneficiary society. On the examination made last June it developed that, owing to internal dissensions and inadequate rates, as well as the issue of old-age benefit certificates for which a sufficient premium was not charged, the further continuance in business of this society would be unwise, unless other funds could be supplied to meet present obligations. After hearings following the presentation of such reports, efforts were made to compose the internal differences in the society and to raise the required moneys. Such efforts failed, with the result that, with the consent of the executive officers of the society, the order above mentioned was granted.

At the time of the examination this society had 2,153 members and \$2,319,000 of insurance in force. There was then available for loss claimants about \$13,000, and matured obligations, both for death and for old-age claimants, aggregating \$58,000. The society is composed of forty-seven subordinate lodges and has been transacting business in five States, chiefly New York and Pennsylvania and in the Dominion of Canada.

Edwards P. Ward, assistant to the Chief of the Liquidation Bureau of the Insurance Department, has been appointed Special Deputy Superintendent to liquidate this society.

NORDISCHE OF MOSCOW.

The Nordische Insurance Company of Russia will enter various States in this country, making its deposit of \$200,000 in Connecticut. For the purpose of transacting a re-insurance business only, the company has appointed Fester, Douglas & Folsom, of No. 1 Liberty street, as managers for the United States. This will be the second foreign company to come into the management of this firm. The home office statement shows a cash capital of \$1,200,000, with total assets of nearly \$6,000,000. A rather extraordinary feat, which the company is about accomplishing is the construction of a \$3,000,000 building at Moscow out of current cash funds and without disposing of any invested security. Neither directly or indirectly has the Nordische transacted any business in this country.

PACIFIC COAST FIRE.

President Langlois of the Pacific Coast Fire Insurance Company, of Vancouver, B. C., is now in this city. The Pacific Coast Fire will enter the United States, making its deposit in New York early next year. It will be under the management of President Amonson of the People's National Fire Insurance Company.

RECOVERY OF PREMIUMS.

(Continued from Page 3.)

as well as in the nature of an insurance policy. But these different forms of policies were commonly known at the time of the passage of this act, and were presumably within the knowledge of the Legislature. The right to make investments in connection with insurance is a more important right to a boy than it is to an older man. With the presumed knowledge of the different forms of insurance commonly in use, the failure of the Legislature to specify what insurance might lawfully be taken by an infant would seem to indicate that the infant was permitted under the statute to take any of those forms that are commonly used and make a valid contract in reference thereto. We are of opinion, therefore, that the County Judge was right, and that the judgment must be affirmed, with costs."

MUSEUM OF SAFETY.

In view of the new attitude in New York State in regard to workmen's compensation, both employers and liability underwriters are taking a new interest in the Museum of Safety and Sanitation at the United Engineering building. It is the purpose of the museum to keep on exhibition all the latest approved devices for preventing accidents, saving life or conserving health.

The Travelers Insurance Company purposes awarding a medal for the best safety appliance exhibited at the museum during the coming year, and a medal of the "Scientific American" will go to the corporation or individual saving the most lives during the same period. The museum will be formally re-opened on November 30, when there will be an elaborate program of speeches.

BOWLING IN BOSTON.

The Life Insurance Bowling League of Boston comprises teams from the Boston Mutual, Columbian National, John Hancock, Prudential, Mutual Life and New England offices, and gets under way this (Wednesday) evening with matches between the Mutual Life and Columbian National, Prudential and Boston Mutual and John Hancock Mutual and New England Mutual teams. There are to be eighteen matches this season, the last one taking place March 15, 1911.

EASTERN UNION COMMITTEE.

The Special Committee of the Eastern Union, at its meeting at Hartford discussed the question of how best to reduce expenses in the excepted territory. The general sentiment seemed to be that brokerages should be reduced and a stated overriding commission paid to agents. No action was taken, however, and it was decided to meet again in the near future.

The only Company in the World that



**"Insures Lives
and Guards
Them Against
Disease."**

AGENTS WANTED

E. E. RITTENHOUSE, President

Apply to

F. E. McMULLEN,

2d Vice-Pres. and Supt. of Agencies.

HOME OFFICE BUILDING,

35 Nassau Street, New York, N. Y.

"THE COMPANY WITH THE PYRAMID"

40 CONSECUTIVE YEARS OF PYRAMIDAL PROGRESS

2,937,319.76	840,940.17
3,163,680.05	946,783.34

NEW HAMPSHIRE FIRE INSURANCE CO.

3,779,569.67	1,154,810.10
3,817,444.70	1,154,810.10
3,817,444.70	1,154,810.10
4,000,404.12	1,257,058.25
4,310,836.19	1,322,978.14
4,801,149.81	1,408,681.54
5,196,017.46	1,510,064.23

TOTAL LIABILITIES \$2,585,953.23
POLICY-HOLDERS' SURPLUS \$2,610,064.23

Mrs Dickinson Sues

SUIT has been brought by Mrs. Grace G. Dickinson, widow of Charles C. Dickinson, against the Casualty Company of America to recover \$63,525. under an accident insurance policy issued to her husband who was, up to last December, president of the Carnegie Trust Company, and who died at St. Luke's Hospital on May 24. It is alleged that Dickinson's death was the result of the accidental inhalation of noxious gases, blown from a retort, while Dickinson and his brother were in Scranton, Pa., watching an experiment by a Dr. Lange, who claimed to have discovered a chemical process for transmuting base metals into silver.

The case, if it ever comes to trial, is expected to develop some sensational testimony. The company claims that its physicians declared the death of Dickinson was not the result of an accident. It has now twenty days within which to file its answer.

The policy carried was originally for \$50,000, was for death and dismemberment only and carried a premium of \$157.50. It was taken out in December, 1907, and under its terms the insured was entitled to an addition of 10 per cent of the principal sum upon each annual renewal for five years. In addition Dickinson's policy carried an indorsement dating back the interest of 5 per cent. of the principal sum to January 12, 1907; making an additional \$2,500. This would make the total accumulations under the policy \$12,500, or a total of \$62,500. Those interested in the suit were puzzled yesterday in trying to figure out how the claim had reached \$63,525.

There are nine companies interested in the case from a reinsurance standpoint. They are the Georgia Life, New Amsterdam Casualty, Great Eastern Casualty, United States Casualty, United Surety of Baltimore, American Fidelity of Montpelier, Vt.,

Columbian National Life of Boston, Union National Casualty of Philadelphia, and the South German Reinsurance Company, Ltd. Each assumed one-tenth of the risk.

The facts so far as they are known relating to the death of Dickinson, are that on May 16, Dickinson and his brother, Stanton Dickinson, went to Scranton, on the invitation of V. W. F. Hedgepeth, to witness Dr. Lange's experiment. The room suddenly became filled with black smoke, it is alleged, and the deceased was so affected that he became very ill. He returned to New York and the following day was taken to the hospital, where he died after a week's illness of pneumonia and kidney disease. The

exciting cause of death, it is alleged, was the accidental inhalation of the poisonous gases, and the coroner's physician, Otto H. Schultze, so issued the certificate.

On June 20, Coroners Winterbottom and Feinberg held an inquest in the Criminal Courts building, where Dr. Schultze testified that he had performed an autopsy on the body in his private capacity and as a result had come to the conclusion that death was not the result of inhalation of poisonous gases. Despite this fact, and following the charge of Coroner Feinberg, the jury rendered a verdict of accidental death.

Charles C. Dickinson was one of the organizers of the Colonial Trust Company, and after severing his connection with that concern he promoted and was made the first president of the Carnegie Trust Company. He resigned last December.

CHECK FOR HOTCHKISS.

Superintendent Hotchkiss, of the New York State Insurance Department, received a setback from Justice Scott, of the New York Supreme Court in the suit, in which he, as liquidator of the Union Life Insurance Company, is defendant. The suit was brought by Reba Lawson to recover \$2,000 on a policy issued upon the life of William E. Prall. The superintendent is not to be permitted to examine her before trial to prove his contentions that she has no legal interest in the policy.

Miss Lawson alleges that she was employed by Prall as private secretary at a salary of \$2,400 a year and that on June 13, 1904, Prall owed her more than \$2,000 and assigned the policy to her. Mr. Hotchkiss said that "such information as we have been able to obtain concerning the business of the deceased and the plaintiff's relations to him indicate that his financial circumstances were such that he had no use for a private secretary." Mr. Hotchkiss said that it was desired to examine the plaintiff in order to verify reports that had been received.

In his decision reversing an order for the examination, Justice Scott says that the Superintendent of Insurance evidently wants to find out in advance of the trial what the plaintiff's evidence will be, and if possible break it down in advance. Notwithstanding the recent relaxation of the rules which formerly made examinations before trial practically impossible to obtain, there are still limits upon such examinations.

"We appreciate the necessity of keeping such examinations within proper limits to prevent injustice," the court said.

SOUTH GERMAN DEPOSIT.

It is announced that the South German Reinsurance Company will make a deposit in New York for the purpose of doing a reinsurance business, and that it intends to enter a number of the other more important States.

No New York employer need look beyond the advertising columns of THE CHRONICLE for LIABILITY INSURANCE.

A General Agency is open
in the State of

PENNSYLVANIA

For one of the best Old Line
Companies in America

Write "B," care of this paper

BONDS OF SURETYSHIP.

The Guarantee Company of North America
HEAD OFFICE, MONTREAL

Edward Rawlings, President.

Richard B. Scott, Secretary & Treasurer.

H. E. Rawlings, Asst. Mgr.

It is the Pioneer Company, was established in 1872, and is conducted under a conservative management of over 55 years experience.

It has recouped to employers over \$2,190,000 for losses sustained by the infidelity of employees and has a surplus of \$1,041,423.23 to credit of shareholders and total resources of \$1,919,892.03 for the security of insured.

Branch Offices:

NEW YORK: 111 Broadway,
D. J. Tompkins, Secretary.
BOSTON: 114 Milk Street,
W. A. Hamilton, Agent and Attorney.
CHICAGO: Room 400, The Temple,
J. R. Pruyn, Resident Sec. and Atty.
PHILADELPHIA: 500 Arcade Bldg.
W. H. Jackson, Res. Secretary.
PITTSBURG: 1120 Farmers Bank Bldg.
E. R. Munro, Resident Secretary.
LOUISVILLE: 316 Columbia Bldg.
P. N. Clarke & Co., Agents.

What is Doing in the West

CHICAGO, Nov. 2.—Fire insurance agents writing automobile floaters in Chicago are still endeavoring to get a special schedule of rates adopted for this city. They find that if the companies insist upon the rates they promulgated more of the business will go to London Lloyds. Already the Lloyds have a very strong hold on the business in Chicago, and since rates were advanced they have been getting more

of it. A committee has recently been in New York interviewing the managers and endeavoring to get their consent to have a schedule, prepared by A. T. Graham, Secretary of the Chicago local association, made effective in this city.

* * *

Last week the offices of the North British and Mercantile in Chicago were dismantled and the records and much of the furniture shipped to New York. Fifteen or twenty of the office employees left Chicago on Sunday so as to report to the New York office on Monday morning. The company will still have a Chicago office, as Manager W. J. Littlejohn will continue in office until next June and accommodations are necessary for the Cook County department and the special agents.

* * *

Field men in Ohio report that the effects are beginning to be seen of the law passed last Spring requiring assured to pay 5 per cent tax on premiums paid to unauthorized fire insurance concerns. While the law became effective only on July 1, and assured will not be obliged to make their returns until next year, some property owners are reported to have dropped their unauthorized insurance already, and it is expected others will do so. On the other hand, it is reported that some assured are laboring under the delusion that the stock companies secured the passage of the law, and they have become bitter against the stock companies accordingly. The law originated in the Insurance Department, which saw that the State was being deprived of a large amount that it would receive in taxes if all insurance were placed in authorized companies. It is true that a number of stock company representatives used their influence to secure its passage.

* * *

At the meeting of the Illinois Association of Local Fire Insurance Agents at Decatur on November 1, O. B. Ryon, attorney of the Illinois Fire Insurance Commission will outline, at least in part, what the commission will recommend in the way of legislation in Illinois. It is understood that two subjects on which laws will be asked are unauthorized insurance and promotions of insurance companies. On the last named there is considerable sentiment in favor of a measure similar to that in New York, under which the Insurance Department is examining promotions and reporting on them.

The question of unauthorized insurance in Illinois is serious, and becoming more serious every year. The Illinois law does not recognize Lloyds, so nobody can represent them as authorized concerns, nor is any-

body in violation of law in doing business for them. The result is that most of the leading fire offices in Chicago are correspondents of some group of London Lloyds, writing for them a large automobile and other floater business, and still more under the head of surplus lines. In addition to these Lloyds of standing, there are some local ones of no standing, which the Insurance Department cannot close up under the present law. Time and again efforts have been made to get a law enacted which will put all these unincorporated concerns under the supervision of the Insurance Department, but large business interests in Chicago have killed these attempts, fearing such a law would interfere with the operation of interinsurance concerns and London Lloyds. It is hoped that if the local agents down the State, whose business is being constantly lost to them through these concerns, can be waked up on the subject, they will bring sufficient pressure upon members of the Legislature from their districts and accomplish something.

* * *

The Actuarial Society of America met in Cincinnati on Thursday and Friday of last week as the guest of the Union Central Life. This was the society's first meeting in the West, and it was so successful that it is likely meetings will be held in the West at somewhat frequent intervals hereafter. Fifty-five members were on hand. In addition to several purely technical papers, there were two or three of a very practical character. Among these one which attracted much attention was a discussion of mortality among women by Arthur Hunter, Actuary of the New York Life, based on an experience of more than 80,000 lives.

* * *

There is some interest in Chicago over the managership of the Royal Indemnity Company here. It is understood that whoever is appointed will have his headquarters in connection with the Royal Insurance Company, whose city forces of brokers and agents, together with those of the Queen, it is expected to utilize in getting business. Law Brothers, the Western managers of the Royal, have received a number of applications for the position and have been in consultation with one or more men who were not applicants. It is regarded as a responsible position and one desirable for a man who is competent to fill it.

* * *

Prominent representatives of liability companies in Ohio express the opinion that within another year that State will have a workmen's compensation law. The attitude of employers and employes in Ohio appears to be the same as that in Illinois, from entirely different causes. In Ohio the employers have been deprived of their common law defenses by the Norris

GOOD AGENTS FIND The Union Central Life Insurance Company

Of Cincinnati, O.,

A GOOD COMPANY

Address: JESSE R. CLARK,
President, or ALLAN WAT-
ERS, Superintendent of Agents.

201st YEAR.

SUN Insurance Office OF LONDON.

FOUNDED 1710.

UNITED STATES BRANCH:

54 PINE STREET, NEW YORK.

WESTERN DEPARTMENT:

171 LA SALLE ST., CHICAGO.

PACIFIC DEPARTMENT:

Sansome & Sacramento Sts.,
SAN FRANCISCO, CAL.

AGENTS WANTED
AT UNREPRESENTED POINTS.

The Connecticut Mutual

That means the best life insurance to have and the best to sell. If you can sell life insurance, you can sell more of it for the CONNECTICUT MUTUAL.

Men of Character and Ability are invited to apply.

Conn. Mutual Life Ins. Co.,
Hartford, Conn.

Please mention this paper.

law, and they are anxious for a compensation law as relief from the burden they are now bearing, while the laboring men are said to show considerable opposition to compensation, believing that they can recover more by suit under the present law than they would be granted under compensation.

When the Illinois commission was investigating this question, the employers appeared to favor compensation, largely on humanitarian grounds, while the opposition came from organized labor in Chicago because it wanted a law abrogating present defenses instead of a compensation measure.

* * *

The change in the general agency of the United Surety caused considerable comment in the city last week. John McGillen, who resigned as general agent, had been with the company ever since George G. Brown was ousted from the home office man-

agement about a year after the company started. He stood so well with the Penniman administration that he was elected a director of the company. This year, however, its exclusion from several States and the general hammering it was getting previous to its reorganization, made it impossible to keep the volume of business to that of last year. Mr. McGillen has not assigned any cause for his leaving the company's service, but it is believed his relations to the present administration have not been as cordial as with the former one.

The return to the surety field of Pere L. Wickes, Jr., by his taking the general agency of the United Surety, caused surprise. He was for many years with the Fidelity and Deposit, but retired from the surety business four years ago and since then has been general agent of the Pennsylvania Casualty. His friends supposed he had quit the surety field for good.

LA SALLE.

Cotton Bill Guarantees

ON Tuesday the extension of time for arranging a satisfactory guarantee of American cotton bills of lading, which was granted by Sir Edward H. Holden, chairman of the Foreign Bankers' Committee, went into effect, the ultimatum resolution of July 20 having expired on Monday. The new cotton bill of lading recently put in statute form in Texas at a special session of the Legislature, also took effect on Tuesday.

With it, and a strict observance of the rules regulating the issuance of validation certificates by the railroads, local bankers believe, ample safeguards against fraud have been put into operation to satisfy the British and Continental bankers; and they do not expect any difficulties in the near future. In the financial district the whole cotton bill controversy is now regarded as a dead issue.

Since the departure of Sir Edward the bill of lading committee of the

American Bankers' Association has not held any meetings. On Tuesday the committee sent letters to the Southern railroad lines calling their attention to certain details pertaining to the issuance of validation certificates. It was pointed out that some agents have been pinning certificates to bills of lading instead of pasting the documents together, as prescribed in the regulations. Attention was also called to the fact that some agents were omitting to stamp the date on each of the blanks, and the request made that all employees be instructed to strictly observe all the rules.

The committee has not conferred with representatives of the surety companies, and appears to manifest little interest in the plans for the organization of a guaranty company.

According to the new Texas law railroad agents receiving goods and issuing bills of lading must make affidavits that they have executed, signed

and issued the bills in question. The act makes the railroads responsible for the cotton for which bills of lading are issued.

As regards the opposition of the Liverpool Cotton Association to the proposed guarantee plan, the London "Economist" says:

"We understand on good authority that a settlement of this question through surety companies guaranteeing the bills of lading, as foreshadowed by some of our contemporaries, is uncertain, if not improbable. No agreement can be formulated without the consent of the Liverpool Cotton Association, and this body is at present almost unanimously opposed to anything which might advance the price of cotton in Lancashire. The whole question will have to be rediscussed, and we doubt if the matter can be arranged until a committee representing both English and American bankers and cotton importers comes together. Meanwhile serious risks continue, though they have been reduced by the precautionary instructions issued by Southern railroads. The Texas law as regards the liability of railroads is satisfactory, and the other States ought to legislate in the same spirit; for the present condition of things is highly prejudicial to American credit, and also to cotton planters."

A unanimous agreement has been reached between the Council of European Banks and the Liverpool and European Cotton Associations with regard to the form of guarantee required to protect European interests from any loss arising through fraudulent bills of lading accompanying cotton bills from the United States.

GERMANIA LIFE CHANGE.

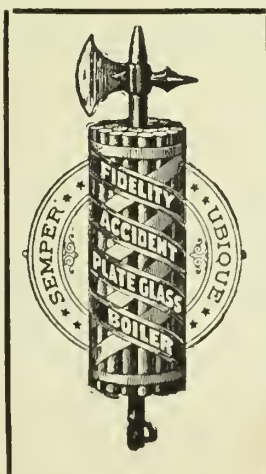
The Germania Life Insurance Company announces that Dr. Joseph Kucher has retired from the position of resident physician of the company, and that in his place Dr. Wyeth E. Ray, formerly medical director of the Travelers' Insurance Company of Hartford, has been appointed as medical director.

THE BANKERS LIFE ASSOCIATION DES MOINES, IOWA.

ERNEST E. CLARK, President

Exceptional Record During twenty-nine years for
LOW RATE OF MORTALITY
ECONOMY OF MANAGEMENT
PROMPT PAYMENT OF CLAIMS
SECURITY OF ITS FUNDS

and satisfactory results
for its policyholders.



THE FIDELITY & CASUALTY COMPANY

97 TO 103 CEDAR ST., NEW YORK CITY.

Assets - - \$9,607,864.46

Cap. & Surp. - \$3,378,053.64

Losses Paid - \$33,065,866.09

to June 30, 1910.

This Company grants insurances as follows:

Bonds of Suretyship for Persons in Positions of Trust, Fidelity Bonds, Burglary, Plate Glass, Steam Boiler, Fly Wheel, Employers, Public, Teams, Workmen's Collective, Elevator, and General Liability; Personal Accident, Health and Physicians' Liability.

OFFICERS:

GEORGE F. SEWARD, President.

Robert J. Hillas, V.-P. & Sec'y, Henry Crossley, Asst. Sec'y, Frank E. Law, 2d Asst. Sec'y, Geo. W. Allen, 3d Asst. Sec'y.

Negro Fraternal Order Loses License

BY ORDER of the Virginia Insurance Department the license of the Grand United Order of True Reformers to do business in that State as a fraternal beneficiary association has been suspended. The order is the largest negro fraternal order in business. J. N. Brenaman, Deputy Commissioner of the Virginia Department, says in his order that the action was taken because of "the gross mismanagement, if not criminal negligence, of its present and former management in safeguarding its funds."

The suspension of the license of the order followed an application in the Chancery Court at Richmond for a receiver for the Savings Bank of True Reformers, an allied concern, which is said to owe the fraternal association \$335,100 and to hold \$50,000 of checks drawn by the association to pay insurance claims, which checks the bank is unable to pay.

For some time complaints have been coming to the bureau of insurance as to the non-payment of insurance claims by the True Reformers. A year ago officials of the department warned the officers of the

allied institutions that unless they dropped the bank it would sooner or later involve the entire enterprise. But nothing was done. However, last spring, prompted by many complaints, the department held an examination and found that the bank was holding up checks for more than \$50,000, drawn by the treasurer of the order and accepted by the same man as cashier of the bank, but placed in a drawer. The checks had been charged off on the books of the order, but the bank could not pay the money. Acting on demands made by the insurance people, a piece of property was sold, and these claims liquidated. But apparently no lesson was learned from this experience, for the same condition is now found to exist.

The Insurance Department has been constantly hampered because of its lack of authority to examine the bank. The order would show that it had a certain amount to its credit with the bank, but the actuaries of the department were unable to discover whether or not the bank could put up the amount if required.

When the State Bank Examining Department was organized during the past summer, under the new law, the Insurance Department requested that an examination be made of the True Reformers Bank, which the new department, with many calls on its time, was unable to do at first. However, the examination was begun on October 18, and it was made a joint one. Actuary Isaac Davenport being

sent to look into the books of the order, while Examiner C. C. Barksdale was having a glance at the bank. By the next day the condition of affairs had become so evident to the examiners that the insurance department ordered the officials of the True Reformers not to put any more money belonging to the order on deposit with the bank. Since that day all moneys belonging to the order have been placed in another bank. As the examination progressed it was found that while the books are not in such condition as to permit an accurate statement to be made, the amount due the order is approximately \$335,100, of which \$274,000 is in deposits and \$61,100 in money borrowed by the bank from the order.

The True Reformers was organized about thirty years ago. Its home office, bank and printing office are located in Richmond. It has a membership of about 60,000, nearly half of whom are in Virginia and the others scattered over the Atlantic States. There are about 2,500 subordinate lodges in the Southern and Middle States.

The savings bank was chartered in 1888. Stock was subscribed to by individual members of the order. The charter of the bank provides that its board of directors shall be the board of directors of the True Reformers. Stock was sold on the condition that at the death of the stockholder it should revert to the bank, and no provision was made for its reissuance.

1860 50th YEAR 1910

HOME LIFE

Insurance Company of New York.

GEORGE E. IDE, President.

Assets	\$23,626,018.63
Liabilities	21,858,691.52
(Including Deferred Dividend Fund)	
Dividend Endowment Fund	2,119,044.00
(Deferred Dividends)	1,767,327.00
Net Surplus	92,532,583.60
Insurance in Force.....	

The record for 1909 shows the following GAINS:

Insurance in Force	\$4,164,239.00
Assets	1,917,117.00
Deferred Dividend Reserve.....	148,581.00
Contingency Reserve (Surplus)	655,149.17

THE LEADING FIRE COMPANY
OF THE WORLD



Toledo Life Organized

AT A meeting of the stockholders of the Toledo Life Insurance Company last week practically all of the nine hundred stockholders were represented. Officials of the company reported that over three-fourths of the stock had been disposed of, and that the balance would undoubtedly be distributed in the near future. From all indications the company will be in a position to begin selling life insurance in about four or five weeks.

President Wynant in a letter says: "As indicated to you in previous correspondence, this is the first company which has ever been organized with a limit of \$250 worth of stock or a \$500 investment. Every dollar of stock subscribed is paid for on the same basis, and we have no promotion or watered stock. We have now nearly 1,100 applications for stock on file in our office, and will have about 1,200 stockholders. Considering that we are raising only \$200,000 on \$100,000 of capital, I think this a wonderful achievement. It costs more money

to thoroughly distribute stock in the manner which we have distributed this stock, and yet our percentage of expense is less than most new companies, and our average cost per stockholder is less than any company which has ever been organized. We have collected 25 per cent with subscriptions and will issue the call for the balance of the stock the first of next week."

Officers were elected as follows:

President—Wilbur Wynant. Vice-Presidents—William Standart, E. P. Breckenridge, John J. Barber, C. P. Harley. Secretary—R. S. Walker. Treasurer—C. M. Feilbach. Attorney—Charles K. Friedman. Medical Director—R. S. Walker. Actuary—James W. Glover.

No institution employing men in positions of financial trust need look beyond the advertising columns of THE CHRONICLE for FIDELITY INSURANCE.

New York Insurance Stocks

Casualty Companies.

	Capital.	Div.	Period.	Bid.	Ask.
	Annual				
Aetna Indemnity (\$25)....	\$350,000	V	V	...	200
Casualty Co. of America...	500,000	6	J&J	120	150
Fidelity & Casualty.....	1,000,000	18	"	450	500
Hartford Steam Boiler....	1,000,000	10	"	255	265
Metropolitan Casualty	200,000	10	"	185	...
N. Y. Plate Glass (\$50)....	200,000	16	"	500	...
United States Casualty....	500,000	10	Q	200	225

Fire Companies.

City of New York.....	\$500,000	10	Q	...	205
Commonwealth	500,000	10	J&J	326	...
Continental	2,000,000	40	"	1,025	1,075
Empire City	200,000	8	"	125	...
Fidelity-Phenix	2,500,000	V	V	280	290
German Alliance	400,000	15	J&J	275	300
German-American	1,500,000	30	"	550	560
Germania (\$50)	1,000,000	18	"	285	295
Glens Falls (\$10).....	200,000	30	"	1,525	...
Globe & Rutgers.....	400,000	40	Q	475	500

Hanover (\$50)	1,000,000	15	J&J	200	210
Home	3,000,000	30	"	640	660
Nassau (\$50)	200,000	10	"	165	175
Niagara (\$50)	1,000,000	20	"	300	305
North River (\$25).....	350,000	10	A&O	155	165
Pacific (\$25)	200,000	14	"	185	...
Peter Cooper (\$20)	150,000	6	"	90	105
Stuyvesant	400,000	10	"	155	160
United States (\$25).....	250,000	V	V	60	70
Westchester (\$10)	300,000	40	F&A	455	...
Williamsburg City (\$50)..	250,000	20	J&J	380	400

Life Companies.

Aetna Life	\$2,000,000	15	Q	650	660
Connecticut General	300,000	8	J&J	250	...
Equitable	100,000	7	A	4,000	...
Germania (\$50)	200,000	12	J&J	210	225
Hartford Life	500,000	10	"	150	...
Home	125,000	12	M&N	275	...
Manhattan Life	100,000	26	O&F	400	425
Metropolitan (\$25).....	2,000,000	7	M&N	155	175
Prudential (\$50)	2,000,000	10	Q	450	500
Travelers' Hartford	2,000,000	20	Q	900	...
United States Life.....	264,000	7	J&J	90	105

V—No information. Q—Quarterly.

In New England

BOSTON, Nov. 2.—What a fine start has been made by the Massachusetts F. & M. appears from a report made by the Massachusetts Insurance Department, following an examination of the company on June 30 last, and showing at that date admitted assets of \$1,003,148, whereof \$500,000 is paid up capital and \$473,249 net surplus. Policyholders surplus, therefore, aggregated \$973,249. The concluding words of the report are as follows:

"A casual scanning of the books, showing business transacted subsequent to the date of this examination, discloses a surprising growth. The company is to be congratulated upon having at so small expense and so expeditiously laid the foundation of what bids fair to be a magnificent business."

Garage Dangers.

The alarming frequency of fires in garages and the necessity of doing something to keep garages out of the thickly settled districts of Boston is the burden of a recent communication of Fire Commissioner Daly to the Mayor, noting also that since January 1 there have been eighteen fires in Boston garages, one of which necessitated the sounding of five alarms and another four.

"Dead Ones" Still On Deck.

With the terrible experience of a sister city (Chelsea) but a few miles away, as a warning of the conflagration danger from shingle roofs, the Salem (Mass.) Common Council had the sorry nerve to kill a proposed ordinance prohibiting the covering of roofs of buildings anywhere within the city limits with anything but incombustible material. And the fact

that even the eloquence of Councilman Franklin S. Wentworth (also secretary of the National Fire Protection Association and sponsor of the measure) was of no avail, adds to the density of the gloom. Apparently, some of those "dead ones" whom Hawthorne so feelingly pictures in his preface to "The Scarlet Letter," are still lingering in the purlieus of ye ancient Witch Town.

New England Brevities.

At last week's meeting of the Boston Life Underwriters' convention these gentlemen were elected to membership: Active, Harley Lackey, Equitable Life; associate, James T. Maynard, National Life; Hugh Campbell and Harry G. Dixon, John Hancock, and Nathaniel Hartwell, Massachusetts Mutual.

* * *

The ticket reported for election at the forthcoming annual meeting of the Boston Board of Fire Underwriters is as follows: For president, Charles B. Wheelock; vice-president, Harrie H. Whitney; secretary, F. Elliot Cabot; treasurer, A. Lewis; executive committee, Alfred M. Bullard, Francis H. Stevens, Arthur N. Bruerton, Walter B. Henderson, Edward F. Woods.

* * *

Recent New England special agency appointments: P. A. Cosgrove, for the Connecticut, Western Massachusetts and Vermont field of the Fidelity-Phenix; E. A. Miller, for the Law, Union & Rock, in this territory generally.

* * *

P. J. Hannon, who got \$20 out of the Boston Elevated on a fake trolley accident claim, will have four months

to think it over in the House of Correction. The numerous artists who indulge in this interesting specialty will please take notice.

* * *

Admission to Massachusetts is sought by the Union & Fenix Espanol of Madrid, which intends to do fire insurance business in the Bay State, also by the Swiss Reinsurance Company of Zurich. The latter is to be represented in Massachusetts by J. W. Grover.

* * *

W. Perdue Johnson, after five years' service with the Security of New Haven, becomes general agent at the home office, with the direction of the company's Southern, Southwestern and Pacific Coast departments as his particular province.

* * *

The New England agents of the Metropolitan Life have been holding inspiring meetings of late at Portland, Me., and Providence, R. I., with notabilities from the home office and distinguished guests from the respective sections to add eclat and interest to the gatherings.

EMIL SCHWAB.

RECTOR 2817

ESTABLISHED 1864

E. S. BAILEY

DEALER IN

INSURANCE STOCKS

A SPECIALTY

66 Broadway

NEW YORK

OUR

Course of Insurance Education.

Department for Furnishing
Prospects.

New "Model Policy"

Will Plough the Field and Assure
the Harvest for Good Agents.

Phoenix Mutual Life

INSURANCE COMPANY,
Hartford, Conn.

Write Home Office.

OUR BOND—YOUR SECURITY.

T. J. FALVEY, JOHN T. BURNETT,
President, Sec'y & Treasurer.



Massachusetts Bonding and Insurance Co.

Organized under
the Laws of the
Commonwealth of
Massachusetts.

Home Office, 77-81 State Street, Boston.

Capital\$500,000.00
Surplus\$250,000.00

SURETY BONDS and BURGLARY and
THEFT INSURANCE.

PROVIDENT

LIFE AND TRUST COMPANY
OF PHILADELPHIA

Insurance in Force, \$214,509,255.00
(Paid for Basis)

Assets \$70,514,350.45
(Market Value, Dec. 31, 1909)

Contingency Reserve . \$9,207,276.38
(Inclusive of Capital Stock, \$1,000,000.)

The Provident has been particularly distinguished for the development of a highly trained force of agents. The systematic instruction which its agents receive has resulted in their being recognized as representatives of exceptional knowledge of the business and of marked efficiency.

Chronicle Paragraphs

WITH the advent of the old Yorkshire Insurance Company, Limited, of York, England, into this country for surplus business, through the long established firm of Frank & DuBois, No. 45 William street, there enters one of the strongest of the foreign surplus line writing offices. The company was organized in 1824 and has accumulated assets of more than \$12,000,000. It has not heretofore transacted any business in the United States, and Frank & DuBois have exclusive authority over the entire field. They have, therefore, facilities for handling large lines on high-grade risks at regular tariff rates whether sprinkled or not. Besides this goes the power to adjust and pay all losses and accept service of legal process for the Yorkshire. For the protection of American policyholders funds have been deposited with New York banks.

A prominent brokerage firm, controlling many big accounts, and, at the same time, being also representatives for several companies (both admitted and for surplus business) reports a serious loss of renewals for the month of October, on one of its particularly large and desirable risks, to the surplus line companies and for which the concern are agents. The worst of it is that, in this case, the brokers place the entire line, and by reason of new companies entering New York State and the greatly increased facilities of several of the larger offices, something like \$100,000 was thus lost to the firm's surplus line writings for the month.

Following the above, within the past few months there has been noted a gradual decrease in the published list of risks seeking "outside" insurance—in other words, non-admitted companies. Many brokers have observed this fact and remarked thereon. They have realized it from reduced insurable values, as well as the expanded lines of companies. Certain it is that the successful work of the high pressure service has had a broadening effect upon the commitments of regularly authorized companies. This was intimated in the columns of THE CHRONICLE a short time ago.

Cecil P. Stewart, connected with the firm of Henry Stewart & Son, average adjusters, has joined with Fred S. James & Company as head of the marine department in the New York office.

During the past thirty-five years industrial life insurance has made tremendous strides. As long ago as that it was not known. Now there are over twenty million policies of this

class of insurance in force.

Statistics show that about a million and a half of people die every year in this country and about four and a half million are sick enough to need careful treatment. Over \$250,000,000 of property value is destroyed by fire yearly.

A new company, to be called the Unity Assurance Company of London, is being formed to conduct the business of fire, personal accident, live stock and marine insurance. Its authorized capital will be £1,000,000.

The organization of a new life insurance company, with proposed capital of \$1,000,000, is expected to be soon under way by R. M. Messick, now acting as sales manager for the Union Accident Company of Muskogee, Okla.

Manager Carl Schreiner, of the Munich Reinsurance Company, Bavaria, arrived here on Saturday, October 29.

On October 28 the local Board of Burglary Insurance Underwriters met, practically for the purpose of reorganization. In June, 1909, the board was formed and this meeting was more in the line of taking preliminary steps for keeping alive the old association. As a rule, since over a year ago, the meetings have not been of very frequent occurrence.

For new business the Factory Insurance Association announces an increase of commission to brokers of from five per cent. to ten. There will be no change as to renewals.

The Provident Savings Life Assurance Society of New York announces the appointment of James F. O'Donnell as manager at its Syracuse, N. Y., agency. Mr. O'Donnell represented the Prudential for about fourteen years. Miss C. E. O'Donnell has accepted the position of cashier for the Provident Savings at Syracuse.

George Stauch has been appointed supervisor of the Hartford Life for Northern Illinois, with headquarters at Chicago, and James C. Wilson becomes general agent at St. Louis, with Manager Edwin H. Fulton, who has represented the Hartford Life in that city for the past six years.

Chubb & Son have been appointed marine underwriters for the Alliance Assurance Company, Limited, of London, which has decided to write marine business on this side of the water and will make the required deposit.

**SUPERIOR POLICIES**

KIMBALL C. ATWOOD, President
290-292 Broadway, New York.

New England Mutual Life

Insurance Company

BOSTON, : : : : MASS.
Chartered 1835

Assets, January 1, 1910..\$51,316,543.00
 Liabilities 47,050,672.15
 Surplus, \$4,265,870.85

Sixty-six years of honorable dealing with its policyholders has placed the **NEW ENGLAND MUTUAL LIFE INSURANCE COMPANY** in the front rank of Life Insurance Companies of the Country.

ALFRED D. FOSTER, President.
D. F. APPEL, Vice-President.
J. A. BARBEY, Secretary.
WM. F. DAVIS, Assistant Sec'y.
J. G. WILDMAN, Assist. Sec'y.

EDWARD W. ALLEN, Manager.
 220 Broadway, New York.
LATHROP E. BALDWIN, Manager.
 141 Broadway, New York.
CHARLES H. STRAUSS, Gen. Ag't.
 200 Fifth Ave., New York.

FOUNDED 1792

118th ANNUAL STATEMENT
INSURANCE COMPANY OF
NORTH AMERICA.
OF PHILADELPHIA, PA.

ASSETS.

Real Estate	January 1, 1910.	\$ 364,410.00
First Mortgages on Real Estate		373,803.48
Philadelphia, New York, Boston and other City and State Loans		1,134,390.00
Pennsylvania, Philadelphia and Erie, Lehigh Valley and other Companies' Bonds and Stocks		8,909,150.32
Cash in Bank and Bankers' hands		1,134,635.88
Notes Receivable and Unsettled Marine Premiums....		347,440.69
Net Cash Fire Premiums in course of Transmission....		1,069,510.62
Accrued Interest, and all other property		52,160.57

Total Assets\$13,385,501.56

LIABILITIES.

Capital Stock	\$ 3,000,000.00
Reserve for Re-Insurance ..	6,813,862.47
Reserve for Losses	877,250.00
All other Liabilities	104,982.45
Surplus over all Liabilities..	2,589,406.64

\$13,385,501.56

Surplus to Policyholders.....	\$5,589,406.64
Increase in Reinsurance Reserve	349,934.71
Increase in Net Surplus.....	838,500.98
Increase in Assets.....	1,371,455.93

Eugene L. Ellison.....President
Benjamin Rush.....Vice-President
T. Howard Wright.....Secretary
Henry W. Farnum.....Assistant Secretary
John O. PlattAssistant Secretary

Agencies in all Prominent Cities & Towns.

Personal and Family Insurance Combined

No trouble to get a hearing with this policy
 It's something more than life insurance
 Write for booklet and agency terms

Address

ALEXANDER McKNIGHT

Vice-President

THE FIDELITY MUTUAL LIFE INSURANCE CO.

L. G. FOUSE, President

OF PHILADELPHIA**THE****American Credit-Indemnity Co.****OF NEW YORK.****CREDIT INSURANCE ONLY.**

Insures Wholesalers and Manufacturers against Excessive Annual Loss through the Insolvency of their Customers.

We can always use a few high-grade solicitors.

ST. LOUIS, MO.

NEW YORK, N. Y.

Offices in All Principal Cities.

A. B. TREAT, General Agent,

302 Broadway, : : : : : New York.

OLDEST
IN
AMERICA

STRONGEST
IN THE
WORLD

THE MUTUAL LIFE
Insurance Company of New York

Mutual Life Agents Make Most Money
Because Mutual Life Policies Sell Most Freely

For terms to producing agents, address

GEORGE T. DEXTER

2nd Vice-President

34 Nassau Street**New York, N. Y.**

Survivorship Annuity Tables

Net Premiums, Mean and Terminal Reserves

American Experience Table,
LIFE OF NOMINATOR

Danish Survivorship Annuitants' Table,
LIFE OF ANNUITANT

And $3\frac{1}{2}$ Per Cent. Interest

BY

MILES M. DAWSON,
Consulting Actuary

SEND ALL ORDERS TO

The Chronicle Co. (Ltd.)

No. 90 William St.

NEW YORK

The Chronicle

1866

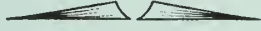
Published by THE CHRONICLE COMPANY (Ltd.), 80 Wall Street, New York City

1910

VOLUME LXXXVI.

NEW YORK, NOVEMBER 10, 1910

NUMBER 19



ANNOUNCEMENT!



Beginning with this week's issue,
the address and publication office of

THE CHRONICLE

Is At

80 Wall Street



Survivorship Annuity Tables

Net Premiums, Mean and Terminal Reserves

American Experience Table,
LIFE OF NOMINATOR

Danish Survivorship Annuitants' Table,
LIFE OF ANNUITANT

And $3\frac{1}{2}$ Per Cent. Interest

BY
MILES M. DAWSON,
Consulting Actuary

SEND ALL ORDERS TO

The Chronicle Co. (Ltd.)

No. 80 Wall St.

NEW YORK

The Chronicle

VOLUME LXXXVI.

NEW YORK, THURSDAY, NOVEMBER 10, 1910

NUMBER 19

PUBLISHED EVERY THURSDAY BY
THE CHRONICLE COMPANY, Limited.
No. 80 Wall Street, New York.
Phone "567 John." Cable Address, "Chronogram," New York.

Subscription Price:
Three Dollars a Year. Single Copies, Twenty-five Cents.
Postage Prepaid in the United States and Canada.

MILES M. DAWSON, President.
R. B. Dawson, Treas. A. C. Harwick, V.-P. A. L. Dern, Sec'y.
Emil Schwab, Manager New England Department,
200 Devonshire Street, Boston, Mass.

All communications should be addressed to and remittance should be made to The Chronicle Company, Limited.
Entered at the Post Office, New York, N. Y., as Second Class Mail Matter.

Mutual Life Decides to Limit Business

BY FORMAL resolution the Board of Trustees of the Mutual Life Insurance Company of New York has decided to limit voluntarily the amount of insurance to be written annually, despite the recent amendment of that section of the Armstrong laws of this State, which imposed such a limitation. The resolution of the Mutual Life Trustees declares that "the limitation of new business substantially as heretofore provided by law is eminently in the interest of the company's policyholders, and should be perpetuated," and that "the limit for paid-for business, until the recent change in the law, has been \$150,000,000 in any one year, which limit should be substantially preserved, although for technical reasons a margin should be added of about \$20,000,000 for policies issued, but not yet paid for at the close of each year." The resolution then provides that "the issue of policies be hereafter so restricted that the amount of new policies paid for in any calendar year, together with the policies issued but not yet paid for at the close of the year, shall not exceed \$170,000,000."

In the announcement to policyholders President Charles A. Peabody says the purpose of the resolution is to "limit the expenses of conducting the business so that the policyholders may get the largest possible dividends on their policies."

Urged by Mr. McClintock.

The adoption of this resolution followed a communication from Emory McClintock, Vice-President and Actuary of the company, to President Peabody, in which he reviewed the history of the problem involved and submitted his reasons for urging the action now taken.

The position taken by Vice-President McClintock in relation to the volume of business is, as is fully set forth in his communication, entirely consistent with his well-known attitude for a quarter of a century. It is undoubtedly true, likewise, that under

the existing method of computing reserves, which has been adopted and used by the leading companies for many years, and which is required by the laws of most of the States, a large increase in new business is obtained only at a temporary reduction of returns to old policyholders, which may also be more or less permanent in case there is a constant and large increase of new business. The excellent effect of a let-up in this respect, as well as a reduction in the cost of new business, has been seen in the enhanced dividends paid by many companies since the Armstrong laws, limiting the cost of new business and also instituting thorough publicity both as to first-year expenses and as to dividends earned and paid, went into effect. The dividends paid by the Mutual Life Insurance Company have been especially favorably affected, the same being increased, on the average, upward of 200 per cent. and it is gratifying to learn that by holding down the volume of new business within reasonable limits, it is the opinion of the great actuary, who is the Vice-President of that company, that this dividend scale can be maintained and may even be increased.

The other side of it is of course, that necessity for this artificial restriction upon the volume of new business would, as is hinted by Mr. McClintock in his communication, be obviated wholly or in large part if a proper method of valuation were employed, such as those which have been repeatedly mentioned with favor by himself and by the Vice-President and Actuary of the largest American company, and has also been embodied in the minimum reserve standards of the States of New York and New Jersey, respectively, through the Armstrong laws. Whenever, in other words, the leading companies, while maintaining their conservatism, so far as holding ample fluctuations and other reserves is concerned, so that they are in more than an equally

strong position because such reserves would not be charged as a liability, find it possible to abandon the net level premium reserve fetich, these conditions will pass away, and, in fact, it is only now, so far as the managers of the companies are, perforce or by choice, recognizing the reasonable measure of cost of new business afforded by a more defensible method of valuation, that they are avoiding rendering the loss to old policyholders permanent instead of only temporary, not merely by increasing their new business, but even by maintaining the same. In other words, the improvements which have taken place in regard to unwarrantable extravagance in cost of new business are traceable directly to the good results of even the limited recognition which a better method of reserves has received.

Mr. McClintock's Case.

Mr. McClintock informed President Peabody that in his views he had the concurrence of the general counsel of the company and of the vice-presidents who have special charge of the agency and medical departments. He then proceeds:

My present object is to lay before the Board of Trustees, if previously approved by the Committee on Insurance and Agencies, the reasons for continuing the former limitation substantially as it is by a voluntary act of the company.

First let me explain what I mean by using the word "substantially." Under the late law the limit of \$150,000,000 was prescribed for the insurance which might be paid for in any calendar year. This requirement involved a practical difficulty which was not foreseen when the law was drawn. A company can always know at any given time what policies have been issued, because they are issued at its own office. It can not know at any given date just what policies have been paid for, because payments are made at a hundred offices in all parts of the world. As the returns for De-

(Continued on Page 8.)

Fraternal Societies and Assessment Concerns

PART IV of the New York State Insurance Department report for 1910 was issued on Monday. It covers the business of 1909 of the assessment life and accident associations and the fraternal beneficiary societies doing business in this State. The statements of these associations as printed have been audited, not only as to their general financials items, but also as to their security holdings.

This volume includes for the first time the statements of the town and county co-operative fire insurance associations, which were brought under the supervision of the department by the provisions of Chapter 328 of the laws of 1910, being new Article IX of the Insurance law. Owing to the lack of uniformity in the methods of accounting used by these associations, it has been found impossible properly to audit their statements for 1909. This will be corrected as soon as it is found possible to do so, probably in the report for next year, it being one of the duties of the department under the new law to issue certificates of authority to these corporations not later than January 1 next, and it being its intention to accompany such certificates with instructions and report blanks that will accomplish the necessary uniformity in accounting and returns. The territory in which these associations are allowed to do business is restricted by statute. They are divided into three classes, as follows:

Advance premium corporations which may write business in any or all counties of the State when their insurance in force exceeds \$1,000,000; county associations which may write business in not more than five counties adjoining that in which the principal office is located when their insurance in force exceeds \$200,000; town associations which may write business in any or all towns of a single county after their insurance in force exceeds \$50,000. None of these associations, however, can write insurance in cities of more than 600,000

inhabitants. They are also restricted as to the amount at risk on a single policy. The following total figures of the 146 co-operative fire associations reporting are taken from their 1909 statements:

Premiums and assessments received	\$1,369,242
Other income.....	183,856
Total income.....	\$1,553,098
Losses paid	\$1,030,838
Other disbursements.....	537,638
Total disbursements....	\$1,568,476
Insurance in force.....	\$429,401,371

The volume also contains the detailed statements of the life, accident, fraternal and town and county co-operative fire insurance companies which have been placed in the hands of the department for liquidation under the provisions of Section 63 of the Insurance law. Such statements have been prepared by the special deputy superintendents of insurance appointed from time to time under this section of the law.

The comparative figures for the years 1908 and 1909 covering assess-

ment life and accident associations and fraternal beneficiary societies are as follows:

Assessment Life and Accident Associations.		1908.	1909.
Assets	\$15,097,457	\$17,283,476	
Liabilities ..	13,169,008	15,286,296	
Rec'd from members .	7,380,997	7,897,195	
Tot. income.	8,241,233	8,690,213	
Losses and claims pd.	\$4,635,902	\$4,874,944	
Expenses ...	1,677,631	1,591,406	
Total dis-b'rsem'ts.	\$6,313,533	\$6,466,350	
Insurance in force	\$778,690,357	\$837,658,365	
Fraternal Beneficiary Societies.		1908.	1909.
Assets	\$76,715,408	\$89,080,239	
Liabilities ..	9,871,523	10,432,912	
Rec'd from members .	70,037,647	73,530,586	
Tot. income..	73,438,636	77,793,762	
Losses and claims p'd.	\$55,216,885	\$57,395,114	
Expenses ...	7,867,999	8,418,875	
Total dis-b'rsem'ts.	\$63,084,884	\$65,813,989	
Insurance in force	\$5,442,427,475	\$5,701,856,634	

JANUARY 1st, 1911

The Pittsburgh Life and Trust Company

WILL OPEN SEVERAL STATES

Do You Want a General Agency?

Assets more than - - - - \$23,000,000
Insurance in force more than - - 75,000,000
Income more than - - - - 4,000,000

W. C. BALDWIN, President

Address Home Office, Pittsburgh, Pa.

INSURANCE IN FORMOSA.

S. C. Reat, American Consul at Tamsui, Formosa, advises the State Department at Washington of the need of fire insurance agencies in that island, as follows:

"American fire insurance companies have never paid any attention to Formosa. Nevertheless, the business in this line to be done here is not inconsiderable. British fire insurance companies have well-managed agencies, established through British firms, in both North and South Formosa. One firm has lately opened a special insurance department.

"There are five American tea houses

in North Formosa, and they carry policies on their stock from \$50,000 to \$75,000. The rate on tea and general merchandise is three-eighths of one per cent. But the risks are carried by British companies. Recently the manager of a prominent tea exporting house remarked to the writer that he was going to try to secure the agency for a certain British fire insurance company. When asked why he did not get the agency for an American company, he replied: 'Why, I will; I had not thought of our own companies because there are none out here.'

"The business to be solicited will not be limited to what foreign firms

will furnish. The Japanese and the Chinese, especially the latter, have insurable interests throughout the island. While there is some prejudice among the Chinese against insuring, still that prejudice is gradually passing away. In Daitotei, where the American Consulate is situated, lives a millionaire Chinese landlord, and most all of his buildings are insured. His example has been followed by others.

"Storm and tornado insurance could also be underwritten, but there is no opportunity for marine insurance, which is covered by the consignees and is so noted under letters of credit."

Merritt's Expensive Request

E. A. MERRITT, Chairman of the New York Legislative Investigating Committee, has sent the following request to the New York fire insurance companies for information, the compilation of which would involve the expenditure of from \$5,000 to \$10,000, in the opinion of underwriters:

Dear Sir—I desire to be able to present to the Legislative Investigating Committee some figures showing the actual experience of fire insurance companies on certain classes of risks, and also figures with regard to the amount at risk in certain congested districts. I request you to send to this committee at your earliest convenience the data called for below with regard to your company.

I may say that it is not probable that this information will be used as of individual named companies; it is the present intention to use it simply as combined experience, but no positive assurance of this can be given.

1. Information for the whole of the United States, or such part thereof in which the company operates (in case the company operates under more than one department the experience of each department separately is requested), as follows:

(a) Amount at risk, (b) premiums, (c) Losses, (d) Loss ratio, for each of the years 1907, 1908, 1909; (e) burning ratio on each of the following classes:

1. Dwellings (not including farm dwellings).
2. Schools.
3. Churches.
4. Public buildings.
5. Farm dwellings and property.
6. Wholesale mercantile, buildings.
7. Wholesale mercantile, contents.
8. Retail mercantile, buildings.
9. Retail mercantile, contents.
10. Warehouses, buildings.
11. Whiskey warehouses, contents.
12. Packing house warehouses, contents.
13. General storage warehouses, contents.
14. Furniture warehouses, contents.
15. Tobacco warehouses, contents.
16. Fibre warehouses, contents.
17. Cotton warehouses, contents.
18. Woodworking establishments.
19. Metal working establishments.

20. Textile factories.
21. Soap factories.
22. Miscellaneous manufacturing establishments (not included in Classes 18, 19, 20, 21).
23. Electric light and power plants.
24. Grain elevators.
25. Grain elevators, contents.
26. Other special hazards (no manufacturing).
27. Ice houses.
28. Sprinkled risks.
29. The business as a whole.

Note.—Classes 6 to 26 should be separated into sprinklered and non-sprinklered.

2. A—Amount of risk.

B—Premiums received thereon.

Both gross and net, as of the date of the receipt of this communication, in the following districts:

1. The district in New York City bounded by Chambers Street, the Bowery, Fourth Street and West Broadway.
2. The Metropolitan District of New York City.
3. The district in Philadelphia bounded by Delaware River, Race Street, Thirteenth Street and Walnut Street.
4. The district in Chicago bounded by Michigan Avenue, the Chicago River and Harrison Street.

In case any part of the above information cannot be given please state reasons therefor.

In any case where there is serious question as to what is to be included under the different classes in 1, please make it clear what basis you have used.

NATIONALE OF PARIS.

The Nationale Fire Insurance Company of Paris has deposited \$216,000 par value of securities with the New York Insurance Department and \$320,000 par value with the Bankers' Trust Company of New York City, its United States trustees, and is now authorized to transact business in the State of New York. The United States branch of the company will be managed by Starkweather & Shepley (Inc.), at Providence, R. I.

The Nationale is one of the oldest French companies, was organized in

1820, and has been in continuous operation for the last ninety years. The company is known to be one of the most conservative of all the European offices and has been exceedingly careful in its business. The total premium income received from organization of the company amounts to over \$121,000,000, and it has declared dividends since it commenced business of over \$24,000,000. The home office managing director is M. F. Mulsant, and its home office directorate contains the names of many prominent men.

The President of the Board of Directors is Count Pillet-Will, former Regent of the Bank of France. The other members of the board are as follows, viz.: Baron Hottinguer, banker, Regent of the Bank of France; M. Clausse; M. Davillier, banker, Regent of the Bank of France; Count d'Haussonville, member of the French Academy; Count de Germiny, former General Treasurer of France, Regent of the Bank of France; Count de Kergorley, M. de Waru, M. Vernes, of the banking house of Vernes & Co.; Marquis de L'Aigle, former Deputy; M. Monnier, of the banking house of Neufville & Co.; M. Verge, honorary member of the Council of State; M. Frederic-Moreau, mining engineer; Baron Robert de Rothschild, banker and mining engineer; Count de Montalivet, M. Mallet, of the banking house of Mallet Brothers.

1860 20th YEAR 1910

HOME LIFE

Insurance Company of New York.

GEORGE E. IDE, President.

Assets	\$23,626,018.63
Liabilities	21,858,691.52
(Including Deferred Dividend Fund)	
Dividend Endowment Fund	
(Deferred Dividends)	2,119,044.00
Net Surplus	1,767,327.00
Insurance in Force	92,532,553.00

The record for 1909 shows the following GAINS:

Insurance in Force	\$4,164,239.00
Assets	1,917,117.00
Deferred Dividend Reserve	148,581.00
Contingency Reserve (Surplus)	655,149.17

201st YEAR.

SUN Insurance Office OF LONDON.

FOUNDED 1710.

UNITED STATES BRANCH:

54 PINE STREET, NEW YORK.

WESTERN DEPARTMENT:

171 LA SALLE ST., CHICAGO.

PACIFIC DEPARTMENT:

Sansome & Sacramento Sts.,
SAN FRANCISCO, CAL.

AGENTS WANTED
AT UNREPRESENTED POINTS

L'Union St. Jean Baptiste d'Amerique

THE report on the joint examination by the New York and Massachusetts Insurance Departments of the fraternal beneficiary society known as L'Union St. Jean Baptiste d'Amerique, of Woonsocket, R. I., has been filed.

The examination was conducted by these States for the reason that the laws of Rhode Island give the Insurance Commissioner of that State no power to examine insurance societies of this character. In regard to the examination the New York department issued the following statement:

"Conditions developed show gross irregularities in the management of this society, which have led the examining departments to bring the facts to the attention of the Attorney General, who is the prosecuting officer of Rhode Island, and, it is thought, again emphasize the necessity of making applicable to fraternal beneficiary societies that rigorous supervision required by statute over all stock and assessment insurance companies.

"L'Union St. Jean Baptiste d'Amerique was incorporated in Rhode Island as a literary society in 1900, admitted to do business in Massachusetts in 1901 and in New York in 1906, and at the present time, in addition to such States, is operating in Maine, Vermont, New Hampshire, Connecticut, Illinois and Michigan. It has at present 305 councils, approximately

25,000 members, and \$9,131,000 of insurance in force. Its membership is, to a considerable extent, composed of French Canadian residents of those States. Its assets, at the time of the examination, aggregated \$362,485, and the excess of assets for the protection of members in lieu of a policy reserve was found by the examiners to be \$263,919.

"The examiners conclude that, while the society is perfectly solvent, there has been negligence and misconduct on the part of some of its executive officers and that a portion of its estate and effects has been wasted or lost. They call particular attention to the shortage chargeable to Secretary J. Ad. Caron, amounting on June 30 last to \$3,284, which, however, has been in part made up; to a shortage in the mortuary fund, amounting to at least \$12,574, due to a falsification of the returns from the councils, and recommend that the persons responsible for these shortages should be compelled to make restitution. The report also notes large investments in realty and in demand notes contrary to the insurance laws of Massachusetts and New York; the making of false annual statements to such States, and neglect of duty on the part of the officers of the society.

"Mention is also made of a systematic falsification of records during the last two years; of the issue of policy

contracts not permitted by the laws of New York and Massachusetts; of disproportionately large investments in realty and of unauthorized loans on promissory notes without collateral—these investments alone representing nearly two-thirds of the total assets of the society.

"As a condition to the further conduct of business in Massachusetts and New York, the Insurance Departments of those States have required that the Executive Board of the society be summoned in special council to consider the condition of the society as shown in the report, that steps be taken to guarantee in the future an efficient system of accounting so as to safeguard receipts and disbursements, that all moneys abstracted from the funds of the society be at once replaced, that steps be taken to sell all real estate excepting the home office building, that all demand notes be called in, that expenses be cut down, that all forms of insurance contracts not authorized by the laws of New York and Massachusetts be discontinued, and that—to the end that such departments may be fully informed as to the conduct of the society—monthly reports be made to the departments of these States, until further notice.

"The departments are informed that the Secretary of the society has resigned."

Insurance News in the West

CHICAGO, Nov. 9.—The Insurance Brokerage Association of Chicago is getting busy with certain so-called brokers, who are said not to be entitled to receive commissions under Chicago board rules or to be violating those rules. Two persons have been fined already, and other cases will come up later. If half the complaints made on the

Street are true the brokers have a large job before them in cleaning house. While the rules of the board are strict as to giving rebates, according to common report there is more or less direct rebating going on, and much that is indirect, such as throwing off the entire commission or more on plate glass, liability or other lines of casualty insurance as a favor to fire insurance customers.

Some of the leading brokers recognized the need of a housecleaning when they organized the Insurance Brokerage Association. Those who have been investigating fire insurance expense have said some harsh things about the brokers, and some members of that class recognize the danger of legislation which will put them out of business unless they are able to show some good reason why they should be in it. There are brokers in Chicago who are giving their customers good service and earning every dollar they receive, but there are others who are doing neither. It is the latter sort that endanger brokers as a class.

* * *

It was an eminently satisfactory meeting that the Western Insurance

Bureau held last week. It began about 2:30, and before 5:30 the bureau had taken jurisdiction over half a dozen States, instructed its Executive Committee to take up certain important matters, declared its willingness to co-operate with other companies for a reduction of expenses in the

THE LEADING FIRE COMPANY OF THE WORLD



GOOD AGENTS FIND
The Union Central
Life Insurance Company

Of Cincinnati, O.,

A GOOD COMPANY

Address: **JESSE R. CLARK,**
President, or **ALLAN WATERS,**
Superintendent of Agents.

"excepted" cities and was ready to adjourn. There was perfect harmony and not a complaint of violation of rules by any member.

Chairman E. G. Halle was asked for an interpretation of the bureau's resolution on the subject of reduction of expense in large cities. He intimated that it is now up to the Union to start an expense reduction movement if it sees fit. The bureau stands ready to co-operate, but apparently does not feel under any obligations to start negotiations when it was not the body which withdrew from the former one.

* * *

The resignation of James V. Barry as Insurance Commissioner of Michigan, announced last week, will cause some regret, especially in the West. I say "some regret," because the sorrow at losing him from the ranks of insurance commissioners is tempered by the reflection that as head of the Publicity Bureau of the International Association of Accident Underwriters he still will be connected with the insurance business, and presumably will enjoy an income more in keeping with his worth than the salary of an Insurance Commissioner afforded. It would be pleasing to insurance men if Barry, like the brook and the college girl, would "go on forever" as Insurance Commissioner, for the West never raised a better one. However, he served this last term only because of his fidelity to Governor Warner, who desired him to serve through his second administration.

Mr. Barry is peculiarly fitted for his new duties. Before he became Insurance Commissioner he was in the local fire insurance business in Lansing and served as a newspaper editor and as capital correspondent of a number of outside newspapers.

He knows the ways of politics; he knows the newspaper game; he has held a supervisory position in the State, where the "dollar-a-month" accident policy originated and while several of the leading companies in that line were evolving from little assessment concerns; he is conservative, fair-minded and level-headed. His ability for this kind of work has been recognized before, as the Western

Union tried to get him as head of its Bureau of Publicity and Education, but unsuccessfully, as he was not then ready to leave the Commissionership and he did not want to move to Chicago.

Whether Mr. Barry's retirement from office will have any effect on the fire insurance expense propaganda remains to be seen. As chairman of the committee on this subject he has been much to the fore in the last few months. Probably there will be another to play Elisha to his Elijah, but there are comparatively few among the Commissioners who have gained a position where their words carry the weight of his.

* * *

The architect's painting of the projected Underwriters' Building, which has been on exhibition at the rooms of the Chicago Board of Underwriters recently, has attracted much attention. There seems to be no doubt that the project will go through, and almost as little that every fire insurance office now located in the National Life Building will move to the new building on or about May 1, 1912. A number of general agencies now in other buildings will go there also. It is predicted that after the date mentioned not a local fire agency will be found on La Salle Street. Agents of the promoters are now working among the life and casualty offices, rounding up as many of them as possible. It looks as if the insurance offices of any kind that depend upon fire brokers for business will be seriously handicapped unless they have headquarters in the Underwriters' Building.

* * *

It looks now as if the surety companies doing the largest business in Illinois would have to reduce the estimates of the year's writings in the State made by their Chicago representatives earlier in the year. The manager of one prominent office admits that he has set his mark about \$50,000 lower than he had it last Spring. During the first half of the year the increases were such as to justify high estimates, but the business slowed down during the vacation

season, and in most offices it has not picked up again as much as was expected. Of course, nearly two months of the year remain, and, with the cleatation out of the way, there may be a revival of business which will help records out, but in all probability not enough to bring them up to early estimates. However, a number of the companies will show a considerable gain over last year. It is likely that six companies will show over \$100,000 in Illinois fidelity and surety premiums as against five last year.

* * *

Liability loss ratios in Illinois will be watched with considerable interest when the figures are published early in the new year. Two prominent companies have admitted that they are going to make a bad showing. Another, with a smaller volume of business, is enjoying a favorable loss ratio. Particular interest will centre, however, in a few of the smaller companies. They have been active and have made considerable increases in their business. As is usual, some of their larger competitors have attributed this increase to rate cutting and free underwriting. While the loss ratio of a young liability company, or one increasing its volume rapidly, is deceptive, it will be almost a disappointment to some liability men if certain of their competitors do not show largely increased loss ratios.

* * *

According to reports received here, the Bankers' Surety of Cleveland is likely to make a much improved showing in its annual statement. For several years now the company has been handicapped to some extent by a very small surplus. Its old agents have been loyal however, and in the last two years the company has done some splendid work in organizing its agency plant in the smaller towns, with a resultant large increase in income. With careful underwriting, the losses are said to have been held down this year to an extent to give the company a surplus approaching \$100,000, based on Ohio department requirements as to non-admitted assets.

LA SALLE.

JOHN C. PAIGE & CO.

INSURANCE

65 KILBY STREET

BOSTON

PROSPEROUSLY BUSY!

Our agencies are steadily increasing this year's lead over the figures of our high record in 1909.

Our agents are prosperously busy. With Business Life Insurance and our unequalled Continuous Monthly Income policy they are reaching and satisfying the public and liberally rewarding themselves.

Inquiries invited from delivering producers.

GEORGE D. LANG,

Superintendent of Agencies,

Massachusetts Mutual Life Insurance Company,

Incorporated 1851.

Springfield, Massachusetts

The Employers' Liability

Assurance Corporation, Ltd.

LIABILITY, STEAM BOILER,
ACCIDENT, HEALTH, FIDELITY
and BURGLARY INSURANCE.

UNITED STATES BRANCH.

SAMUEL APPLETON, United States
Manager,

Employers' Liability Building,
33 BROAD STREET, BOSTON, MASS.

EDMUND DWIGHT,
Resident Manager for New York State,
56 MAIDEN LANE, NEW YORK.

AGENTS WANTED.

A PENN MUTUAL PREMIUM, less a
PENN MUTUAL DIVIDEND, pur-
chasing a PENN MUTUAL POLICY,
containing PENN MUTUAL VALUES,
make an INSURANCE PROPOSITION
which in the sum of ALL ITS BENEFITS
is unsurpassed for net low cost and care
of interests of all members.

THE PENN MUTUAL LIFE INSURANCE COMPANY OF PHILADELPHIA

On January 1, 1909, rates were reduced
and values increased to full 3% reserve.

To Agents and Brokers;

Are you familiar enough with the
new Liability Laws to advise and pro-
tect your clients' interests? We will
gladly send any information on re-
quest.

THE

Philadelphia Casualty Co.

Walter Le Mar Talbot, President

Personal Accident, Health, Liability,
Automobile, Plate Glass and
Credit Insurance.

HARTFORD LIFE

INSURANCE COMPANY,
OF CONN.

1909 Policies are Participating,
Non-participating, with Lower Rates
and Values based on FULL RE-
SERVE.

For Right Contracts,

Address, Second Vice-President,

Home Office, HARTFORD, CONN.

In New England

BOSTON, Nov. 9.—The annual
meeting of the Boston Board
of Fire Underwriters took
place last Tuesday. The de-
tailed reports of the inspection, sprin-
kler and inspection departments were
submitted by F. J. Cabot, Secretary,
and were summarized to some extent
in the annual report of President
Charles B. Wheelock. Extracts from
Mr. Wheelock's report are appended:
"The total number of inspections
(13,578) is the largest ever made in
any one year of the board's life, and
is nearly twice the number (7,289)
made ten years ago. Thirty-seven
buildings of fireproof construction
have been erected during the year.*

* * * This makes a total of 379
buildings of fireproof construction
erected since 1897, when the board
began keeping track of their con-
struction, and the assessed valuation
of first class buildings completed be-
tween May 1, 1909, and May 1, 1910,
is \$4,282,800, bringing the total value
of such buildings erected since 1897
up to \$54,048,100. The supervision of
such buildings is carried on in such a
way that no material change in con-
struction and no serious defect in the
method can take place in the interval
between visits.

In the electrical department a
change in the districts covered by the
inspectors has resulted in a consid-
erable increase in the amount of in-
spections made. It is, however, fair
to say that much more could be done
with a profit to the companies, espe-
cially in view of the fact that a not
inconsiderable portion of the wiring
has now been installed so long that
it may be deteriorating merely
through age. The co-operation of the
city Department for the Inspection of
Wires has added materially to the
benefits to be obtained from our in-
spection work. The construction of
the large number of fireproof build-
ings has required an increase in the
number of visits to finally decide that
the electrical equipment was installed
in such buildings in a thoroughly sat-
isfactory manner. * * *

"Ten new installations of automatic
fire alarms, four new installations of
sprinkler supervisory systems, and
fifteen sprinkler equipments have
been installed and inspected during
the year. The loss from fires caused
by electricity continues small.

"The work at the Grand Junction
terminal is nearly at an end, and by
the first of January we may fairly
expect that this great property will
have a fire-fighting equipment which
will compare favorably with any sim-
ilar great property in the world.

"The result of fire under sprin-
kler protection has been better than
in any previous years. The total loss
being about \$11,844, which gives

a loss per fire of about \$360, a loss
which compares favorably with that
under sprinkler protection in the risks
insured in the Associated Factory
Mutual Insurance Companies.

"An especial effort has been made
during the year to co-operate with
the New England Insurance Exchange
in conference so that to the greatest
extent possible forms and underwrit-
ing methods shall be in agreement,
and I think it is fair to say that we

The

Columbian National Life INSURANCE COMPANY OF BOSTON, MASS.

LIFE, ACCIDENT AND HEALTH
INSURANCE.

The Only Massachusetts
Non-Participating Company

The New Columbian Policies are
Unexcelled in Clearness and Liberality.

Good Contracts and Territory for
Good Producers.

ARTHUR E. CHILDS, President.

RIGHT NOW ——— WRITE NOW

LIVE ASSETS for LIVE AGENTS

Live, not Life Insurance, is the only ne-
cessity of life that has not increased in
cost.

It is a great asset for a Live Agent to
represent the largest health and accident
insurance company in the world, especially
at this time with compulsory workmen's
insurance imminent and employers' liabil-
ity insurance becoming costlier every day.
Up-to-the-second policies. Most liberal
contracts to agents.

CONTINENTAL CASUALTY CO..

H. G. B. ALEXANDER,
President.

1208 Michigan Ave. : : Chicago
"Often Copied: Never Equalled."

MEN OF ENERGY ARE OFFERED WORK OF MOMENT

In desirable localities representing a sixty-
year old institution, with modern, liberal,
law-conforming policies, and helpful Home
office co-operation. Much good territory
available. Many opportunities for ad-
vantageous positions. Inquire NOW.

UNION MUTUAL LIFE INSURANCE COMPANY PORTLAND, MAINE

FRED E. RICHARDS, President.

ALBERT E. AWDE,
Supt., 396 Congress St.,
Portland, Maine.
THORNTON CHASE,
Supt., 405 Exch. Bldg.,
Los Angeles, Cal.

Address
either:

are much nearer this greatly sought end than at any previous period in the board's history. I can also announce to you with pleasure that the National Board of Fire Underwriters has undertaken to co-operate with us and to give us the assistance of their engineering force in deciding the problems of fire protection such as the introduction of high pressure service for use at fires only.

"I am informed that a new connection has been made to the water service in East Boston at the easterly end of what is known as Chelsea Creek, thus improving the fire protection in this section. Our engineers still feel, however, that much remains to be done about the supply of water in East Boston before it reaches a satisfactory point. Another matter which is receiving the close attention of your Executive and Rating committees is the increase in risk through Dorchester from the growth of the three-flat frame tenement and apartment houses. On this I may say, while the problem has not reached a final solution, we believe that we can present to you in a short time a much more satisfactory set of rates on this class of congested dwelling construction."

The election of officers resulted in the choice of the ticket as reported by the Nominating Committee and printed in last week's CHRONICLE, headed by Charles B. Wheelock, for President, whose efficient administration made his re-election a foregone conclusion. Harrie H. Whitnew succeeds the late G. C. Holt as Vice-President, and Mr. Cabot, the energetic, of course, continues in the Secretaryship.

New England Brevities.

At Newburyport, Mass., on Monday L. E. Thayer was held in \$1,500 bail on the charge of setting fire to the Orpheum Theatre, which he owned, on October 16 last, although he had entered a plea of not guilty.

* * *

Francis H. Stevens, Williard C. Hill and Joseph F. Barley were elected honorary members of the New Saturday. Joseph Fessenden, special

agent of the Milwaukee Mechanics, was elected an active member.

* * *

O. E. Cook, who for the last five years has served the Citizens' of Missouri in its New England field, has been appointed special agent of the Fidelity-Phenix for Eastern Massachusetts and Rhode Island, in succession to Joseph F. Barclay, resigned, who has taken charge of the New England interests of the New York brokerage firm of F. R. Cruikshank & Co.

* * *

The Boston agency firm of Cyrus Brewer & Co. is shortly to remove to the buildings at 44 and 48 Kelly Street, which are to be remodelled for its use. Francis H. Stevens, now of 48 Kilby Street, has in consequence, secured the office at 55, across the way, while R. S. Hoffman & Co., of 44 Kilby Street, will move to 12 Central Street.

* * *

D. R. Lecraw, of the R. A. Boit agency, Boston, has been appointed manager of the marine department of the Commercial Union's United States branch, New York. Howard Jones succeeds Mr. Lecraw as head of the marine department of the Boit office.

Frank L. Owen, hitherto examiner at the home offices of the National Fire of Hartford, has been appointed New England special agent for the County Fire of Philadelphia.

* * *

L'Union of Paris, represented in the United States by Starkweather & Shepley, has been admitted to do an agency business in Massachusetts. The Swiss Reinsurance Company of Zurich has been admitted to New Hampshire.

* * *

J. D. E. Jones, who recently severed his official connection with the Puritan Life of Providence, has written a letter to the stockholder of that company, commending to their best consideration an offer of reinsurance by an old and well-established company.

EMIL SCHWAB.

FEDERAL LIFE POLICIES.

The first matured endowment policies of the Federal Life Insurance Company have just been paid. One was a \$1,000 ten-year endowment, paid to Andrew T. Taylor, Fond du Lac, Wis., and the other was a \$2,000 ten-year endowment policy paid to Prof. T. C. Chamberlin, of the University of Chicago. Prof. Chamberlin sent his check for \$233.36 to pay an annual premium, and he was surprised to have the company return his check with the notification that it was unnecessary and that his policy had matured for its face value of \$2,000 and \$234.04 of dividends, making a total of \$2,234.04.

OBITUARY

Benjamin F. Crouse.

Benjamin F. Crouse, Insurance Commissioner of Maryland, died on Monday at his home in Westminster. President Button, of the National Convention of Insurance Commissioners, has appointed Commissioners Young of North Carolina, McCulloch of Pennsylvania and Darst of West Virginia, a committee to attend the funeral at Westminster tomorrow.

Duncan H. Scott.

Duncan H. Scott, manager of the personal accident and health department of the Maryland Casualty Company, died at his old home in Roanoke, Va., last Monday morning. Mr. Scott had been critically ill for several weeks past, but his death was unexpected.

No property owner need look beyond the advertising columns of THE CHRONICLE for FIRE INSURANCE.

No institution employing men in positions of financial trust need look beyond the advertising columns of THE CHRONICLE for FIDELITY INSURANCE.

"The Leading Fire Insurance Company of America."



WM. B. CLARK, President.
W. H. KING, Vice-President.
HENRY E. REES, Secretary.

Assistant Secretaries,

A. N. WILLIAMS, E. S. ALLEN,
E. J. SLOAN, GUY E. BEARDSLEY.

The year of 1910 is rapidly drawing to a close, this being the last quarter of the year.

The amount of money earned by the agents of the Philadelphia Life from now until the end of the year will more than equal the total earnings of agents of other companies for the year 1910.

If you are in a position to contract with the Philadelphia Life at this time, it would be to your interest; or, if you contemplate making a change at the close of the year, let us hear from you now, as perhaps the territory that you would prefer would be closed at that time.

Write Perry To-Day.

Can You Save Anything on Your Present Salary?



Get into a business that gives you an opportunity to make something better than a mere living. Sell Life Insurance for The Prudential.

Write Us About an Agency.

THE PRUDENTIAL
Insurance Company of America.

Incorporated as a Stock Company by the
State of New Jersey.

John F. DRYDEN, President. Home Office,
NEWARK, N. J.

COMMERCIAL - UNION

ASSURANCE CO.,
(LIMITED)

OF LONDON.

OFFICE;

Cor. Pine & William Sts.

NEW YORK.

Ideas Help an Agent Sell
Policies

SECURITY MUTUAL LIFE INSURANCE COMPANY

Binghamton, N. Y.

Furnishes Ideas Through an
Educational System

For particulars address

HOME OFFICE

Germania Fire

INSURANCE CO.,

NEW YORK.

ORGANIZED, 1889.

Cash Capital.....\$1,000,000.00
Assets\$6,562,329.14
Net Surplus.....\$2,008,419.02
Surplus for Policyholders,\$3,008,419.02

HEAD OFFICE:

Cor. William and Cedar Streets.

MUTUAL TO LIMIT BUSINESS.

Continued from Page 1.)

cember 31 cannot be finally made up until early in January, when all the branch offices have reported which policies have been paid for, a considerable margin must be allowed for safety, since otherwise the legal limitation might be exceeded. To obviate this difficulty I propose to include in the enumeration not only the policies paid for in the calendar year whenever written, as provided in the late law, but also such policies as, because they are not yet paid for, happen to be outstanding at the close of the year, the whole not to exceed \$170,000,000. As the course of business is now running, a variable amount, considerably more than \$10,000,000, but no doubt less than \$20,000,000, is necessarily left outstanding at the end of the year. The exact amount paid for when the company's new limit is operative will probably be slightly more than the \$150,000,000 fixed by the late law.

Limitation Will Please.

The limitation will be a strikingly popular feature, becoming for various reasons more and more advantageous as time goes on. Circulars will be issued explaining to agents and to the public the beneficial effect of the limitation as tending to increase the annual dividends to policyholders. The company already finds its large dividends attractive to applicants, as far as they have heard of them. This usually means applicants for new policies who are already themselves insured in this company on old policies on the annual dividend plan, because agents do not usually find any statement at all about dividends to be necessary to the average applicant. Concerning dividends, our agents usually say, if they say anything, that those of this company are as good as any. In special cases, and particularly in competition with other companies, stress is laid on the dividend argument, and our agents are getting more and more to appreciate its strength and effectiveness. In general, the dividend argument is the best possible one to use in conversation. It creates and strengthens the "good will" of the business. That good will is not much talked about, but it is the backbone of our popularity. It is maintained and increased by the satisfaction of our policyholders with their dividends and by the testimony of policyholders and agents of other companies. The agent of any other company who is asked casually concerning the standing of this company and who does not happen to be in immediate competition will usually say that it is a very good company, next to his own. He would not say such a thing if he did not know how good our dividends are, as well as how old and how strong our company is. Up to a quarter of a century ago such outside testimony was practically unanimous in favor only of the Mutual Life. Since then the current has run in favor of the Northwestern as the best company, but there are signs of its already turning to the old favorite.

Agents of the company may feel at

first some uneasiness on hearing the announcement of the prospective limitation, even though it may be years before it can take effect. They may suppose that it will somehow affect their income, and if so it would act as a wet blanket on their enthusiasm. It is true that the company is as yet far short of the amount of new business contemplated, and, in fact, no company in the world has within recent years issued \$150,000,000. The benefits to policyholders certain to accrue in future will, of course, be understood and appreciated, but agents may naturally have a feeling that the system may eventually injure their personal income. This fear will not last long, because of the plain distinction which must be drawn between a limit upon the total amount issued by the company and the limitless amount of insurance which may be issued by any one agent. Individual agents will not feel the limitation at all, but will be as free as ever to take all good business that comes in their way. The reason is that last year's agents die or resign in numbers so great that the business cannot be kept up without getting some new agents to take their place. The agents who remain in any year may, therefore, feel free to use all their energies the next year, the limitation of the total amount having no effect except upon the engagement of new agents, which will be somewhat curtailed.

A positive statement that the company will now of its own accord continue the limitation heretofore imposed by law will be welcomed by those pol-

T H E PROVIDENT LIFE AND TRUST COMPANY OF PHILADELPHIA

Insurance in Force, \$214,509,255.00
(Paid for Basis)

Assets \$70,514,350.45
(Market Value, Dec. 31, 1909)

Contingency Reserve . \$9,207,276.38
(Inclusive of Capital Stock, \$1,000,000.)

The Provident has been particularly distinguished for the development of a highly trained force of agents. The systematic instruction which its agents receive has resulted in their being recognized as representatives of exceptional knowledge of the business and of marked efficiency.

icyholders who understand the merits of the case. The public has not heretofore been advised by us of the existence of the limitation law because it had not begun to affect our business. The company has meanwhile felt satisfied with the law as it stood, believing that after the end of next year the time would come when the practical advantage of the limitation would more and more be universally recognized. As soon as the limit should come to be in actual operation concerning this company's business it was our intention to bring the fact prominently before the public possibly by advertising in the press—certainly by the company's own publications and by the active exertions of its numerous agents. The law being changed, it is desirable that some appropriate action be taken to continue the prospective benefits taken away by the change.

This subject of a limitation had been much discussed for many years, and repeated abortive attempts at legislation were made before the law of 1906 was passed by the Legislature of New York. It was generally supposed, except among actuaries, that the question of dividends was involved only indirectly. One of the indirect results of the good management hoped for from the limitation of new business was supposed to be an increase of dividends, but public discussion was chiefly given to the necessity of discovering some remedy for the intense competition prevailing between the large companies, as well as to stop their further growth as a matter of public policy. Many feared the dangers that might be caused by the mere size of these rapidly growing aggregations of capital. Mr. Fackler began an agitation years ago, chiefly for the reasons just referred to, and Mr. McCall expressed the opinion that there was "a limit to human capacity." The lapse of years has diminished to some extent the fears which used to be felt concerning mere size, and the reforms of 1906 have diminished the evils of competition, largely in consequence of the limitation law now radically altered.

The Recent Repeal.

The Legislature has now modified the law, and the great companies are again permitted to enjoy their former freedom of expansion within reasonable limits. For brevity I shall speak of the recent modifica-

tion as the repeal of the limitation law. The repeal is due to a change in public sentiment, of which some explanation may be necessary. Briefly this change was partly due to the lessening of the fears directed against the mere size of the large companies, partly to a feeling that so sharp a check to competition appeared to be no longer necessary, but chiefly to the persevering efforts of the New York Life Insurance Company, the only company which has yet become subject to the limitation. That company expressed with obvious honesty the strongest indignation against the hampering of its business by an iron-clad law, and resented as an impertinence the interposition of the Legislature in the company's private affairs. In the intervening four years it has pushed its campaign strenuously and unremittingly, with the aid of innumerable articles in the insurance journals and elsewhere. It has done so without opposition, because those insurance men who favored the law preferred to avoid the invidious distinction of publicly opposing a business competitor. I myself, who felt the necessity of speaking out at a time when the decision hung in the balance, though my views were well known to be favorable to the law, confined my efforts for the same reason to two brief private letters addressed to public officials whose duty it was to weigh all proposed legislation carefully.

No such change of opinion appears to have taken place on the part of such prominent individuals as have given serious attention to the subject. The two men who have from their position as the legal advisers of the Armstrong committee been especially prominent in the work of framing this law, Messrs. Hughes and McKeen, have constantly upheld the permanent value of their work. Soon after the passage of the law Mr. McKeen entered this office as the general counsel of the company, and his views are well known. Governor Hughes has been the staunch supporter of the limitation law, and, while he now has signed the repeal, he has not said a word, so far as appears, in explanation of his course. The enactment which I call a repeal preserves in many respects the beneficial features of the law of 1906, and it is my belief that the Governor, to preserve those features, finally agreed to this compromise in order to set at

rest an agitation which would otherwise have continued beyond his term of office, and perhaps resulted in throwing the whole insurance law of 1906 into the melting pot. It was said in one of the papers that the Governor had approved this compromise in advance, but I have it from two different sources that this statement was positively incorrect, and that no one knew up to the last moment what his action would be. Among the many "30-day bills" awaiting the action of the Governor after the Legislature had adjourned a number remained until the thirtieth day, and it is said that the very last of these bills to be signed was the compromise bill in question.

The new law will have no effect whatever in preventing a moderate increase of annual business, but only upon those companies which seek to swell their annual increase of 12 or 15 per cent. Companies desiring to compete to that extent in regard to rapidity of growth are compelled also in a decidedly ingenious manner to compete in regard to economy of management, the one going hand in hand with the other automatically. In the prevention of reckless rivalry the new provision will be effective, and it is, therefore, vastly better than a complete repeal would have been, but the compromise, just because it is a compromise, is seriously defective. Economy is not the only meritorious feature in the management of an expanding life insurance company. The torrent of competition may merely turn in another direction. The compromise enforces the virtue of economy in case of extreme competition, but it makes no corresponding virtue of a wise selection of risks, not to speak of the cardinal virtue of making the best dividends to policyholders.

The companies are in the unfortunate position of being compelled to make every increase in their annual business at the expense of their present policyholders. Once fairly started a company must always do at least enough business each year to keep up the amount of its insurance outstanding. The English companies as a class in comparison with the American have been distinguished for the conservatism of their management, averaging much smaller in size, though continuing to make larger dividends to policyholders. Some of the British companies have long operated on an avowed system of limitation.

INCORPORATED 1833.

British America Assurance Company

HEAD OFFICE, TORONTO, CANADA

UNITED STATES BRANCH.

JANUARY 1, 1910.

Assets	\$1,556,740.94
Liabilities	902,438.61
Surplus	\$ 654,302.33

Hon. GEORGE A. COX, President.
JOHN HOSKIN } Vice-Presidents.
W. R. BROCK }
W. B. MEIKLE, General Mgr.

CHICAGO'S GREATEST COMPANY

ILLINOIS LIFE INSURANCE CO.

OLDEST IN CHICAGO

CHICAGO

LARGEST IN ILLINOIS

JAMES W. STEVENS, PRESIDENT

We Guarantee where others Promise

The year 1909 was the most successful in this company's already splendid record of successful years.

INSURANCE IN FORCE

FIFTY MILLION DOLLARS

The proposition is not a new one in this company. In 1891 the idea took noteworthy shape in the issue of an order by the then President, Mr. McCurdy, which if continued in force might have involved consequences of great moment.

The important announcement was made in November, 1891, that "during the year 1892 the company will voluntarily limit the amount of new business to be assumed to the sum of \$100,000,000. The company's business will be continued on strictly conservative plans, maintaining the integrity of its present agency force, avoiding false methods and declining to engage in unhealthy competition, and it will limit itself to placing upon its books a safely increasing volume of carefully selected and enduring life insur-

ance not to exceed the amount stated." The statement made at that time, of which the concluding words have been quoted, was of considerable length. It also formed part of the annual report to policyholders printed soon afterward. I need not say that it met with my own hearty concurrence.

The determination thus announced was accompanied by a suggestion that the other large companies, with our own, should make the same limitation and make it permanently. This suggestion anticipated the law of 1906 by fifteen years, except that the limitation was fixed at a smaller amount. I quote these sentences in full from the President's statement already cited. "There could be no reasonable complaint that the facilities for life

insurance, and for its healthy growth would not be ample if each of the leading companies engaged in the business would assume new risks each year to the amount of \$100,000,000, and no more. Such a limitation would remove all motive for carrying competition beyond the degree which is advantageous to the business. Each of the larger companies can readily maintain its business at this figure, without unreasonable exertion, without the payment of excessive commissions, and without attempting to deprive any other company of the services of valuable agents. The direction which competition would then assume, and in which all the surplus energy of each company would be applied, would be in the selection of risks, the security and productiveness of investments, the economy of administration, and the consequent achievement of substantial success in financial results."

If this programme had been carried out much less insurance would have been issued by this company, and if "the selection of risks" and "the economy of administration" had matched the results achieved by good companies elsewhere, our death losses, and especially our lapses, would have been so much lighter that at this present time the volume of our business in force, as well as of our assets, would have been larger than it is now, and our policyholders would have been receiving all along the highest rate of dividends.

So striking a statement may not seem credible, but it is, nevertheless, certainly correct. In the eighteen years which have elapsed the total amount in force has increased by about \$753,000,000, while in the same time the insurance in force in the Northwestern Mutual Life Insurance Company has increased by about \$335,000,000, almost the same, although the new paid-for insurance issued by that company during the same period has averaged only \$70,000,000 per annum. It is well known that this company issued each year more than \$100,000,000, increasing until toward the close of the period our yearly issues exceeded \$200,000,000. It is probably known to all interested in the subject that the dividends of the Northwestern during the same period have not been excelled. The average rate of interest of the two companies has been about the same. Our own company had in force at the beginning of 1892 about \$420,000,000 more insurance than the Northwestern, and in the comparison a proper allowance for the lapses and deaths should, of course, be made. (Lapses always include surrenders in this letter.) If the paid-for new business of the Northwestern during this period had been \$100,000,000 per annum, instead of \$70,000,000 per annum, the lapses and death losses on the \$540,000,000 of extra new business issued in the eighteen years would have left in force of this amount much more than \$300,000,000, whereas the \$420,000,000 of old business would have been reduced to much less than \$300,000,000 in the same period. The margin from both causes may be considered to offset the fact that the Northwestern has been doing a growing business, instead of maintaining a level amount throughout the period. I consider, therefore, that the strong

THE HOME LIFE INSURANCE COMPANY OF AMERICA

Incorporated 1899.



General Agents and District Managers who can produce ordinary business can secure "Ground Floor" contracts with **GUARANTEED RENEWALS** and an assignment of territory limited only by capacity to produce agency organization and business. Send for Sample Policy. **IT IS ONE YOU CAN SELL.** New business, \$3,500,000—January 1-Oct. 30, 1910.

Address

M. LALLY,
General Manager,

416-18-20 Walnut St., : PHILADELPHIA, PA.

JOHN LANGHAM, Jr., President.
JOSEPH L. DURKIN, Secretary.
EDWARD P. MADDEN, Treas.

THE FRANKFORT MARINE, ACCIDENT AND PLATE GLASS INSURANCE CO.

OF FRANKFORT-ON-THE-MAIN - - - - - GERMANY
ESTABLISHED 1865.

United States Department, - - - 100 William Street, New York, N. Y.

TRUSTEES:

RICHARD DELAFIELD, Pres. of National Park Bank
ERNST THALMANN, of Ladenburg, Thalmann & Co.
STUYVESANT FISH, 52 Wall Street, New York City.

C. H. FRANKLIN, U. S. Mgr. and Attorney JNO. M. SMITH, Sec. U. S. Branch

INSURANCES TRANSACTED

LIABILITY—	General,	Vessel Owners,	Burglary
Employers,	Landlords,	Contingent,	Workmen's Collective
Public,	Elevator,	Druggists & Physicians.	Individual Accident & Health
Teams,			Industrial Accident & Health

AGENTS WANTED FOR UNOCCUPIED TERRITORY

NATIONAL LIFE INSURANCE COMPANY of the United States of America



MORE THAN \$9,750,000.00 IN ASSETS
EXCESS SECURITY TO POLICYHOLDERS \$1,300,000.00

Chicago's Oldest and Strongest Company

OUR NEW POLICIES ARE WORLD BEATERS LOWEST RATES AND HIGHEST VALUES
YOU LOSE MONEY WHEN YOU NEGLECT YOUR CHANCE TO SELL THEM

Write to Robert D. Lay, Secretary, 159 La Salle St., Chicago.

statement contained in the preceding paragraph is strictly within the bounds of truth.

Dividends After 1911.

Unless the company's business after next year is limited as suggested I do not think that the annual dividends after 1911, which ought to be substantially better than those of 1910, can be permanently maintained on the enlarged basis—namely, a permanent basis giving each year the same dividend as was paid the year before on a similar policy issued one year earlier. This is what is meant by continuing a certain basis of dividends, upon which, naturally, each policy as it gets a year older receives on the same premium a slightly larger dividend. After 1911, or possibly after 1912, the regular surplus earnings of the company can no longer be depended upon to meet the increasing expense, both first year and renewals, of our growing business, supposing the business to increase beyond the limit heretofore fixed by law. I assume, of course, that the business conditions remain unchanged. We are apparently increasing our business from \$100,000,000 at the beginning of 1910 to perhaps \$125,000,000 at its close, which would be an increase of 25 per cent. In 1911 further increase is likely, and we may possibly even reach our limit of \$150,000,000, a limit which, whenever it may be reached, we should maintain practically unchanged for all time to come, unless, indeed, contrary to all present possibility, some feasible means should be found in the future to increase the annual business without cost to existing members.

After such time as the business has attained what I consider its normal magnitude, any increase of business must be at the cost of the annual dividends to policyholders, either positively, by a slight diminution in the scale of the annual dividends, or, relatively, by making a smaller increase. Is not this company bound in these circumstances to limit its business for the express purpose of making the largest possible dividends? Other companies may consider the presumed necessity of a healthy growth their paramount object, but this company was organized on the purely mutual basis, is legally owned by the policyholders themselves, and is managed by a Board of Trustees elected by the policyholders. The great major-

ity of the American companies—indeed, all which have begun business within the last fifty years—are, on a different basis, under the management of stockholders. Leaving out of the question a few purely proprietary companies, the standard form of organization is one in which the policyholders get annually what profits remain after a certain maximum percentage, usually 7 per cent, has been paid to the stockholders upon their investment. The policyholders gain by this means the support of the capital stock, \$100,000 or more, which is particularly useful in the early years, and derive such benefit as may result from the pecuniary interest of the stockholders in the good management of the company. The stockholders, on the other hand, possess such incidental benefit as may be derived, in influence and good will, from their control of the management. For a number of years the directors of such a company may properly consider that a healthy enlargement will be more in the interest of the policyholders themselves than the largest possible immediate dividends. Until a company attains a certain size it cannot be safe against fluctuations in mortality. It is, therefore, usual in the management of such a company to draw the line so as to maintain a healthy growth on the one hand and to maintain satisfactory dividends to policyholders on the other. It is obvious that small and young companies may properly lean more toward growth, and that old and large companies more toward dividends. Personally, I consider that the true interest of the stockholders, as well as policyholders, requires that the older and larger companies should place a fixed limit upon their annual new business. That, however, is a matter which must be left to the managers of such companies themselves, to whom the policyholders have confided their interests. In such a company as I have described the policyholders have no claim except from such surplus as may be left after the business of the year has been closed.

The Mutual Life Insurance Company is in a radically different position. The oldest life insurance company in the country, it was started on a strictly mutual basis, without stockholders, and has ever since remained subject to the direction of a Board of Trustees elected periodically by the policyholders themselves. It might

perhaps have been called by the name of society rather than that of company. For the first quarter of a century there was no occasion for such a line to be drawn as that which is now necessary in younger companies between "growth" and "dividends." That period was the golden age of life insurance, when the greater the amount of annual business the greater the surplus for dividends. In those days there were only a few agents, who, having no competition, were contented to receive 10 per cent on new premiums and 5 per cent on renewals. There was little expense for medical fees, and none for travelling. Not only were the expenses light, but since lapses worked a total forfeiture the gains of surplus to the policyholders were large. At the beginning of the company, in 1843, a hundred men were got together for the purpose of insuring each other's lives, and to effect a periodical division of the surplus among themselves. For many years their undertaking was successful. They were glad to admit as many as possible into their membership without cost to themselves in order to strengthen their organization.

The Propagandist View.

The second quarter of a century was one of increasing expense for new business and diminishing profits from lapses. After the Civil War a great number of new companies came into being, attracted by the apparently certain combination of a safe investment for stockholders, good employment for promoters and others and large dividends to policyholders. The thing was overdone, and great disaster was the consequence. The cost of getting the business increased, while the liberalization of contracts diminished the profits from lapses, both causes combining to create much misery among insurance men in this second quarter of a century, instead of the happiness expected by all concerned. The companies organized before the war were already securely established, but the conflict had begun between the two theories of management which has lasted until this day. The second quarter of a century of this company, and, therefore, of the life insurance business in America, was one in which a divergency between "growth" and "dividends" as motives sprang up and grew to maturity. The commissions were in-

The Connecticut Mutual

That means the best life insurance to have and the best to sell. If you can sell life insurance, you can sell more of it for the CONNECTICUT MUTUAL.

Men of Character and Ability are invited to apply.

Conn. Mutual Life Ins. Co.
Hartford, Conn.

Please mention this paper.

BONDS OF SURETYSHIP.

The Guarantee Company of North America

HEAD OFFICE, MONTREAL

Edward Rawlings, President.

H. E. Rawlings, Asst. Mgr.

Richard B. Scott, Secretary & Treasurer.

It is the Pioneer Company, was established in 1872, and is conducted under a conservative management of over 55 years experience.

It has recouped to employers over \$2,190,000 for losses sustained by the infidelity of employees and has a surplus of \$1,041,423.23 to credit of shareholders and total resources of \$1,919,892.38 for the security of insured.

Branch Offices:

NEW YORK: 111 Broadway.
D. J. Tompkins, Secretary.
BOSTON: 114 Milk Street.
W. A. Hamilton, Agent and Attorney.
CHICAGO: Room 400, The Temple.
J. R. Pruyn, Resident Sec. and Atty.
PHILADELPHIA: 500 Arcade Bldg.
W. H. Jackson, Res. Secretary.
PITTSBURG: 1120 Farmers Bank Bldg.
E. R. Munro, Resident Secretary.
LOUISVILLE: 316 Columbia Bldg.
P. N. Clarke & Co., Agents.

creased from 20 per cent, which was paid in the latter part of the first period, with 5 per cent on renewals, to 10 per cent on renewals, besides whatever was found necessary on the first premium. It was usually a time of difference of opinion between the actuaries, who desired large dividends, and other officers, who naturally considered themselves responsible for a certain degree of expansion.

It is difficult to conceive the earnestness with which many life insurance men held to the view that, although dividends were desirable in themselves, yet when they came in the way of expansion, dividends must go to the wall. It must always be remembered that the companies organized before the war had then no such dilemma to face as that which confronted them later. The officers and agents became deeply imbued with the idea that rapid expansion was their first duty, because in the early days of insurance the larger they made their company, the greater were the immediate dividends to policyholders.

What we may call the propagandist view of life insurance continued in substantially undiminished vigor into the third quarter of the century of the Mutual Life, and of American life insurance as well, a period which has not yet expired. The then President of this company, Mr. McCurdy, strongly held this view. Although he issued the announcement already quoted, that for the year 1892 the paid-for business should not exceed \$100,000,000, he did so only tentatively, for the year 1892 only, unless there should be a combination of the three companies upon the limitation. By the end of 1892 he had completely rejected the advice on this subject which he had temporarily accepted the year before, holding thenceforward the avowed idea that the chief object of every company is the enlargement of its borders, in order to permit every home to share in the

blessings of life insurance. It is my duty to state as clearly and forcibly as it is in me to do that the Mutual Life Insurance Company of New York was organized for the purpose of carrying out both theories as long as they should not conflict, but that now, since the two ideas became discordant, it should cease to increase its rate of growth, but instead should pay the largest possible dividends to its members.

Growth Vs. Dividends.

The question may naturally occur, Why, life insurance alone, as a business, should be subjected to such a limitation, apart from the well-known deleterious effects of excessive competition. Why must there be necessarily any such conflict between growth and dividends? The explanation lies in the law of many States and countries, requiring the holding of what is known as the "net reserve" upon each policy issued. This law was not necessary in the nature of the case, but it has been so fortified by subsidiary laws and the custom of the business regarding policy contracts as to make a change impracticable. This law requires that the first net premium on each policy shall, when received, be set aside to meet the policy claims, so that only the "loading," at present averaging 22 per cent, can be used for expenses, while the expenses themselves amount on the average to about 100 per cent. Some companies working on the general agency system are able to unload a part of the expense upon their general agents, but such companies are compelled to pay "renewal commissions" in greater volume upon the second premium and thereafter, so that they have to pay more in the end.

I now state in order certain points in some detail:

1. The company does not need to fix a limit below that already fixed by the late law. Whatever the previous

cost of its agencies may have been, our 100 branches at home and abroad have now been established on a scale to warrant the doing of much more than \$100,000,000 of new business per annum, the smaller totals of the last few years having been restricted by temporary causes only. Regarded as a manufacturing establishment our plant is constructed with a view to doing from \$125,000,000 to \$150,000,000 of business per annum. If in 1907 we had cut the plant down, say one-quarter, after our business had been established in so many places, the proceeding would have been attended with serious loss. The magnitude of our operations is such that the limitation of \$100,000,000 per annum proposed at the beginning of 1892, when we had in force a total insurance of less than \$700,000,000, would have required a heavier rate of expense for new business, including the proper fixed charges, than the \$125,000,000 per annum, perhaps increasing during 1911 to \$140,000,000 or \$150,000,000, now imposes upon a total outstanding business of more than double the amount. Nevertheless, our new business would have had to be cut down to a smaller scale, did it not happen that two circumstances combined during the last few years to render these years specially fruitful in surplus earnings, the great saving in expense for which your administration has been noteworthy and the great reduction effected during the last ten years in renewal commissions. It must be remarked, by the way, that our renewal commissions must now again increase to some extent, owing to the change of system enforced by the law of New York. Our profits on securities also have played a considerable part in swelling the surplus earnings of recent years, but such profits have been offset by the reduced valuation of the company's buildings. The effect of the two chief causes first referred to has been to enable the

1894

1910

The State Life Insurance Company

INDIANAPOLIS

UNEQUALLED IN SOLID ACHIEVEMENT

Assets, Dec. 31, 1909...\$8,580,830.58 Surplus, 1909.....\$1,174,606.34

GROWTH UNPARALLELED

	Gain in Admitted Assets	Gain in Surplus
1907.....	\$1,001,409.00	\$ 27,775.00
1908.....	1,023,700.00	153,161.00
1909.....	1,201,977.14	314,044.74

**EIGHT MILLION DOLLARS IN SECURITIES
DEPOSITED WITH THE STATE OF INDIANA**
This is **\$848,861** more than is required by law

Most Attractive Agency Contract

Our Own Idea Every Contract Direct with the Company
Scores of Good Men Have Joined the State Life Field Force Since Jan. 1, 1910.

On All Agency Matters Address

CHAS. F. COFFIN, Second Vice Pres., 1231 State Life Bldg.

THE COMPANY WITH THE PYRAMID

40 CONSECUTIVE YEARS OF PYRAMIDAL PROGRESS

ASSETS	SURPLUS
1870 \$100,000.00	1870 \$100,000.00
1880 1,000,000.00	1880 1,000,000.00
1890 10,000,000.00	1890 10,000,000.00
1900 100,000,000.00	1900 100,000,000.00
1910 1,000,000,000.00	1910 1,000,000,000.00

NEW HAMPSHIRE

2,937,319.76	840,940.17
3,163,880.05	946,783.34

FIRE INSURANCE CO.

3,779,569.67	1,154,810.10
3,877,845.70	1,255,207.00
3,976,121.73	1,356,604.00
4,074,397.76	1,458,001.00
4,172,673.79	1,559,398.00
4,270,949.81	1,660,795.00
4,369,225.84	1,762,192.00
4,467,501.87	1,863,589.00
4,565,777.90	1,964,986.00
4,664,053.93	2,066,383.00
4,762,329.96	2,167,780.00
4,860,605.99	2,269,177.00
4,958,882.02	2,370,574.00
5,057,158.05	2,471,971.00
5,155,434.08	2,573,368.00
5,253,710.11	2,674,765.00
5,351,986.14	2,776,162.00
5,450,262.17	2,877,559.00
5,548,538.20	2,978,956.00
5,646,814.23	3,080,353.00
5,745,090.26	3,181,750.00
5,843,366.29	3,283,147.00
5,941,642.32	3,384,544.00
6,039,918.35	3,485,941.00
6,138,194.38	3,587,338.00
6,236,470.41	3,688,735.00
6,334,746.44	3,790,132.00
6,433,022.47	3,891,529.00
6,531,298.50	3,992,926.00
6,629,574.53	4,094,323.00
6,727,850.56	4,195,720.00
6,826,126.59	4,297,117.00
6,924,402.62	4,398,514.00
7,022,678.65	4,499,911.00
7,120,954.68	4,601,308.00
7,219,230.71	4,702,705.00
7,317,506.74	4,804,102.00
7,415,782.77	4,905,499.00
7,514,058.80	5,006,896.00
7,612,334.83	5,108,293.00
7,710,610.86	5,209,690.00
7,808,886.89	5,311,087.00
7,907,162.92	5,412,484.00
8,005,438.95	5,513,881.00
8,103,714.98	5,615,278.00
8,201,991.01	5,716,675.00
8,300,267.04	5,818,072.00
8,398,543.07	5,919,469.00
8,496,819.10	6,020,866.00
8,595,095.13	6,122,263.00
8,693,371.16	6,223,660.00
8,791,647.19	6,325,057.00
8,889,923.22	6,426,454.00
8,988,199.25	6,527,851.00
9,086,475.28	6,629,248.00
9,184,751.31	6,730,645.00
9,283,027.34	6,832,042.00
9,381,303.37	6,933,439.00
9,479,579.40	7,034,836.00
9,577,855.43	7,136,233.00
9,676,131.46	7,237,630.00
9,774,407.49	7,339,027.00
9,872,683.52	7,440,424.00
9,970,959.55	7,541,821.00
10,069,235.58	7,643,218.00
10,167,511.61	7,744,615.00
10,265,787.64	7,846,012.00
10,364,063.67	7,947,409.00
10,462,339.70	8,048,806.00
10,560,615.73	8,150,203.00
10,658,891.76	8,251,600.00
10,757,167.79	8,353,000.00
10,855,443.82	8,454,397.00
10,953,719.85	8,555,794.00
11,052,000.00	8,657,191.00
11,150,280.00	8,758,588.00
11,248,560.00	8,859,985.00
11,346,840.00	8,961,382.00
11,445,120.00	9,062,779.00
11,543,400.00	9,164,176.00
11,641,680.00	9,265,573.00
11,739,960.00	9,366,970.00
11,838,240.00	9,468,367.00
11,936,520.00	9,569,764.00
12,034,800.00	9,671,161.00
12,133,080.00	9,772,558.00
12,231,360.00	9,873,955.00
12,329,640.00	9,975,352.00
12,427,920.00	10,076,749.00
12,526,200.00	10,178,146.00
12,624,480.00	10,279,543.00
12,722,760.00	10,380,940.00
12,821,040.00	10,482,337.00
12,919,320.00	10,583,734.00
13,017,600.00	10,685,131.00
13,115,880.00	10,786,528.00
13,214,160.00	10,887,925.00
13,312,440.00	10,989,322.00
13,410,720.00	11,090,719.00
13,509,000.00	11,192,116.00
13,607,280.00	11,293,513.00
13,705,560.00	11,394,910.00
13,803,840.00	11,496,307.00
13,902,120.00	11,597,704.00
14,000,400.00	11,699,101.00
14,098,680.00	11,800,498.00
14,196,960.00	11,901,895.00
14,295,240.00	12,003,292.00
14,393,520.00	12,104,689.00
14,491,800.00	12,206,086.00
14,590,080.00	12,307,483.00
14,688,360.00	12,408,880.00
14,786,640.00	12,510,277.00
14,884,920.00	12,611,674.00
14,983,200.00	12,713,071.00
15,081,480.00	12,814,468.00
15,179,760.00	12,915,865.00
15,278,040.00	13,017,262.00
15,376,320.00	13,118,659.00
15,474,600.00	13,220,056.00
15,572,880.00	13,321,453.00
15,671,160.00	13,422,850.00
15,769,440.00	13,524,247.00
15,867,720.00	13,625,644.00
15,966,000.00	13,727,041.00
16,064,280.00	13,828,438.00
16,162,560.00	13,929,835.00
16,260,840.00	14,031,232.00
16,359,120.00	14,132,629.00
16,457,400.00	14,234,026.00
16,555,680.00	14,335,423.00
16,653,960.00	14,436,820.00
16,752,240.00	14,538,217.00
16,850,520.00	14,639,614.00
16,948,800.00	14,741,011.00
17,047,080.00	14,842,408.00
17,145,360.00	14,943,805.00
17,243,640.00	15,045,202.00
17,341,920.00	15,146,599.00
17,440,200.00	15,247,996.00
17,538,480.00	15,349,393.00
17,636,760.00	15,450,790.00
17,735,040.00	15,552,187.00
17,833,320.00	15,653,584.00
17,931,600.00	15,754,981.00
18,029,880.00	15,856,378.00
18,128,160.00	15,957,775.00
18,226,440.00	16,059,172.00
18,324,720.00	16,160,569.00
18,423,000.00	16,261,966.00
18,521,280.00	16,363,363.00
18,619,560.00	16,464,760.00
18,717,840.00	16,566,157.00
18,816,120.00	16,667,554.00
18,914,400.00	16,768,951.00
19,012,680.00	16,870,348.00
19,110,960.00	16,971,745.00
19,209,240.00	17,073,142.00
19,307,520.00	17,174,539.00
19,405,800.00	17,275,936.00
19,504,080.00	17,377,333.00
19,602,360.00	17,478,730.00
19,700,640.00	17,580,127.00
19,798,920.00	17,681,524.00
19,897,200.00	17,782,921.00
19,995,480.00	17,884,318.00
20,093,760.00	17,985,715.00
20,192,040.00	18,087,112.00
20,290,320.00	18,188,509.00
20,388,600.00	18,289,906.00
20,486,880.00	18,391,303.00
20,585,160.00	18,492,700.00
20,683,440.00	18,594,097.00
20,781,720.00	18,695,494.00
20,880,000.00	18,796,891.00
20,978,280.00	18,898,288.00
21,076,560.00	18,999,685.00
21,174,840.00	19,101,082.00
21,273,120.00	19,202,479.00
21,371,400.00	19,303,876.00
21,469,680.00	19,405,273.00
21,567,960.00	19,506,670.00
21,666,240.00	19,608,067.00
21,764,520.00	19,709,464.00
21,862,800.00	19,810,861.00
21,961,080.00	19,912,258.00
22,059,360.00	20,013,655.00
22,157,640.00	20,115,052.00
22,255,920.00	20,216,449.00
22,354,200.00	20,317,846.00
22,452,480.00	20,419,243.00
22,550,760.00	20,520,640.00
22,649,040.00	20,622,037.00
22,747,320.00	20,723,434.00
22,845,600.00	20,824,831.00
22,943,880.00	20,926,228.00
23,042,160.00	21,027,625.00
23,140,440.00	21,129,022.00
23,238,720.00	21,230,419.00
23,337,000.00	21,331,816.00
23,435,280.00	21,433,213.00
23,533,560.00	21,534,610.00
23,631,840.00	21,636,007.00
23,730,120.00	21,737,404.00
23,828,400.00	21,838,801.00
23,926,680.00	21,940,198.00
24,024,960.00	22,041,595.00
24,123,240.00	22,142,992.00
24,221,520.00	22,244,389.00
24,319,800.00	22,345,786.00
24,418,080.00	22,447,183.00
24,516,360.00	22,548,580.00
24,614,640.00	22,649,977.00

company to make signal increases in the annual dividends, of course including in a proper proportion the dividend reserves on those policies on which dividends are deferred. At the same time we have been enabled to strengthen our reserves to a considerable extent, though they are not yet equal in all respects to the reserves held by a few of the most conservative companies. After one or two years more our regular surplus earnings, fluctuations apart, will be just about enough to meet our annual dividends, provided our new business is limited to \$150,000,000 a year. During the last four years our plant has been kept up on a certain scale, in the expectation that the limit hitherto existing will be permanently continued, everything having been shaped for our not exceeding the legal limit.

2. **The greater the size of any company the smaller must be its percentage of annual growth,** allowing for variations in exceptional circumstances. This is a well-known principle of the business, long recognized openly or tacitly by many authorities, and particularly by the leaders of the large companies who have at various times favored the idea of a limitation law, as well as by the authors of the report of the Armstrong committee itself. When a company is newly established its losses are light, while the losses of an old company are heavy. A company which has a large body of old business is depleted much more rapidly by death losses and lapses than a young company started only a few years since. There is greater proportional expense attending any large life insurance company, except, of course, those expenses which may be called fixed charges. That portion of expenses paid for new business within the legal margin, and which I shall call marginal expenses, appears to have been actually a greater percentage in the three large companies, according to the last report of the New York Insurance Department (1909), than in the great majority of smaller companies. The general principle of slower growth is recognized by the present law of New York, which limits the annual business of different companies according to their amount of insurance in force. They are arranged in groups, the group having the smallest amount in force being permitted to issue the largest proportion of new

business. The tendency, in short, is generally recognized.

3. **The oldest and strongest company in this country, and with one exception the largest in the world, should take the lead in a voluntary limitation.** The older and larger the company, the greater the tendency has been found to be toward a slackening of the pace as regards growth in size, and this company is precisely the one to take the lead in a movement of this kind.

4. **The proposed action is timely.** Delay may be injurious, because all concerned should be set at ease as soon as possible after the abrogation of the late law.

5. **What is saved in the expense of new business goes to increase the dividends of the policyholders.** I speak now of this direct effort, leaving other causes for increased dividends indirectly due to the limitation of business, to be spoken of later. I shall also consider separately the legal and moral rights of existing policyholders to such increase of their dividends. Let us suppose the limit to have been reached at the end of any given year, say, for example, 1911, and that (apart from maturing funds on deferred dividend policies) the annual dividend a year later, in the ordinary course of things, would equal the surplus earnings, provided the limitation was adhered to during 1912. If now we further assume that the limit is to be exceeded in 1912, then for each \$10,000,000 of extra insurance there must be about \$250,000 paid out in expense (less loading), reducing by that amount the surplus earnings of 1912, and by an equal amount the annual dividends at the end of the year. If expansion is to go on at all, such a rate of growth would be thought conservative by life insurance experts. The opportunity for twice that rate is eagerly sought by the one company larger than the Mutual Life. Our own company this very year is making a still greater rate of growth, as has been stated in the paragraph numbered 1. Yet on this moderate supposition of an increased growth of only 6 or 7 per cent, a percentage which would be looked upon by any expert as showing a normal, healthy increase, there would be an extra cost, under the circumstances assumed, of about \$250,000 in reduced dividends. But this is only the beginning. The next year we may suppose the paid-for business increased

to \$170,000,000, just about 6 per cent, and that the same amount of increase \$10,000,000 per annum, is continued for the future, the percentages on the increasing total showing, accordingly, a gradual decrease. The expense of these increases above the \$150,000,000 limit would rise rapidly, that of 1913 costing about \$500,000, that of 1914 about \$750,000, and so on. In the long run this increase of expense would perhaps be repaid to those who happened to be members ten or twenty years hence, such repayment being at the expense of the present members. Business is not now profitable until after long years. If in any year a certain amount of business is bought and paid for, the next year there is some small return, chiefly in savings upon the expected mortality of that block of business. In this company the renewal commissions and the dividends are not quite taken care of from the loadings. After the cessation of renewal commissions there is some tangible profit to the company to go toward repaying the first cost and compound interest thereon. Formerly, large profits were made from lapses, but such profits have gradually been dried up, the competition between the companies in regard to granting surrender values having reached the extreme limit. It was otherwise before 1899, and especially so before 1868. At that time for years this company was under no expense whatever, the profits on lapses defraying the entire expense of a rapidly increasing business. In various ways the business has been progressively liberalized, usually followed by some reduction of dividends, but I am digressing from my argument. I ought to explain that the cost of new business, less loadings, which I have stated at \$250,000 for \$10,000,000 of insurance, includes in the first place the marginal expenses which in 1909 came to very nearly \$200,000. By marginal expenses I mean those items limited by law—namely, the compensation of solicitors actually engaged in writing applications for insurance and of medical examiners. Every year we make up an account of the other, or extra-marginal expenses connected with new business, distinct from the marginal expenses and also distinct from those necessary expenses which the company would have to meet if it did nothing except care for policies already in existence. The extra-marginal expenses

SPECIAL OPPORTUNITIES offered now in Southern States to Representatives of

**CITIZENS
NATIONAL LIFE
INSURANCE
CO.**

W. H. GREGORY,
President.



CAPITAL, \$500,000

THE "EMPIRE"

**Stands for AGGRESSIVENESS
PROMPT PAYMENT OF LOSSES
and CLEAN METHODS.**

Agents wanted who are unattached and can produce business.

**Address Agency Department,
THE EMPIRE STATE SURETY CO.,
84 William Street, New York**

in 1909 came to about \$1,500,000, of which the assigned proportion on \$10,000,000 would be \$150,000. I consider the estimate named for both items of new business, \$330,000, to be within the mark, less \$80,000 for loadings.

6. Increased dividends diminish lapsing, thereby causing a still further increase in dividends. Lapses being no longer profitable, bring little book profit at present, the amount now being hardly worth speaking of. On the contrary, each policy holder who drops his policy, by that act causes a serious loss to the company, which must be made good by getting a new policy on some one else. Also, every premium contributes to the company's expense fund, and when a lapse occurs the contribution of that policy ceases. The company's expenses remaining practically unchanged, the defection of each delinquent member necessarily increases the proportion of expense chargeable to each member remaining, which means the corresponding reduction of dividends. Every policyholder discovers sooner or later whether or not his dividend is satisfactory. If he has no other policy he hears from some neighbor, or from the agent of some other company, whether the dividend which he receives annually is or is not as large as it ought to be. If, as is now frequently the case, he has policies in two or more companies, comparison shows which company does the better for him. If for any cause one policy must be dropped the decision is against the company in which he finds his investment the least profitable. A decision is made silently and without appeal. The hard-hearted policyholder does not care whether the company is or is not striving to increase its annual business in order to spread more widely the blessings of life insurance. Lapses not due to necessity sometimes occur from other causes than small dividends, such as a misunderstanding

with an agent, or a representation by a rival agent, but the main cause is notorious, dividends which have been weighed in the balances and found wanting. There are still a number of companies whose dividends exceed our own on policies recently issued, although no company equals ours in average annual dividends, taking all premium-paying policies together, old and new. Our dividends even in the exceptional cases are not now much found fault with, lapses from this cause having been greatly reduced; but whatever loss there is will be prevented by the limitation rule. In the absence of this rule, supposing the business were to keep on growing and the dividends were to consequently fall off somewhat, there would be a consequent increase in the proportion of lapsing.

7. Under limitation the quality of our risks will be improved, thus again adding to the dividends. In 1907 our losses by death were 85 per cent of those expected by the mortality tables; in 1908 they were 78 per cent, and in 1909 they were 76 per cent. There have been wide fluctuations from year to year in the past, the percentages ranging from 73 per cent to 93 per cent. In a table before me giving the percentages of mortality in various companies during the decade preceding 1909, and adding to them the figures for 1909, the averages of the percentages for this company is very nearly 80, while that of the Northwestern for the same period of eleven years is exactly 18 per cent lower. The "expected mortality" for this company in 1909 was \$16,728,282. If we had saved 18 per cent of this amount the profit would have been a little more than \$3,000,000 for the year 1909 alone, although some deduction must be made from this estimate in the comparison by way of allowance for the more rapid rate of growth of the Northwestern. The actual percentages for the year 1909, instead of the average of eleven years, were

76.51 per cent for the Mutual Life and 53.78 per cent for the Northwestern. The Provident Life and Trust is a well known company, and this and some others not so well known show average percentages for the eleven years still better than the Northwestern. It is, in fact, impossible to exaggerate the importance to be attached to the item known as "saving from death losses" in discussing the capacity of any company to provide the best dividends. Unfortunately, this element of good management is the work of many years. The various improvements in the average quality of risks in force which have been recently effected will, if steadily persevered in for years, tell gradually but surely as time goes on. Improvements still to be made are largely dependent on the prospective limitation of new business.

8. Still further economies are practicable under limitation, which will again add to the dividends. It has been the case in the past, and it is still true to a certain extent, that the most distant fields produce on the average the worst risks without involving a lesser expense, to put the case mildly. Curtailment in such cases will be dependent on a careful consideration of all the facts. Other savings will be made as time goes on for the benefit of the dividend fund.

9. Under the limitation discord concerning the main object of the company's organization cannot arise. In every growing company one or more of the officers will naturally consider the matter of dividends paramount, while others will prefer the further growth of the business. Some progressive company may possibly have a regulation fixing beforehand the amount of growth each year, but if so such a regulation, apart from the wide limits imposed by the New York law, is unknown to me. In this company there has been entire harmony on this question, the object of all concerned being to increase the new business as fast as may be, with due regard to other points, until the limit is reached, and thereafter to abide by the limitation. In default of any such regulation, the tendency must be toward unwise expenditure or perhaps equally unwise parsimony. I have known of companies in which the superintendent of agencies has been positively cowed by a conservative President. Such cases, however, are few in comparison with those in which the superintendent has been given undue latitude. In either case there must be others in the same company holding opposite views—a situation productive of friction and heartburning. This company has happily been free from any question of the kind, and under the limitation the same freedom from friction will be automatically preserved throughout the future. Apart from any question of internal harmony, it is difficult to overrate the feeling of satisfaction which pervades every department of this office since the cessation of rivalry with other companies. Just now the new business of the Equitable and the Northwestern runs neck and neck beside our own, no one being able to tell which of the three companies may be ahead at the end of the year. The matter would have only a languid interest for this

**OLDEST
IN
AMERICA**

**STRONGEST
IN THE
WORLD**

THE MUTUAL LIFE Insurance Company of New York

**- Mutual Life Agents Make Most Money
Because Mutual Life Policies Sell Most Freely**

For terms to producing agents, address

GEORGE T. DEXTER

2nd Vice-President

34 Nassau Street

New York, N. Y.

New York Insurance Stocks

Casualty Companies.

	Capital.	Approx. Annual Div.	Period.	Bid.	Ask.
Aetna Indemnity (\$25)....	\$350,000	V	V	...	200
Casualty Co. of America....	500,000	6	J&J	120	150
Fidelity & Casualty.....	1,000,000	18	"	450	500
Hartford Steam Boiler....	1,000,000	10	"	255	265
Metropolitan Casualty	200,000	10	"	185	...
N. Y. Plate Glass (\$50)....	200,000	16	"	500	...
United States Casualty....	500,000	10	Q	200	225

Fire Companies.

City of New York.....	\$500,000	10	Q	...	205
Commonwealth	500,000	10	J&J	326	...
Continental	2,000,000	40	"	1,025	1,075
Empire City	200,000	8	"	125	...
Fidelity-Phenix	2,500,000	V	V	280	290
German Alliance	400,000	15	J&J	275	300
German-American	1,500,000	30	"	550	560
Germania (\$50)	1,000,000	18	"	285	295
Glens Falls (\$10).....	200,000	30	"	1,525	...
Globe & Rutgers.....	400,000	40	Q	475	500

Hanover (\$50)	1,000,000	15	J&J	200	210
Home	3,000,000	30	"	640	660
Nassau (\$50)	200,000	10	"	165	175
Niagara (\$50)	1,000,000	20	"	300	305
North River (\$25).....	350,000	10	A&O	155	165
Pacific (\$25)	200,000	14	"	185	...
Peter Cooper (\$20)	150,000	6	"	90	105
Stuyvesant	400,000	10	"	155	160
United States (\$25).....	250,000	V	V	60	70
Westchester (\$10)	300,000	40	F&A	455	...
Williamsburg City (\$50)..	250,000	20	J&J	380	400

Life Companies.

Aetna Life	\$2,000,000	15	Q	650	660
Connecticut General	300,000	8	J&J	250	...
Equitable	100,000	7	A	4,000	...
Germania (\$50)	200,000	12	J&J	210	225
Hartford Life	500,000	10	"	150	...
Home	125,000	12	M&N	275	...
Manhattan Life	100,000	26	O&F	400	425
Metropolitan (\$25).....	2,000,000	7	M&N	155	175
Prudential (\$50)	2,000,000	10	Q	450	500
Travelers' Hartford.....	2,000,000	20	Q	900	...
United States Life.....	264,000	7	J&J	90	105

V—No information. Q—Quarterly.

company under the limitation. If there were no limitation I can imagine not only a quickening of interest, but also some effort involving extra expense. In short, a spirit of competition, not necessarily unhealthy, might again be aroused, and if aroused that spirit, under new officers, might in time be carried to great lengths.

10. A limitation is just, because the dividends belong to the policyholders, who own the company and who are the company. If the present policyholders were all trained actuaries and could each register his vote coolly and disinterestedly on the question now before us their decision would be unanimous. I do not mean that this or any other question should be decided by a referendum, because a representative body like this board should act according to its own best judgment in the permanent interests of the policyholders whom they represent. Years ago, even after the close of the golden age, the cost of new business was smaller, and the profits from lapses were larger than at present, so that, allowing for compound interest, a company recouped its expenses in so short a time that there was no conflict worth speaking of between the highest dividends and a fair rate of expansion. Those days have gone by forever. The present policyholders of this company, in view of the circumstances which I have recited, are entitled to the highest possible dividends, and these can be obtained in no other way. Under the limitation every motive will converge toward the one object of making and keeping this company's annual dividends eventually so large as to be beyond the possibility of comparison.

* * *

The Armstrong Report.

At the beginning of 1906 the Armstrong committee made its memorable report, of which the part relating to the limitation of business was not the least important. I quote a few sentences: "The business of the Mutual, Equitable and the New York Life has grown beyond reasonable limits. Notwithstanding the fact that they have

long since passed the point where further enlargement can benefit their policyholders, they have resorted to every effort to obtain new business regardless of the expense, which is reflected in diminishing dividends." "Much has been due to pride of growth and zeal for impressive totals, while the huge accumulations of the companies and the great responsibilities involved in their management have furnished pretexts for increased salaries and extravagant administrations." "The growth of the three companies has long been a matter of grave concern to students of insurance conditions. No useful purpose will be served by their becoming larger. Their membership is so large and their resources are so vast as to make the question of responsible control and conservative management one of extreme difficulty, and their magnitude if permitted to grow unrestricted will soon become a serious menace to the community." The committee, in fact, summed up in the few sentences which I have quoted the main reasons for a definite limitation of the business of the largest companies—namely, the diminishing dividends and the temptation to undue expenditure, not to speak of rivalry for size, which was aptly referred to by Mr. Alexander on one occasion as "the same old hell."

In January, 1909, in the course of an article of your own which appeared in the "New York Herald," you (President Peabody) gave your views on the reform legislation of 1906, with criticisms where criticism was needed, and as it was almost the only thing which appeared in print on that side of the question, it attracted considerable attention. It is especially worthy of remark that with one exception the past and present Presidents of the great companies—namely, Messrs. Hyde, Alexander and Morton in the Equitable; Beers and McCall in the New York Life, and McCurdy, Cromwell and Peabody in the Mutual Life—have each and all, upon occasion, expressed approval of the legal limitation of their business. Differing as they did in the forms of their state-

ments, in the earnestness of their views and in the character of the arguments which appealed to them, the fact remains remarkable that each one of those leaders has felt the grave responsibilities attending the management of these great corporations, and has approved this dignified method of bringing their historic rivalry to an orderly close.

It is said by the opponents of limitation that a company which stands still must go backward. Any such statement is meaningless except in this respect, that it is feared by some who disapprove the late law that if it had not been repealed the agents would lose their enthusiasm and the managers in charge of agencies would find their occupation gone. I have already shown that each individual agent will find everything to encourage him; and as regards the managers, they will be crowded as heretofore with all the multifarious cares of a still growing business. After the limit is reached, whenever that may be, we shall have \$150,000,000 of annual business to look forward to, a larger amount than has been done of late years by any company, while the volume of risks in force will necessarily go on increasing, until \$2,000,000,000, possibly even \$3,000,000,000, is arrived at in the long future, in place of the \$1,500,000,000 which we have yet to reach.

RECTOR 2817

ESTABLISHED 1864

E. S. BAILEY

DEALER IN

INSURANCE STOCKS

A SPECIALTY

66 Broadway

NEW YORK

Life Ins. Co. of Virginia

Home Office, Richmond, Virginia.

J. G. WALKER, President.
T. W. PEMBERTON, 1st Vice-President.
W. L. T. ROGERSON, 2d Vice-President.
E. D. HARRIS, Secretary.

The OLDEST Southern Life Insurance Company.

The LARGEST and STRONGEST Southern Life Insurance Company.

The PIONEER Southern Industrial Life Insurance Company.

Its policies are clear and definite in their provisions and their values are absolutely guaranteed.

Assets Dec. 31, 1909..... \$5,372,691.99
Liabilities Dec. 31, 1909..... 4,312,405.32
Insurance In Force Dec. 31, 1909 68,337,613.00
Total Payments to Policyholders since Organization 9,820,412.40

WESTERN ASSURANCE CO.

HEAD OFFICE,

TORONTO, - - CANADA.

Incorporated 1851.

Hon. GEORGE A. COX.....President
W. R. BROCK and JOHN HOSKIN, K. C. LL. D., Vice-Presidents
W. B. MEIKLE.....General Manager

United States Statement, Jan. 1, 1910.

Assets\$2,377,303.37
Surplus in United States..... 839,268.07

NATIONAL LIFE

Insurance Company,

MONTPELIER, VERMONT.

Established in 1850.

Operating in 37 States.

JOSEPH A. DE BOER, President.

FRED A. HOWLAND, Vice-President
JAMES B. ESTEE, 2nd Vice-President
OSMAN D. CLARK, Secretary
H. M. CUTLER, Treasurer
A. B. BISBEE, Medical Director
C. E. MOULTON, Actuary

This Company held January 1, 1910, and gained during the past decade:

ASSETS . . .	\$47,490,998.98
GAIN, 167 PER CENT.	
LIABILITIES . .	\$41,661,130.12
GAIN, 162 PER CENT.	
SURPLUS . . .	\$5,829,868.86
GAIN, 211 PER CENT.	
INSURANCE . .	\$161,423,115.00
GAIN, 79 PER CENT.	

Absolute Security and Economy of Management

Chronicle Paragraphs

IT IS announced that Ferris E. Shaw, Vice-President of the United Insurance Company of Arizona, and who was expected to be eventually the President of the United Fire of New York, is about to sever connection with the parent company. The New York company—one of the divisions of the head office—was to have a capital of \$200,000 with surplus of \$800,000. Indications, after the report of the New York Insurance Department, point to an abandonment of the great general scheme of \$10,000,000, with \$40,000,000 surplus.

* * *

Especially as relating to the interests of the Liverpool and London and Globe Insurance Company, the annual meeting of the managers of that company for the United States and Canada was held recently in San Francisco. At that conference were Managers H. W. Eaton, of the New York office; W. S. Warren, Chicago; Charles D. Haven, San Francisco; J. Gardiner Thompson, Montreal, and J. G. Pepper, of the New Orleans office.

* * *

Through the office of Fred S. James & Co. the Liverpool-Victoria Insurance Corporation (Ltd.), of London, England, is writing surplus lines. The cash capital of the company will shortly be increased to more than \$500,000.

* * *

At Olympia, Wash., incorporation papers have been filed for the Pacific State Fire Insurance Company, with a proposed capital and surplus of \$500,000 each. It is understood that large and responsible moneyed interests are behind the new company.

* * *

Efforts are being made through the courts to dissolve the Board of Fire Underwriters of Pittsburg.

* * *

The New York Insurance Department is now examining the Hamilton Fire Insurance Company.

* * *

Fire losses in the United States for October footed up higher than for many years for the same month. In fact, it was the heaviest monthly record of fire damage which has been chronicled since the conflagration at San Francisco in April, 1906. A large portion of this fire waste was due to the destructive forest fires which also burned up buildings and contents.

* * *

Henry E. Hess, Vice-President of the Fidelity-Phenix Fire Insurance Company, has resigned. The news came rather as a surprise, because it was thought that his long and most efficient work as manager of the New York Fire Insurance Exchange would, as an officer of a large American company, give him not only a

rest from the intricate and trying duties of Exchange labors, but also provide a lasting position for him commensurate with his peculiarly strong abilities as an experienced underwriter and thorough organizer, thereby giving him an opportunity for a broader field. For many years he has been a sufferer from internal troubles, and this fact has undoubtedly hastened his resignation.

* * *

Fester, Douglas & Folsom have been appointed United States managers of the Second Russian Reinsurance Company. The deposit will be made in Connecticut.

* * *

There is a current report that efforts will be made during the next session of the New York State Legislature to introduce a measure providing for a review of the rulings of the New York Fire Insurance Exchange. This applies to cases where there occurs a clash between the assured, the broker and the Exchange. It is proposed to provide a means by which appeals from its rulings can be arranged for.

* * *

Assemblyman James J. Hoey, who is also an insurance broker and connected with the firm of the John F. Curry Company, has indicated that he will introduce a bill for licensing insurance brokers under State laws. Almost every year during the last five this same subject has come up in one way or another, either for general discussion or before the Legislature, yet this is the first time it has appeared at all possible that the question of State licensing of fire insurance brokers will be brought up for serious consideration by the Legislature of New York State. With this proposed bill will go the feature of bonding. At present some 8,000 names are certified by the New York Fire Insurance Exchange at \$10 each as an annual charge for the privilege of conducting brokerage business. In this regard attention is directed to remarks in THE CHRONICLE in the issue of September 1.

* * *

The Washington Life Insurance Company of Washington, D. C., was incorporated recently. Its capital is \$100,000 and the proposed surplus is of nearly equal amount. Officers elected are J. Grier Long, President, and B. C. Barrington, Secretary and general manager.

* * *

At the meeting to-day of the Plate Glass Underwriters' Association, held at the office of the New Amsterdam Casualty Company, there will be several important matters brought up. Among these will be the report of the special committee, and some plan discussed for tabulating experience,



SUPERIOR POLICIES
KIMBALL C. ATWOOD, President
290-292 Broadway, New York.

New England Mutual Life

Insurance Company

BOSTON, : : : MASS.

Chartered 1835

Assets, January 1, 1910..\$51,316,543.00
Liabilities 47,050,672.15

Surplus \$4,265,870.85

Sixty-six years of honorable dealing with its policyholders has placed the **NEW ENGLAND MUTUAL LIFE INSURANCE COMPANY** in the front rank of Life Insurance Companies of the Country.

ALFRED D. FOSTER, President.
D. F. APPEL, Vice-President.
J. A. BARBEY, Secretary.
WM. F. DAVIS, Assistant Sec'y.
J. G. WILDMAN, Assist. Sec'y.

EDWARD W. ALLEN, Manager.
 220 Broadway, New York.
LATHROPE, BALDWIN, Manager.
 141 Broadway, New York.
CHARLES H. STRAUS, Gen. Ag't.
 260 Fifth Ave., New York.

FOUNDED 1792

118th ANNUAL STATEMENT INSURANCE COMPANY OF NORTH AMERICA, OF PHILADELPHIA, PA.

ASSETS.

Real Estate	January 1, 1910.	\$ 364,410.00
First Mortgages on Real Estate		373,803.48
Philadelphia, New York, Boston and other City and State Loans		1,134,390.00
Pennsylvania, Philadelphia and Erie, Lehigh Valley and other Companies' Bonds and Stocks		8,909,150.32
Cash in Bank and Bankers' hands		1,134,635.88
Notes Receivable and Unsettled Marine Premiums		347,440.69
Net Cash Fire Premiums in course of Transmission		1,069,510.62
Accrued Interest, and all other property		52,160.57
Total Assets		\$13,385,501.56

LIABILITIES.

Capital Stock	\$ 3,000,000.00
Reserve for Re-Insurance ..	6,813,862.47
Reserve for Losses	877,250.00
All other Liabilities	104,982.45
Surplus over all Liabilities ..	2,589,406.64
	\$13,385,501.56

Surplus to Policyholders.....	\$5,589,406.64
Increase in Reinsurance Reserve	349,934.71
Increase in Net Surplus.....	838,500.97
Increase in Assets	1,371,456.93
Eugene L. Ellison.....President	
Benjamin Rush.....Vice-President	
T. Houart Wright.....Secretary	
Henry W. Farnum.....Assistant Secretary	
John O. Platt.....Assistant Secretary	

Agencies in all Prominent Cities & Towns.

NOTEWORTHY ADVANCE.

The BERKSHIRE LIFE Insurance Company,

OF PITTSFIELD, MASSACHUSETTS,

takes an advanced step in the interest of the policyholder by the adoption of the following liberal features in its new policy contract:

Low premium rates.
 Large surrender values.
 Dividends at the end of each policy year.

Thirty-one days of grace in payment of all premiums after the first year.

Paid-up insurance or cash surrender value or extended insurance after two years' premiums have been paid.

Loans for the full cash surrender value.

Policy payable in one sum or in installments for terms of years.

Policy has no restrictions upon residence or travel and is incontestable after the first policy year, except for non-payment of premiums.

Right of the insured to change the beneficiary.

Liberal re-instatement privileges.

Every effort has been made to make this new policy the very perfection in a life insurance contract.

For further information apply to
JOHN H. ROBINSON, General Agent
FRANK ALLEN, Associate General Agent
 For New York and New Jersey,
 Postal Building,
253 Broadway, - - - NEW YORK.

HOME OFFICE OF THE

Metropolitan Life Insurance Co.

(INCORPORATED BY THE STATE OF NEW YORK, STOCK COMPANY)

The Company OF the People. BY the People. FOR the People

PROOF OF PUBLIC CONFIDENCE

This company has more premium paying business in force in the United States than any other Company, and for each of the last 16 years has had more New Insurance accepted and issued in America than any other Company.

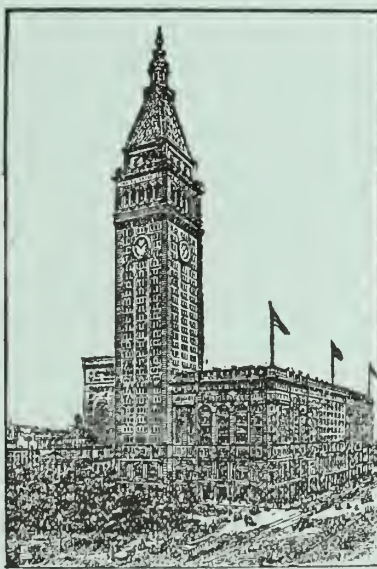
The number of Policies in force is greater than that of any other Company in America, greater than all the Regular Life Insurance Companies put together (less one), and can only be appreciated by comparison. It is a greater number than the Combined Population of Greater New York, Chicago, Philadelphia, Boston, St. Louis, Cleveland, Cincinnati, San Francisco, Pittsburg, Baltimore, New Orleans and Buffalo.

ASSETS.

Municipal and R. R. Bonds and Stocks	\$123,346,161.39
Bonds and Mortgages	105,183,172.02
Real Estate	23,311,215.73
Cash	5,420,643.42
Demand Loans on Collateral	172,930.00
Loans to Policyholders	11,193,245.61
Prem. deferred and in course of collection (net)	5,190,288.45
Accrued Int., Rents, etc.	3,290,211.85
Total	\$277,107,868.48

LIABILITIES.

Reinsurance Fund and Special Reserves	\$27,213,384.00
All other Liabilities	9,992,264.48
Capital and Surplus	29,902,219.98
Total	\$277,107,868.48



Largest Office Building in the World—Madison Avenue, Fourth Avenue, 23d Street and 24th Street, New York City.

THE DAILY AVERAGE OF THE COMPANY'S BUSINESS DURING 1909 WAS:
 456 per day in number of Claims paid.
 6,535 per day in number of Policies placed and paid for.

11,463,755 per day in New Insurance placed and paid for.
 \$183,403.75 per day in Payments to Policyholders and addition to Reserve.
 \$132,172.72 per day in Increase of Assets.

OFFICERS

JOHN R. HEGEMAN.....President	
HALEY FISK.....Vice-President	
GEORGE H. GASTON.....2d Vice President	
GEORGE B. WOODWARD.....3d Vice President	
FRANK O. AYERS.....4th Vice President	
F. F. TAYLOR.....5th Vice President	
JAMES M. CRAIG.....Actuary	
STEWART L. WOODFORD.....Counsel	
WM. J. TULLY.....General Solicitor	
FRED'K. H. ECKER.....Treasurer	
WALTER STABLER.....Comptroller	
JAMES S. ROBERTS.....Secretary	
JOHN R. HEGEMAN, JR.....Asst. Secretary	
J. J. THOMPSON.....Asst. Secretary	
T. R. RICHARDSON.....Asst. Secretary	
GEO. B. SCOTT.....Asst. Secretary	
FRED'K. A. BETTS.....Asst. Secretary	
GEORGE C. PENHALLOW.....Asst. Secretary	
THOMAS H. WILLARD, M. D.....Med. Dir.	
AUGUSTUS S. KNIGHT, M. D.....Med. Dir.	
E. M. HOLDEN, M. D.....Asst. Med. Director	
W. S. MANNERS, M. D.....Asst. Med. Director	
J. BERGEN OGDEN, M. D.....Asst. Med. Dir.	
D. M. GEDGE, M. D.....Asst. Med. Director	
I. J. CAHEN.....Manager Ordinary Dept.	
LEE H. FRANKEL, Ph. D.....Mgr. Indus. Dep.	
JACOB CHADEAYNE.....Mgr. Intermediate Br.	
CHAS. G. REITER.....Asst. Actuary	
JAMES C. BROWN.....Asst. Actuary	
JAMES D. CRAIG.....Asst. Actuary	
RAYMOND V. CARPENTER.....Asst. Actuary	

Paid to Policyholders since Organization, plus the Amount now Invested for their Security, \$537,223,523.83.

Number of Policies, 1 Force, December 31, 1909, 410,621,679. Total Outstanding Insurance Placed and Paid for, December 31, 1909, \$2,041,951,700.00.

In its Ordinary Department policies are issued for from \$1,000 to \$100,000 on individual lives, premiums payable annually, semi-annually and quarterly. In its Industrial Department policies are issued on all the insurable members of the family for weekly premiums. Full particulars regarding the plans of the Metropolitan may be obtained at its Home Office, 1 Madison Avenue, New York City, or its Agents in all the principal cities of the United States and Canada.

COMPARATIVE RESERVE TABLES

BY

MILES M. DAWSON

Consulting Actuary.

Containing Mean and Terminal Reserves for the
usual forms of policies and by the
following standards:

American Experience, Select and Ultimate $3\frac{1}{2}$ per cent.
American Experience, Select and Ultimate 3 per cent.
American Experience, Modified Preliminary Term $3\frac{1}{2}$ per cent.
American Experience, Modified Preliminary Term 3 per cent.
American Experience, Select and Ultimate 4 per cent.
Actuaries', Modified Preliminary Term 4 per cent.
American Experience, Committee of Fifteen, $3\frac{1}{2}$ per cent.
American Experience, Illinois and Tennessee, $3\frac{1}{2}$ per cent.
American Experience, Michigan, $3\frac{1}{2}$ per cent.
American Experience, Wisconsin, $3\frac{1}{2}$ per cent.
American Experience, New Jersey, $3\frac{1}{2}$ per cent.
H^M, Canadian Life Officers' Association, $3\frac{1}{2}$ per cent.
O^[M], Select and Ultimate, $3\frac{1}{2}$ per cent.

THIS covers all the standards, other than the net level
premiums, in use in this country. Tables showing
the first year margins set free by each method of valu-
ation are given.

Send all orders to the Publishers,

The Chronicle Co., Ltd.

No. 80 Wall St.

NEW YORK

The Chronicle

1866

Published by THE CHRONICLE COMPANY (Ltd.), 80 Wall Street, New York City

1910

VOLUME LXXXVI.

NEW YORK, NOVEMBER 17, 1910

NUMBER 20



Royal Insurance Building

COMPARATIVE RESERVE TABLES

By MILES M. DAWSON,
Consulting Actuary.

Containing Mean and Terminal Reserves for the usual forms of policies and by the following standards—

- American Experience, Select and Ultimate $3\frac{1}{2}$ per cent.
- American Experience, Select and Ultimate 3 per cent.
- American Experience, Modified Preliminary Term $3\frac{1}{2}$ per cent.
- American Experience, Modified Preliminary Term 3 per cent.
- American Experience, Select and Ultimate 4 per cent.
- Actuaries', Modified Preliminary Term 4 per cent.
- American Experience, Committee of Fifteen, $3\frac{1}{2}$ per cent.
- American Experience, Illinois and Tennessee, $3\frac{1}{2}$ per cent.
- American Experience, Michigan, $3\frac{1}{2}$ per cent.
- American Experience, Wisconsin, $3\frac{1}{2}$ per cent.
- American Experience, New Jersey, $3\frac{1}{2}$ per cent.
- H^M, Canadian Life Officers' Association, $3\frac{1}{2}$ per cent.
- O^[M], Select and Ultimate, $3\frac{1}{2}$ per cent.

This covers all the standards, other than the net level premiums, in this country. Tables showing the first year margins set free by each method of valuation are given.

EDITION ALMOST EXHAUSTED—SAVES TIME AND MONEY

VARIOUS DERIVED TABLES---American Experience 3 and 3 1-2 PER CENT.

By MILES M. DAWSON

Table of Contents.

Single Premiums, Pure Endowment.
Accumulations, Pure Endowment.
Forborne Immediate Annuities.
Accumulated Temporary Insurances.
Accumulated Increasing Insurance.
Single Premiums Endowment Insurance.
Single Premiums Temporary Insurance.
Immediate Temporary Annuities.
Valuation Columns.

SELECT AND ULTIMATE VALUES.

Single Premiums, Whole Life.
Life Annuities.
Terminal Reserves, Life, Limited Payment Endowment.
Mean Reserves, Life, Limited Payment, Endowment.

LOGARITHMS, SEVEN PLACES.

Forborne Immediate Annuities.
Curtate Summations of D Column.
Immediate Temporary Annuities.

Uses.

- Computing Annual Term Insurance Premiums:
Divide endowment insurance values by immediate temporary annuities.
- Computing Annual Endowment Insurance Premiums:
Divide endowment insurance values by immediate temporary annuities. For these purposes the "select and ultimate" will be most useful.
- Computing Annual Pure Endowment Premiums:
Divide pure endowment values by immediate temporary annuities or take reciprocals of forborne immediate annuities.
By these means, the net extra premium for a special guaranty can be quickly and accurately computed.
- Computing Annual Semi or Double Endowment Premiums:
Add temporary insurance and pure endowment values for proper amounts and divide by immediate temporary annuity.
- Computing Limited Premiums:
Divide the proper single premiums by immediate temporary annuity.
- Computing Surrender Values:
Extended Insurance. Find the temporary insurance value next lower than the sum to purchase extension. This gives even number of years. Apply remainder to pay for additional days according to daily differences in the table.
- Extended Insurance with Fractional Paid-up Endowment:
Deduct from purchase money, value of insurance for unexpired term; multiply remainder by accumulation, pure endowment, to get amount of endowment.
- Computing Terminal Reserves:
Unvarying Benefits. Multiply net premiums by forborne immediate annuity and deduct accumulated temporary insurance.
Return Premium, Full Reserve. Multiply net premium by forborne immediate annuity and deduct accumulated temporary insurance and accumulated increasing insurance, multiplied by gross premiums to be reduced.
Return Premium, Extra Reserve. Multiply net extra premiums by forborne immediate annuity and deduct accumulated increasing insurance, multiplied by gross premiums to be returned.
- Warranted Commissions for New Business.
- Surrender Values.
- Dividends.

SEND ALL ORDERS TO **THE CHRONICLE CO. (Ltd.)**

80 Wall Street,
New York

The Chronicle

VOLUME LXXXVI.

NEW YORK, THURSDAY, NOVEMBER 17, 1910

NUMBER 20

PUBLISHED EVERY THURSDAY BY
THE CHRONICLE COMPANY, Limited.
No. 80 Wall Street, New York.
Phone "567 John." Cable Address, "Chronogram," New York.

Subscription Price:
Three Dollars a Year. Single Copies, Twenty-five Cents.
Postage Prepaid in the United States and Canada.

MILES M. DAWSON, President.
R. B. Dawson, Treas. A. C. Harwick, V.-P. A. L. Dern, Sec'y.
Emil Schwab, Manager New England Department,
200 Devonshire Street, Boston, Mass.

All communications should be addressed to and remittances should be made to The Chronicle Company, Limited.
Entered at the Post Office, New York, N. Y., as Second Class Mail Matter.

Insurance Against Unemployment

By Arthur Rhys Barrand, F. I. A.

An Address Delivered Under the Auspices of the Permanent International Committee on Social Insurances at The Hague.



THE subject of insurance against unemployment is a very difficult one to deal with, presenting, as it does, many features not found in other forms of social insurance, such as insurance against sickness and provision for old age. These difficulties arise from the absence of and the practical impossibility of obtaining reliable statistics upon which calculations as to the cost of such a system of insurance can be based; from the great differences in extent of unemployment and capacity to contribute to the cost of insurance which exist in various occupations; from the apparently well-nigh insuperable difficulties in the way of an adequate system of supervision for the prevention of fraud; and the almost equally difficult problem of the organization of the great mass of unskilled and casual labor for the purposes of such a system of insurance, a problem which must be solved if the system is to meet the real need of the country, and which, I believe, has hardly been touched by the unemployment insurance schemes that have been adopted in various countries and municipalities abroad.

The aspect of the subject to which attention is specially directed in the programme of the congress is, however, not the advisability, the possibility, or the practicability of a scheme of unemployment insurance, nor even the conditions or regulations under which such a scheme could be carried into effect. The programme, as I understand it, postulates the practicability of a national system of insurance against unemployment, and calls for a discussion of the much more limited question as to whether it would be advantageous and practicable to combine such a system with other forms

of social insurance, such as those against sickness, against accidents and against incapacity due to invalidity and old age. Before, however, proceeding to consider this aspect of the subject, it may be as well to call attention to some of the difficulties which beset any scheme of unemployment insurance, and to suggest some of the conditions which must be fulfilled if such a scheme is to solve successfully this portion of the social problem of unemployment.

It should, perhaps, be noted at the outset that unemployment insurance has, strictly speaking, nothing to do with the causes of unemployment, or with methods of removing those causes. Just as life assurance is concerned with the expected rate of mortality, rather than with medical and sanitary considerations which may affect that rate, and adjusts the premium charged to the rate of mortality, be it light or heavy, so unemployment insurance, considered strictly by itself, has only to do with the rate of unemployment likely to be experienced in the future, the cost of the insurance as indicated by that rate, and the methods by which such a system of insurance can be carried on with the maximum of efficiency and the minimum of expense. It is not, however, safe to press this comparison between life assurance and unemployment insurance too far, for whereas the rate of mortality with which the former is concerned is not subject to sudden and violent fluctuations, and, moreover, may be said to be largely independent of human volition, and changes only slowly and over long periods, the rate of unemployment is affected by many temporary and incalculable causes, and is influenced to a considerable extent by the vagaries of human nature. It is probable also that unemployment insurance, when

actually in existence on a large scale, will exhibit a phenomenon practically unknown in life assurance, but familiar to those who have had experience of workmen's compensation and sickness insurance—namely, that the introduction of the benefit increases the apparent rate of disability, and so tends to vitiate the statistics on which the calculation of the benefit was based. Moreover, some of the agencies to be employed for dealing with the problem are so closely associated with the rate of unemployment, and are so likely to affect it, that they can hardly be disregarded; indeed, one of those agencies, the Labor Exchange, must necessarily have so intimate a connection with any system of unemployment insurance as to form an actual part of the scheme. It is, therefore, difficult and, indeed, unsafe, to carry the analogy between life assurance and unemployment insurance too far in this direction, but, having called attention to the caution to be observed in the application of the principle, I propose to confine the few remarks I have to make on unemployment insurance in general to the insurance aspect rather than to consider the wider social aspects of the subject.

First.—The scheme to be adopted should embrace the whole body of workers in the community, whatever the nature or characteristics of their occupation, who may be said to be subject to any appreciable extent, to the risk of unemployment. Thus it must include organized and unorganized labor, skilled and unskilled, regular and seasonal, and, above all, the great body of casual and partly employed workers, who have been excluded in too many existing schemes, but who stand in the greatest need of such assistance and protection.

Second.—To be of any real assist-

ance in solving the problem of alleviating the distress and suffering caused by unemployment, the scheme adopted must provide a benefit, the minimum rate of which for those without dependents cannot be less than 5s. per week, rising by 1s. per week for each dependent to a maximum of 10s. per week for any number of dependents exceeding four. The rate named is a very low one, and is less than that given in many cases by local systems now or recently in force in different parts of the Continent of Europe, and is considerably less than most of the unemployment benefits paid in the United States of America. I am assured, however, by those in a position to speak authoritatively for the working classes, that the benefit referred to would go a very long way toward meeting the difficulty.

Third—The cost of such a scheme of insurance should be met by contributions from (a) all workers entitled to benefit under the scheme; (b) all employers of workers so entitled; (c) the State. In some countries and districts where unemployment insurance has been or is being tried, arrangements have been made for the local authority to contribute also. I understand, however, that this has not proved successful, and in any event it would hardly be practicable in the United Kingdom, where in most districts, and particularly in those likely to be affected by such a scheme as this, local expenditure is already very heavy, and where there is a strongly marked agitation in favor of shifting some portion of the present local burden on to the State.

Fourth—As to the rate of contribution, it is somewhat hazardous to fix the amount in the absence of statistics showing the rate of unemployment of workers as a whole, including all classes; but, if I may venture to suggest a rate to provide the benefits referred to in (2), I would suggest that both employer and employed should contribute $2\frac{1}{2}$ per cent—i. e., 6d. in the pound, of all wages paid to those entitled to benefit under the scheme, such contribution, so far as the worker is concerned, to be deducted from all wages paid to him, and accounted for, together with his own contribution, by the employer to the local insurance authority. The State's contribution will then, of course, be the difference between the amount of the combined contributions and the cost of the insurance. The worker's contribution being paid in the form of a deduction from his wages, it follows that no contribution will be required from him during unemployment, and that he will run no risk of loss of benefit through failure to pay his contribution. If it is proposed to give a uniform benefit, irrespective of the wages earned and amount contributed, it may be necessary to limit the worker's contribution to 6d. only in any one week, leaving him, if he is able and so inclined,

to make private arrangements for a supplement to the insurance grant through a trade union or friendly society.

Fifth—The question as to whether a partially employed worker should be entitled to benefit under the scheme is a very difficult one, but I think that, provided the methods of supervision are adequate, a worker should be encouraged to take even partial employment, and that so long as by such employment he was not earning more than half his usual wages when in full employment he should receive full employment benefit, with reduced benefit when earning more than half his normal wages. It would, however, be necessary, in all probability, to stipulate that he should not accept less than the current rate per hour, as otherwise the receipt of unemployment benefit would enable the employer to pay a lower rate of wages, the difference between the normal rate and that actually paid coming in reality out of the insurance fund.

Sixth—Closely associated with the question of partial employment is that of private income. A certain amount of this, say, not exceeding 10s. a week, should not interfere in any way with the unemployment benefit, but above that amount the benefit should be reduced in proportion to such income, and, where the private income amounts to £1 a week or over, no unemployment benefit should be paid. It may be possible and advisable, however, to make no reduction in the unemployment benefit where the private income, whatever its amount, is due to the provision made by the worker himself through a friendly society or trade union.

Seventh—Adequate machinery must exist for compelling a worker to accept any suitable work that may be offered him. The term "suitable work" should certainly not be confined to a man's own trade, or even to a trade closely associated to it. I think the only qualification should be that no unemployed worker should be compelled to accept work that would be likely to unfit him for subsequently working at his own trade.

Eighth—Any scheme of unemployment insurance should be worked in connection with a system of labor bureaus, and it should be a necessary preliminary condition to the receipt of any benefit under the scheme that the unemployed worker shall have registered at the local bureau. It will also be necessary to insist that he shall report himself there at least once a day so long as he is receiving benefit.

Ninth—Any unemployment insurance scheme will probably prove worse than useless unless accompanied by an adequate system of supervision for the prevention of fraud. The two main sources from which improper claims will arise are: (a) those

who could find work, but are work-shy; (b) those who are working, but pretend that they are not. Both of these classes must be prevented from receiving any benefit from the fund, and, in addition, it may be necessary to interfere with those who are spending any portion of unemployment benefit in drink or gambling. In this latter case, to stop the benefit altogether would press very hardly on the man's dependents, and it would probably be advisable to give the benefit in kind direct to the dependents, if there be any, only forfeiting the benefit entirely where the man has no dependents.

Tenth—No benefit should be payable under the scheme in respect of the first few days of unemployment, say for the first week. This provision would greatly lessen the cost of the scheme, and would not impose an undue hardship on the workers.

Eleventh—The difficult question of unemployment caused by a strike or lockout cannot be passed over without remark. Most systems of unemployment insurance provide that no benefit shall be payable in such cases, but such a provision hardly deals fairly with the problem. A better method of meeting the difficulty is to provide a permanent tribunal of arbitration for dealing with such trade disputes, and only to withhold unemployment benefit when the workers have declined to accept work on the terms which such a tribunal decides to be fair and reasonable.

Twelfth—It seems probable that any scheme, to have a reasonable chance of success, must be compulsory. In that case it is necessary to consider what limitation, if any, should be imposed on the class of workers to be included in the scheme. If membership, and therefore contribution, is to be compulsory, it is manifestly unfair to include those who run little risk of unemployment, and have consequently little chance of benefitting. There should, therefore, be excluded from the compulsory part of the scheme those en-

(Continued on Page 15.)

201st YEAR.

SUN Insurance Office OF LONDON.

FOUNDED 1710.

UNITED STATES BRANCH:

54 PINE STREET, NEW YORK.

WESTERN DEPARTMENT:

171 LA SALLE ST., CHICAGO.

PACIFIC DEPARTMENT:

Sansome & Sacramento Sts.,
SAN FRANCISCO, CAL.

**AGENTS WANTED
AT UNREPRESENTED POINTS.**

In New England

BOSTON, Nov. 16.—The report of the examiner of the Massachusetts Insurance Department upon the result of the triennial examination of the John Hancock Mutual Life Insurance Company, which has just been filed, shows the usual excellence of results achieved by that company. A rigid examination was made of the affairs of the company and its general methods of transacting business, and the report which was rendered early in the year to the policyholders by the management of the company was verified, the figures as of December 31, 1909, being as follows:

Assets	\$64,945,609.73
Liabilities (including policy reserve)	58,786,457.50
Unassigned funds	6,027,956.93

The accounts of the company were found to have been accurately kept and the system of caring for collection of premiums and interest and payment of claims was commended.

In summarizing his report the examiner took occasion to call attention to a very important phase of the business by special reference to the reserve accumulations held to the credit of the weekly premium policies.

Attention was called to the inadequacy of the mortality table as prescribed by the Massachusetts law in its measurement of the mortality among the industrial classes, the fact being brought out that this table of mortality, while adequate for treatment of the ordinary, or yearly premium, business, did not set a proper standard for the industrial or weekly premium business, the mortality of the weekly premium branch being in excess of the expectation by the mortality table prescribed.

The company has since the completion of the standard mortality table, so called, set aside in special liability an amount of funds sufficient to bring the reserve for several years

past up to the amount required by that table, which represents the actual mortality experience of the industrial companies in America, and is fortunate in that it has in its surplus reserve a strength that would enable it to go far toward complying with any requirement for increasing the reserve to the standard above referred to.

To Contest Receivership.

Proceedings for the appointment of a permanent receiver were instituted last Monday in the Superior Court at Providence, R. I., against L'Union St. Jean Baptiste d'Amerique, of Woonsocket, which, as noted in last week's CHRONICLE, was severely criticised in the report of a joint examination made by the New York and Massachusetts Insurance departments for irregularities in the conduct of its insurance business. The resignation of Supreme Secretary J. Adelard Caron, of Woonsocket and the appointment of a temporary receiver followed. The corporation is now cited to show cause why a permanent receiver should not be appointed on the petition of John B. Brindamour, a member of the Finance Committee which found deficits in the accounts of several of the supreme officers, and as both sides have engaged able counsel a stubborn legal contest is expected.

A movement has been started to hold a new convention to annul the proceedings at the last meeting at Manchester, N. H., at which supreme officers were elected.

It is also planned to change the headquarters from Woonsocket to Providence, Boston or Worcester.

New England Brevities.

The grand lodge of Connecticut, Ancient Order of United Workmen, has brought suit in the Superior Court of Massachusetts against the grand lodge of that order in Massachusetts to recover a judgment of \$25,111.3, which was obtained against the defendant in the courts of Con-

necticut. The court in which the judgment was obtained was the outcome of the financial relations of the two bodies at the time of their separation in 1901.

* * *

Urban Parker, of the John C. Paige & Co. office, Boston, has been advanced to the position of chief counter man, following the assignment of Ernest B. Fletcher to outside work. Both are capable and popular gentlemen and have squarely earned their promotions.

* * *

La Nationale Fire Insurance Company of Paris, represented in the United States by Starkweather & Shepley, has applied for admission to Massachusetts.

* * *

A bill to authorize the Insurance Commissioner to change the form of fire policies from time to time, as the public good may require, has been introduced in the Vermont Legislature. A bill suggesting methods to reduce the Vermont fire loss ratio would be more to the purpose. On with the bureaucratic dance; let damphoolishness be unconfined!

* * *

It is now reported that the directors of the Puritan Life of Providence have turned down the offer of reinsurance said to have been made to that company.

* * *

Vermont, the home State of the American Fidelity of Montpelier, has authorized that company to write automobile property insurance, in addition to the original lines provided for in its charter.

* * *

The Berkshire Life will add two stories to its home office building in Pittsfield, Mass.

EMIL SCHWAB.

No institution employing men in positions of financial trust need look beyond the advertising columns of THE CHRONICLE for FIDELITY INSURANCE.

1860 50th YEAR 1910

HOME LIFE

Insurance Company of New York.

GEORGE E. IDE, President.

Assets	\$23,626,018.63
Liabilities	21,858,691.52
(Including Deferred Dividend Fund)	
Dividend Endowment Fund	
(Deferred Dividends)	2,119,044.00
Net Surplus	1,767,327.00
Insurance in Force	92,532,583.80

The record for 1909 shows the following GAINS:

Insurance in Force	\$4,164,239.00
Assets	1,917,117.00
Deferred Dividend Reserve	148,581.00
Contingency Reserve (Surplus)	655,149.17



CAPITAL, \$500,000

THE "EMPIRE"

Stands for AGGRESSIVENESS
PROMPT PAYMENT OF LOSSES
and CLEAN METHODS.

Agents wanted who are unattached and can produce business.

Address Agency Department,
THE EMPIRE STATE SURETY CO.,
84 William Street, New York

OBITUARY

John J. Henry.

John J. Henry, President of the Newark Fire Insurance Company, with which he had been connected in various capacities for forty years, died last Saturday at his home in Newark, N. J., of a complication of diseases. He was sixty-three years old. He was Treasurer of the Park Presbyterian Church and was active in fraternal, building and social organizations. He is survived by his wife and two children.

William Osgood Blaney.

William Osgood Blaney, Third Vice-President of the John Hancock Mutual Life Insurance Company, died at his home in Commonwealth Avenue, Boston, last Saturday at the age of 69 years. He was born in Bristol, Me., in 1841, and in 1869 became a member of the Boston Corn Exchange. Two years later the name of the exchange became the Boston Commercial Exchange, and in 1881 Mr. Blaney was elected President, serving until 1884. Later the Commercial Exchange became, in turn, the Chamber of Commerce, and he served as chairman on various committees. In 1900 he became President of the Commercial National Bank of Boston, after serving eight years as a director. He remained at the head of this bank until his death.

George Warren Hayes.

George Warren Hayes, for more than forty years prominent in fire insurance circles of this country, died at the home of his daughter, in Seattle, Wash., on Sunday in his seventy-third year. Mr. Hayes was born in Terre Haute, Ind., in April, 1838; graduated from Wabash College, Crawfordsville, in the class of '60, and had his army experience with the old 76th Indiana. In October, 1864, C. C. Hine appointed him a local agent at Waverly, Ill., and a year later Mr. Hayes entered the Illinois field as special agent for the Aetna. In May, 1874, he became special agent of the Franklin of Philadelphia for Illinois,

Wisconsin and Minnesota, and in May, 1879, manager at Milwaukee of the Northwestern department of the Western of Toronto. A similar department for the British America was added in January, 1893. In 1906 Mr. Hayes retired from active work on a pension for life from these companies. Mr. Hayes entered many young men in the insurance business and always took an active interest in the Illinois State Board of Fire Underwriters, of which he was at one time

Secretary. From 1877 to 1883 he was the Secretary of the Fire Underwriters' Association of the Northwest, and Vice-President of that association in 1901. His son, George Washburn Hayes, has for many years been connected with Benedict & Benedict, insurance brokers of this city, and is a member of the Executive Committee of the New York Credit Men's Association, and is also chairman of the Fire Insurance Committee of that association.

Adjustment Bureau Work

IN ITS annual report the General Adjustment Bureau reviews for the benefit of its stockholders and patrons the period from June 1, 1906, when the bureau actually started to handle losses to June 1, 1910.

Under the guidance of General Manager William J. Greer the bureau has steadily advanced in its usefulness, and for the last year of the period covered by the report it shows that 63 per cent of the companies involved in the losses handled by the bureau have made use of the facilities it offered, and that the average cost to its patrons for services, travelling expenses, appraisals, estimates, experts, etc., was only \$1.35 per \$100 of adjusted loss on losses for the four years aggregating \$22,193,367.

The General Adjustment Bureau now has eighty-five members, and the territory covered by its operations embraces the States of New York (except New York City), New Jersey, Pennsylvania, Delaware, Maryland, West Virginia and the District of Columbia. This field is divided into six departments under the supervision of able managers. These departments are designated as follows:

Head office, in New York City, covering New York State from Poughkeepsie south and Northern New Jersey from Trenton north, with Will-

iam J. Greer in direct charge of the field.

Pennsylvania department, east, covering Pennsylvania as far west as York, Harrisburg and Williamsport; Northern Delaware, including Wilmington and New Jersey south of Trenton, with John G. Monroe as manager.

Pennsylvania department, west, covering Western Pennsylvania, except five northern counties; Northern West Virginia and the City of Cumberland, Va., with Wilfred Garretson as manager.

New York State department, west, covering New York State west of Syracuse and the counties of Tioga, Potter, McKean, Warren and Erie in Northern Pennsylvania, with J. W. Williams as manager.

New York State department, east, covering the State north of Poughkeepsie and west to Syracuse, with Charles H. Hibbs as manager.

Maryland department, covering Maryland east of Cumberland, Southern West Virginia, Delaware south of Wilmington, the Cumberland Valley in Pennsylvania and the District of Columbia, with John F. Rice as manager.

When the General Adjustment Bureau first entered the field of the adjustment of fire losses it encountered many difficult problems, which were handled with such diplomacy and

THE LEADING FIRE COMPANY
OF THE WORLD



[of Liverpool, England.]

Liability
Boiler
Plate Glass
Automobile Liability and Defence
Employers' Compensation
Insurance



Casualty Company
of America

HOME OFFICE KUNN-LOEB BUILDING 52-54 WILLIAM STREET NEW YORK

ability by General Manager Greer that its progress soon became assured and the accessions of confidence are clearly demonstrated by the increase in the proportion of losses assigned to it for adjustment. The bureau in a little booklet covering its operations during the four years of its existence announces:

"It is the aim of the management to

cultivate the highest standard of efficiency, and to continue to illustrate by a reasonable and consistent reduction in cost, and in every other practical way, the advantages of co-operation and concentration in the adjustment of fire losses."

The present officers of the General Adjustment Bureau are: E. H. A. Correa, President; C. D. Dunlop, Vice-

President; William J. Greer, general manager; D. C. Brown, superintendent of adjustments; N. B. Bassett, Secretary.

The membership includes nearly all the prominent fire insurance companies operating in this part of the country and the bureau service is also extensively used by companies not affiliated as stockholders.

State Insurance Proposed on the Coast

A STATE industrial insurance department, paying specific benefits to injured workmen, is provided for in the tentative draft of an employers' liability bill as framed by the Washington Employers' Liability Commission, appointed several months ago by Governor Hay. Details of the proposed measure were made public following a meeting of the commission at Tacoma last week. The bill will be submitted to a number of prominent Washington attorneys, who will pass upon the points of law involved, but it is expected to show but few changes from its present form when presented to the next Washington Legislature for enactment.

The measure if enacted will eliminate liability insurance written by stock casualty companies in Washington. Attorneys of the class known as "ambulance chasers" will also find the State a poor field for operations. Ordinarily an injured worker will have no need for counsel, the exception being in case of an appeal from the Insurance Department. Then the court shall award a reasonable attorney's fee, in addition to the judgment rendered on the appeal.

The draft provides that employers shall be exempted from judgment for personal injuries by paying a premium into an insurance fund to be legally created. Every workman will be entitled to the benefits to be paid out of the fund, unless he desires otherwise and so informs his employer in writing.

All workmen and administrative officers employed in mines, factories and workshops where machinery is used; on wharves, dredges; in smelters, laundries, quarries, engineering works, logging and lumbering camps and mills where machinery is used, shall be insured under the provisions of the act.

Premiums are to be paid by both employer and employee. An employer under the act shall pay to the County Treasurer a certain premium based on the entire earnings of his employees. A workman shall pay to the County Treasurer through his employer, a stated sum, to be deducted from his wages. Workingmen are also to pay 50 cents a month through employers to the County Treasurer for first aid and a hospital fund. All premiums received from the employer and workman are to constitute an "accident fund."

It is provided that such insurance shall cover the risk of personal injury arising in the course of the employment and resulting in death or in disability. If a workman leaves a widow or children at the time of his death, a weekly payment shall be made his heirs equal to 75 per cent of his weekly wage, but not exceeding a total of \$4,000. Other provisions are made to fit other conditions of survivors.

The draft provides that the permanent total disability weekly payment shall be paid not to exceed the workman's wages for five years, or \$4,000 in all. Hospital benefits of \$5

a week and funeral benefits of \$75 are provided. The draft provides for the creation of a medical board, in the creation of which the workman shall have a voice.

THE GLASGOW MAY COME.

In a prospectus issued to the shareholders of the Glasgow Assurance Corporation, of Glasgow, Scotland, it is proposed to increase the capital stock £100,000. The reason for this additional strength is shown in that portion of the prospectus which reads thus:

"Following the policy adopted by such leading companies as the Royal Sun, Commercial Union, Atlas and Liverpool and London and Globe, the directors intend to make the business of the corporation, so far as possible, world wide. The great advantage of so doing is to make the company independent of the state of trade in any one country during any single year, experience having proved that insurance rarely suffers a bad year in more than one country at the same time."

From this it would appear that the Glasgow Assurance Company may enter the United States.

No institution employing men in positions of financial trust need look beyond the advertising columns of THE CHRONICLE for FIDELITY INSURANCE.

The
Columbian National Life
INSURANCE COMPANY
OF BOSTON, MASS.

LIFE, ACCIDENT AND HEALTH
INSURANCE.

The Only Massachusetts
Non-Participating Company

The New Columbian Policies are
Unexcelled in Clearness and Liberality.

Good Contracts and Territory for
Good Producers.

ARTHUR E. CHILDS, President.

"WILL SIGN YOUR BOND"

The Bankers Surety Co.
of Cleveland, Ohio,

"EXECUTES SURETY BONDS OF EVERY DESCRIPTION"

DOLAN, EIBLER & McGINTY,
General Eastern Agents,

56 Maiden Lane, - - - - - New York City

'Phone 1281-2 John

Workmen's Compensation in Great Britain

A REMARKABLE showing in regard to the profitability of the workmen's compensation departments of British companies writing employers' liability insurance is presented in the current issue of the "Post Magazine and Insurance Monitor," of London. In view of the significance of the statement for American underwriters, particularly in this State, the entire article, together with the elaborate table which appeared on another page of the same issue of the "Post Magazine," are given here:

"As will be seen from the following summary of the Board of Trade returns for the year 1909 filed by thirty-four tariff and twenty non-tariff companies, and from the table given on another page, the unsatisfactory features of workmen's compensation business have been maintained and accentuated. Our summaries of the totals in 1908 are added for comparison, although the offices represented are not identical:

TARIFF COMPANIES.					
	1908.			1909.	
	£	%		£	%
Claims	1,256,684	61.90		1,250,845	64.60
Commission ..	267,409	13.17		233,646	13.10
Expenses	463,338	22.93		437,985	22.62
	1,989,431	98.00		1,942,475	100.32
Profit margin or deficit...	40,799	2.00		6,151	— .32
Earned premiums	2,030,230	100.00		1,936,324	100.00

NON-TARIFF COMPANIES.					
	1908.			1909.	
	£	%		£	%
Claims	371,335	71.15		350,816	74.23
Commission ..	80,423	15.42		70,009	14.81
Expenses	120,801	23.16		106,042	22.43
	572,562	109.73		526,867	111.46
Deficit	60,780	— 9.73		54,189	— 11.46
Earned premiums	621,782	100.00		472,678	100.00

TOTAL.					
	1908.			1909.	
	£	%		£	%
Claims	1,628,019	63.80		1,601,661	66.49
Commission ..	347,835	13.63		323,654	13.43
Expenses	586,139	22.97		544,027	22.58
	2,561,993	100.40		2,469,342	102.50
Deficit	9,981	— .40		60,340	— 2.50
Earned premiums	2,552,012	100.00		2,409,002	100.00

"It would seem from these figures that inadequate provision has been made in the rates of premium for the tendency of claims for industrial accidents to increase in number and in cost. This tendency, although well recognized in theory, is in practice usually disregarded. Only when companies have lost money does the need for substantial rates appear to be realized. The increase then obtainable is generally inadequate to repair the inroads on the funds, and the best

that can be done is to make a hand-to-mouth provision for the immediate future. Two features are obvious, one the extreme difficulty of fixing rates with such exactitude that no safety margin for untoward contingencies is requisite, the other that a loading of 40 per cent is too narrow to allow for expenses and profit. We are inclined to think that the fact that fire insurance is usually conducted at an expense ratio of about 35 per cent has been allowed

THE American Credit-Indemnity Co. OF NEW YORK.

CREDIT INSURANCE ONLY.

Insures Wholesalers and Manufacturers against Excessive Annual Loss through the Insolvency of their Customers.

We can always use a few high-grade solicitors.

ST. LOUIS, MO.

NEW YORK, N. Y.

Offices in All Principal Cities.

A. B. TREAT, General Agent,

302 Broadway, : : : : : New York.

OLDEST
IN
AMERICA

STRONGEST
IN THE
WORLD

THE MUTUAL LIFE Insurance Company of New York

Mutual Life Agents Make Most Money
Because Mutual Life Policies Sell Most Freely

For terms to producing agents, address

GEORGE T. DEXTER

2nd Vice-President

34 Nassau Street

New York, N. Y.

The Employers' Liability

Assurance Corporation, Ltd.

LIABILITY, STEAM BOILER,
ACCIDENT, HEALTH, FIDELITY
and BURGLARY INSURANCE.

UNITED STATES BRANCH.

SAMUEL APPLETON, United States
Manager,

Employers' Liability Building,
33 BROAD STREET, BOSTON, MASS.

EDMUND DWIGHT,
Resident Manager for New York State,
56 MAIDEN LANE, NEW YORK.

AGENTS WANTED.

to obscure the greater frequency of claims received in workmen's compensation insurance for a like number of policies and probably for a like amount in premiums. On earned premiums of £1,936,324 the tariff companies record the receipt during the year of 1,661 notices of fatal and 143,942 notices of non-fatal accidents, together with 145,603 notices, or over

75 notices for every £1,000 of premium, entailing a considerable outgo presumably not capable of strict allocation to the expense of claim settlement. We have no means of comparing this with the experience in fire insurance, but the point appears likely to repay investigation and consideration.

"We venture to doubt whether in

some instances the Workmen's Compensation Department, if made absolutely self-dependent, instead of being partially subsidized, would not show even less satisfactory results. There can, perhaps, be no objection to allowing one department to pay for another as long as the public are con-

(Continued on Page 11.)

EMPLOYERS' LIABILITY INSURANCE BUSINESS OF BRITISH COMPANIES IN 1909.

The object of the following table, referred to in our leader columns, is to set forth the profit results accruing from the employers' liability insurance business transacted in this country during 1909, and in the majority of cases the figures relate to accounts covering the twelve months to 31st December last. The arrangement is in all respects identical with that adopted in regard to the 1908 business, which was analysed in our issues of 25th December, 1909, and 8th January

following. The figures in Column 2 represent the net premiums brought into account, increased by the unearned premiums (or reserve for unexpired risks) at the end of the previous year, and diminished by the corresponding amount at the end of the year of account. No regulation has been laid down as to the proportions of this unearned premium reserve, and Column 11 has accordingly been added, showing what percentage of the premiums reported is represented by such reserve at the

end of the year of account. The figures in Column 3 represent the scheduled item—"Payments under policies, including medical and legal expenses in connection therewith, after deduction of sums re-insured," increased by the amount reserved for claims outstanding at the end of the year, and diminished by that brought forward from the previous year. Columns 9 and 10 show the margin of profit or (where a minus sign appears) loss.

Column 1 TARIFF COMPANIES.	Premiums earned.	Claims in respect of year.		Commission.		Expenses of Management.		Profit Margin or Deficit.		Unearned premium reserve at end of year % of premiums reported.
	2	Amount.	% of Premiums earned 4	Amount.	% of Premiums earned 6	Amount.	% of Premiums earned 8	Amount.	% of Premiums earned 10	
Alliance	£69,911	£36,260	43.29	£8,401	12.02	£17,818	25.49	£13,432	19.20	40.0
Atlas	15,377	7,059	45.92	1,959	12.74	3,782	24.59	2,577	16.75	40.0
British Equitable	993	588	59.22	172	17.32	267	26.89	34	3.43	81.1
British Law	5,425	2,631	48.50	1,190	21.94	1,604	29.56	—	—	180.2
Caledonian	4,487	2,486	55.43	829	18.47	1,302	29.01	130	2.91	70.9
Central	17,786	7,341	41.28	2,654	14.92	4,666	26.23	3,125	17.57	40.0
Century	16,189	9,209	56.89	2,231	13.78	3,923	24.24	826	5.09	40.0
Commercial Union	207,014	126,629	61.16	28,812	13.92	39,404	19.03	12,169	5.89	40.0
Employers' Liability	99,513	77,322	77.69	11,167	11.24	15,341	15.41	4,317	4.34	40.0
Guardian	64,642	36,919	57.12	8,921	13.80	16,103	24.91	2,699	4.17	37.2
Horse, Carriage and General	1,644	1,101	66.97	223	13.56	296	18.01	24	1.46	33.3
Law Fire	90	—	—	21	23.33	33	36.67	36	40.00	40.0
Law Union and Rock	17,498	9,288	53.08	2,442	13.96	2,194	12.54	3,574	20.42	55.6
Liverpool and London and Globe	65,983	32,044	48.56	10,450	15.84	17,895	27.12	5,594	8.48	40.0
London Assurance	6,208	1,540	24.81	853	13.74	1,567	25.23	2,248	36.22	40.0
London, Edinburgh and Glasgow	2,046	495	24.19	276	13.49	1,285	62.81	10	.49	33.3
London and Lancashire	239,680	161,029	67.19	32,851	13.70	49,991	20.86	4,191	1.75	40.0
London Guarantee	24,669	16,189	65.89	3,350	13.63	8,825	35.91	3,795	15.43	49.8
North British and Mercantile	17,977	9,988	55.07	2,189	12.82	3,784	22.16	5,116	29.95	40.0
Northern	27,867	15,312	54.95	4,042	14.61	3,654	13.11	4,859	17.43	50.0
Norwich Union Fire	145,863	90,315	61.92	20,032	13.73	27,980	19.18	7,536	5.17	40.0
Ocean	313,076	206,747	66.04	36,982	11.81	89,816	28.69	20,469	6.54	33.3
Phoenix	22,437	13,828	61.63	3,984	17.76	5,007	22.31	382	1.70	40.0
Provident Clerks' and General	41,224	35,945	87.20	4,659	11.30	7,378	17.90	6,758	16.40	40.0
Railway Passengers	114,463	112,229	98.05	10,659	9.31	16,438	14.36	24,863	21.72	40.0
Royal	117,960	73,422	62.24	16,596	14.07	30,132	25.54	2,190	1.85	40.0
Royal Exchange	82,461	52,265	63.39	11,578	14.04	19,992	24.24	1,374	1.67	40.0
Scottish Accident	17,563	8,992	51.22	2,808	15.98	4,634	26.39	1,129	6.41	42.7
Scottish Metropolitan	5,762	3,140	54.48	875	15.19	1,905	33.07	158	2.74	40.0
Scottish Union and National	30,900	19,896	64.39	4,265	13.80	7,586	24.55	847	2.74	50.0
State	10,288	5,105	49.62	1,870	18.18	2,251	21.89	1,062	10.31	33.3
Sun	64,537	41,967	65.03	8,630	13.38	15,704	24.32	1,764	2.73	40.0
West of Scotland	2,382	818	34.35	363	15.23	666	27.96	535	22.46	40.0
Yorkshire	63,409	42,746	67.41	7,311	11.53	14,762	23.28	1,410	2.22	40.0
	£ 1,936,324	1,250,845	64.60	253,645	13.10	437,985	22.62	6,151	.32	
NON-TARIFF COMPANIES.										
British General	£11,845	£8,845	74.68	£1,492	12.60	£2,686	22.66	£1,178	9.94	33.3
Co-operative	10,666	5,338	50.05	1,430	13.41	1,347	12.62	2,551	23.92	40.0
Essex and Suffolk	23,464	11,042	47.03	3,221	13.73	7,112	30.33	2,089	8.91	40.8
Federated Employers'	17,297	27,484	158.90	2,445	14.14	3,106	17.96	15,738	91.00	Nil
Fine Art and General	51,412	43,072	83.78	7,449	14.49	8,442	16.42	7,551	14.69	40.0
General Accident	175,405	137,701	78.50	22,955	13.08	54,020	30.81	39,271	22.39	31.3
Glasgow Assurance	2,076	75	3.60	415	20.00	428	20.62	1,158	55.78	50.0
Hearts of Oak Life and General	1,463	317	21.67	237	16.20	334	22.83	575	39.30	34.0
Imperial Accident	7,032	3,152	44.82	1,385	19.71	1,568	22.29	927	13.18	40.0
Irish Catholic Church Property	499	54	10.82	—	—	248	49.70	197	39.48	50.0
King	704	820	116.47	189	19.74	144	20.46	399	56.67	9.0
Law Car and General	118,345	85,362	72.13	20,860	17.63	9,778	8.26	2,345	1.98	40.0
Legal	7,036	2,148	30.53	1,479	21.02	3,270	46.47	139	1.98	33.3
Local Government Mutual	4,321	3,304	76.46	449	10.39	796	18.42	228	5.27	54.1
National General	11,243	6,683	59.46	1,659	14.75	2,273	20.21	628	5.58	33.3
National of Great Britain	3,343	1,670	49.97	497	14.87	662	19.81	514	15.35	33.3
Northern Equitable	13,023	4,830	37.09	2,403	18.45	6,265	48.11	475	3.65	34.5
Primitive Methodist	482	104	21.62	25	5.20	128	26.62	225	46.56	50.0
Royal Scottish	12,699	8,759	68.97	1,379	10.86	3,258	25.65	697	5.49	8.5
Traders and General	323	56	17.34	90	27.86	177	54.80	—	—	54.9
	£ 472,678	350,816	74.22	70,009	14.81	106,042	22.43	54,189	11.46	
Grand totals	£ 2,409,002	1,601,661	66.49	323,654	13.43	544,027	22.58	60,340	2.50	

Mortgage Clause in Standard Policies

THE Appellate Division of the New York Supreme Court has handed down a decision of considerable importance in regard to the rights of the mortgagee under a mortgage clause attached to a standard fire policy. The decision in effect says that there is no obligation upon the mortgagee to do anything whatever in the way of making a claim against the company except to bring action at any time within six years and recover, and this without any prior notice whatever to the company of any loss claim. The decision was rendered in the case of the appeal of Simon Heilbrun vs. German Alliance Insurance Company, from an order sustaining a demurrer of the complaint. Jacob R. Schiff appeared for the appellant and Leo Levy and Arthur Levy for the respondent. Judge Scott wrote the opinion, with Judges Ingraham, McLaughlin and Clarke concurring. Judge Scott said:

"The action is upon a policy of fire insurance issued by defendant to one Cecelia M. Siff, to cover loss by fire to a specified building. The plaintiff's assignor held a mortgage upon the insured building, and there was attached to the policy a mortgage clause, which, as the demurrer admits, provided that the loss or damages, if any, to the premises insured should

be payable to Henry Gerken, mortgagee as interest might appear, and further provided that the insurance as to the interest of the said mortgagee therein should not be invalidated by any act or neglect of the mortgagor or owner of the property described therein, nor by any change in the title or ownership of the property. The complaint alleges the fire on the premises and the amount of loss resulting therefrom; the other insurances on the property and the proportion of the loss which defendant is liable for under its said policy. The complaint does not allege that the insured or Gerken, the mortgagee, or plaintiff, as assignee of the latter, had ever served notice of the loss or proofs of loss upon defendant, and the demurrer for general insufficiency is directed especially to this omission.

"The decision below rested upon the proposition that the plaintiff's assignor, although only a mortgagee, was bound as a condition precedent to a recovery, to allege and prove that he or the mortgagor had within the time prescribed by the policy given to the defendant notice of the loss and furnished proofs of loss. Whether or not such an obligation rested upon the mortgagee is the crucial question involved in this appeal. The question has never been directly passed upon in this State, and in other jurisdictions there are decisions both ways. In the present case the complaint does not undertake to set forth either the insurance policy or the mortgagee clause in their precise words. We must assume, therefore, that the policy was in the standard form, which alone can be lawfully issued in this State, and that the mortgagee clause is substantially in the form set forth in the complaint and admitted by the demurrer, to wit, that it provides that the insurance as to the interest of the said mortgagee therein shall not be invalidated by any act or neglect of the mortgagor or owner of the property described therein. The effect of such a clause has long been settled in this State. It created a new and distinct contract, which places the mortgagee upon another and a different footing from that of a mere assignee or appointee to receive the loss, and removes him beyond the control or effect of any act or neglect of the owner of the property, and renders such mortgagee a party who has a distinct interest separate from the owner, embraced in another and a separate contract.

"The interests of the owner and of the mortgagee are regarded as distinct subjects of insurance. As was said by Rapallo, J.: 'I think that the intent of the clause was to make the policy operate as an insurance of the mortgagors and the mortgagees separately, and to give the mortgagees

the same benefit as if they had taken out a separate policy, free from the conditions imposed upon the owners, making the mortgagees responsible only for their own acts' (Hastings vs. Westchester Fire Insurance Co., 73 N. Y., 141). Considering the contracts with the owner and the mortgagee as separate contracts in which each is subject only to the obligation expressly imposed upon him we must next turn to the standard form of fire insurance policy to ascertain what those obligations are.

"That form of policy was devised with the greatest care and constitutes the only lawful form of policy which may be issued in this State. Its conditions are plainly expressed in numbered lines. Lines 56 to 59 inclusive state distinctly what conditions and obligations apply to and rest upon a mortgagee, as follows: 'If with the consent of the company an interest under this policy shall exist in favor

SAFETY FUND INSURANCE

NIAGARA

Fire Insurance Company

—OF—

NEW YORK

OFFICE:

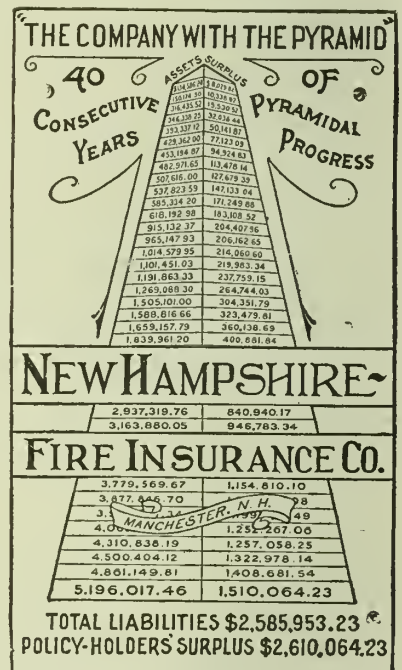
46 CEDAR STREET, CITY.

A General Agency is open
in the State of

PENNSYLVANIA

For one of the best Old Line
Companies in America

Write "B," care of this paper



THE BANKERS LIFE ASSOCIATION

DES MOINES, IOWA.

ERNEST E. CLARK, President

Exceptional Record During twenty-nine years for
LOW RATE OF MORTALITY
ECONOMY OF MANAGEMENT
PROMPT PAYMENT OF CLAIMS
SECURITY OF ITS FUNDS

and satisfactory results
for its policyholders.

of a mortgagee, or of any person or corporation having an interest in the subject of insurance other than the interest of the insured as expressed herein, the conditions hereinbefore contained shall apply in the manner expressed in such provisions and conditions of insurance relating to such interest as shall be written upon, attached or appended hereto.' The use of the word 'hereinbefore' in the above clause is most significant, and when we come to consider the nature of the conditions which precede the clause, and those which follow after it the significance of its language and its location in the policy becomes absolutely controlling. Lines 7 to 55, preceding the mortgage clause, refer to acts done by the insured prior to the issuance of the policy, or to certain contingencies under which the insurer will be liable to no one, as, for instance, if a loss occurs by reason of invasion, insurrection, riot, etc.

"Lines 60 to 112, on the other hand, which follow after the above quoted mortgage clause, refer wholly to conditions to be complied with by the insured after a loss has occurred. Many of these obligations thus imposed upon the owner relate to matters concerning which a mortgagee is not to be presumed to have knowledge or with which, in the nature of the case, he could not comply. Throughout the policy it is quite apparent that the 'insured' who is required to do certain things after a loss has occurred, does not include a mortgagee. The obligation imposed upon the insured by lines 60 to 112 of this policy are, therefore, by the very terms of the policy imposed upon the original insured person and not upon the mortgagee. This includes the giving of immediate notice of the loss, of which the mortgagee may be ignorant for a long time, and the furnishing of proofs of loss which the mortgagee may be quite unable to do, and by the neglect of the owner or mortgagee to do which it is expressly provided that the insurance as to the interest of the mortgagee shall not be invalidated. We are, therefore, of the opinion that the mortgagee was under

no obligation to furnish proof of loss, or to give any other or earlier notice of loss, than that involved in the commencement of this action. It was not, therefore, necessary to allege that he or the mortgagors had given such proofs of loss, or to set up an express waiver thereof by the insurer.

"It follows that the order appealed from must be reversed with \$10 costs and disbursements and the demurrer overruled with costs, with leave to defendant to withdraw the demurrer and answer within twenty days upon payment of such costs.—Ingraham, P.J., McLaughlin and Clarke, J.J., concur."

Judge Laughlin, in a dissenting opinion, pointed out the danger of the position taken by the majority of the court, saying:

"It scarcely needs reflection to realize that if a mortgagee may recover six years or more after the loss, without notice of the fire, proofs of loss or opportunity for arbitration, the door will be opened wide not only to fraudulent claims upon which the company will be victimized, for they will be helpless in many instances to defend themselves against dishonest claims, but also to collusion between owners and mortgagees."

Judge Laughlin's opinion is in part as follows: "I am of opinion that the standard mortgage clause under the New York standard policy of fire insurance does not relieve the mortgagee from giving notice of the fire, and furnishing proofs of loss to the insurance company, and affording it the benefit of the arbitration provision with respect to the amount of the loss and of the short statute of limitations of one year prescribed in the contract for bringing the action to recover the loss.

"Line 36 to 59 inclusive of the policy provide as follows: 'If, with the consent of this company, an interest under this policy shall exist in favor of a mortgagee or of any person or corporation having an interest in the subject of insurance other than the interest of the insured as described herein, the conditions hereinbefore contained shall apply in the manner expressed in such provisions

and conditions of insurance relating to such interest as shall be written upon, attached or appended hereto.'

"I do not agree with the construction that these provisions of the policy show a legislative intent or an intent on the part of the author that none of the subsequent provisions were to be applicable to the mortgagee. The preceding provisions, so far as they relate to acts of the owner, relate to matters and things existing, occurring, or that might occur, before the fire, with the exception of filing false proofs of loss by him and his participation in estimating the damages, while all of the succeeding provisions relate to matters and things occurring or required to be done, after the fire. By the lines quoted, which were evidently drafted before the clauses to be attached were prepared, it is plainly provided that the application of the preceding provisions to the mortgagee might be limited and defined by a slip or rider or indorsement on the policy, and as thus contemplated and pursuant to the statutes cited, three mortgagee clauses were prepared. One of the forms relates to policies in which the owner has no interest. The other two relate to policies requiring payment to the mortgagee 'as interest may appear,' and are alike with the exception that one limits the liability to a proportionate part of the loss in case of other insurance.

"In my opinion the only theory on which the liability of the company to the mortgagee without substantial compliance with these conditions precedent could be sustained is that the mortgagee clause alone constitutes the contract and that not only are all provisions succeeding lines 56 and 59 excluded, but also all preceding provisions that are not expressly continued by the mortgagee clause. Such a contention would be untenable. None of the provisions of the first six lines, which I have discussed and considered, are expressly continued by the mortgagee clause. Moreover, it is expressly provided in lines 31 to 35 inclusive, that the company shall not be liable for loss caused directly or indirectly 'by invasion, insurrection,

INCORPORATED 1833.

British America Assurance Company

HEAD OFFICE, TORONTO, CANADA

UNITED STATES BRANCH.

JANUARY 1, 1910.

Assets	\$1,556,740.94
Liabilities	902,438.61
Surplus	\$ 654,302.33

Hon. GEORGE A. COX, President.
JOHN HOSKIN } Vice-Presidents.
W. R. BROCK }
W. B. MEIKLE, General Mgr.

THE HOME LIFE INSURANCE COMPANY OF AMERICA

Incorporated 1899.



JOHN LANGHAM, Jr., President.
JOSEPH L. DURKIN, Secretary.
EDWARD P. MADDEN, Treas.

General Agents and District Managers who can produce ordinary business can secure "Ground Floor" contracts with **GUARANTEED RENEWALS** and an assignment of territory limited only by capacity to produce agency organization and business. Send for Sample Policy. **IT IS ONE YOU CAN SELL.** New business, \$3,500,000—January 1-Oct. 30, 1910.

Address

M. LALLY,
General Manager,

416-18-20 Walnut St., : PHILADELPHIA, PA.

riot, civil war or commotion, or military or usurped power, or by order of any civil authority; * * * or * * * by explosion of any kind, or lightning; but liability for direct damage by lightning may be assumed by specific agreement hereon.' None of these provisions are expressly continued by the mortgagee clause, but could it be successfully or even seriously maintained that these provisions do not form part of the contract between the mortgagee and the insurance company? Is it reasonable to suppose that liability to mortgages was imposed upon the insurance companies by the Legislature, or voluntarily assumed by them for a loss arising from a cause expressly excluded from the risks assumed? It is also significant that these provisions are

not expressly limited to liability to the owner, but are general and relate to all liability under the policy. Likewise lines 36 and 37 provide, 'If a building or any part thereof fall, except as the result of fire, all insurance by this policy on such building or its contents shall immediately cease.' These provisions are not expressly continued by the mortgagee clause, but for the reasons already assigned I think that they constitute part of the contract with the mortgagee. There are other provisions preceding line 59 to which the same argument applies.

"Provisions rendering the policy void for misrepresentations on the part of the owner with respect to his interest in the property invalidates it also as to a mortgagee under the standard policy and mortgagee clause. (Genesee Falls Assn. vs. U. S. Fire Insurance Co., 16 App. Div., 587; see also Graham vs. Germania Ins. Co., 87 N. Y., 69). Now if I have succeeded in demonstrating that the provisions of the policy preceding line 59 which are neither expressly modified nor continued in force by the mortgagee clause constitute, so far as applicable, part of the contract of insurance with the mortgagee, then it follows logically, I think, that the provisions with respect to notice of the fire, proof of loss and arbitration likewise become part of that contract, for, although the specific requirement with respect to these things is contained in lines succeeding line 59, yet there are, as has been seen, in the first sentence of the policy, general provisions with respect thereto which in reality make them part of the very first provisions of the contract. The provisions with respect to notice of the fire, proof of loss, arbitration as to the damages, and fixing a short statute of limitations—of course, the question as to the statute of limitations is not presented by the demurrer—may fairly be said to be applicable to any claim made against the company under the policy, and without expressing an opinion as to whether the mortgagee is an insured within the contemplation of the contract, I am decidedly of opinion that the action cannot be maintained without alleging compliance by the owner with the requirements of the policy with respect to giving notice of the fire, filing proofs of loss and affording the company an opportunity to arbitrate the loss, or in default of compliance by the owner, such compliance in those respects on the part of the mortgagee as could be made in the exercise of due diligence and reasonable care. I am of opinion that the decision of the Court of Appeals in Eddy vs. London Assurance Corporation (supra), tends to sustain these views. There Judge Peckham, writing for the court, in deciding that the contract with the mortgagee is separate, said:

"By taking the insurance in the manner the mortgagee herein did, in-

stead of taking out a separate policy, all the provisions in the policy, which from their nature would properly apply to the case of an insurance of the mortgagee's interest would be regarded as forming part of the contract with him, while those provisions which antagonize or impair the force of the particular and specific provisions contained in the clause providing for the insurance of the mortgagee, must be regarded as ineffective and inapplicable to the case of the mortgagee.'

"The views expressed by the Court of Appeals in Hicks vs. British Am. Assn. Co. (supra), tend also to uphold the contention made in behalf of the insurance company. In that case Chief Judge Parker, writing for the court, pointed out that the purpose of requiring proofs of loss was to prevent the perpetration of fraud on the insurance companies. It scarcely needs reflection to realize that if a mortgagee may recover six years or more after the loss, without notice of the fire, proof of loss or opportunity for arbitration, the door will be opened wide, not only to fraudulent claims upon which the companies will be victimized, for they will be helpless in many instances to defend themselves against dishonest claims, but also to collusion between owners and mortgagees. I, therefore, vote for affirmance."

The matter will be taken to the Court of Appeals for its ultimate decision.

CITY LIABLE FOR EMPLOYEE.

The first damage suit brought against the City of New York under the Employers' Liability law resulted in a judgment for \$6,000 in favor of Mrs. Delia Lynch on Monday from a jury before Supreme Court Justice Brady. Mrs. Lynch's husband, John, was an employee of the Department of Sewers, and was drowned while trying to remove an obstruction in the sewer. The jury held the city responsible because Lynch's foreman did not take precautions for his protection.

A PHILIPPINE COMPANY.

The Insular Life Insurance Company (Limited) has been organized at Manila, P. I., with a capital of \$1,000,000 pesos, equivalent to \$500,000 gold. Leon Mooser, formerly of Sacramento, Cal., is managing director of the company. The Insular Life is the first Philippine life company, although several American and Chinese companies are operating in the islands. Among the former are the West Coast Life of San Francisco and the New York Life.

No property owner need look beyond the advertising columns of **THE CHRONICLE** for **FIRE INSURANCE**.

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS is unsurpassed for net low cost and care of interests of all members.

THE PENN MUTUAL LIFE INSURANCE COMPANY OF PHILADELPHIA

On January 1, 1909, rates were reduced and values increased to full 3% reserve.

Hanover Fire

INSURANCE
COMPANY
of New York



Agencies
in all the Principal Places
in the United States.

OUR

Course of Insurance Education.

Department for Furnishing
Prospects.

New "Model Policy"

Will Plough the Field and Assure
the Harvest for Good Agents.

Phoenix Mutual Life INSURANCE COMPANY,

Hartford, Conn.

Write Home Office.

WORKMEN'S COMPENSATION.

(Continued from Page 7.)

tent to have it so, yet there would seem to be no reason why a business involving the collection of over £2,400,000 in premiums should not at least be self-supporting.

"Some of the unsatisfactory experience of the last year is due to inadequate provision made a year ago for claims which arose prior to the end of 1908:

The reserves brought forward by tariff companies from 1908 for claims in 1904-05-06-07 and 1908 amounted to £703,657

There has been paid in respect thereof in 1909..... £520,455
And reserved at the end of 1909 322,044

£842,499

Leaving a deficiency of.. 138,842

£703,657

"This deficiency of £138,842 represents over 11 per cent of the claims of £1,250,845, nearly 19¼ per cent of the reserves of £703,657, and is, in fact, 7.17 per cent of the earned premiums of £1,936,324. It is important as indicating the existence of a form of postponed liability which may press with increasing weight on future years as the liabilities of the past accumulate.

"It is interesting to notice that the majority of the offices have been at fault in their estimates made a year ago. The following summary will help to make this clear:

"Number of offices whose reserves at 1908 were:

Year	1904	1905	1906	1907	1908
In deficit...	11	9	11	15	29
In excess...	4	4	4	7	3

"It is inconceivable that the companies should have wilfully underestimated their liabilities or should all have been misled by the facts before them when their estimates were made, and we may fairly infer that in most cases fresh developments have arisen which could not have been foreseen, while it is, of course, possible that the addition to the reserves at the end of the year of account may have been made for the purpose of strengthening the position and may be more than is actually required. Our comments in this respect are limited to the returns of the tariff offices, for the reason that complete returns of the non-tariff companies have not yet reached us.

"The following summaries formed by grouping the premium incomes of the offices according to the percentages of claims on premiums show how small a proportion of the busi-

ness is done at a favorable claim ratio:

TARIFF OFFICES.			
1908.			
Premiums earned.	% of total volume.	Claims.	% of Claims on premiums.
£ 7,971	.39	£ 1,693	21.23
169,892	8.37	60,996	35.89
23,512	1.16	9,902	42.11
390,663	19.24	223,358	67.18
1,036,226	49.50	631,603	62.85
433,066	21.34	323,132	76.00
2,030,230	100.00	1,266,684	61.90

1909.			
Premiums earned.	% of total volume.	Claims.	% of Claims on premiums.
£ 6,344	.43	£ 2,035	24.40
19,469	1.01	6,806	34.98
184,770	9.54	84,440	46.70
155,001	6.00	85,934	55.46
1,313,560	67.84	846,134	64.42
99,613	5.14	77,322	77.69
41,224	2.13	35,945	87.20
114,463	5.91	112,223	98.05
1,936,324	100.00	1,850,845	64.00

NON-TARIFF OFFICES.			
1908.			
Premiums earned.	% of total volume.	Claims.	% of Claims on premiums.
£ 1,416	.27	£ 75	5.30
5,786	1.11	1,150	19.87
6,287	1.13	2,055	34.91
24,140	6.64	15,447	45.25
28,096	5.38	14,764	52.56
164,236	29.56	102,429	66.39
268,606	51.50	205,206	76.40
23,564	4.52	30,209	128.25
521,782	100.00	371,336	71.15

1909.			
Premiums earned.	% of total volume.	Claims.	% of Claims on premiums.
£ 2,898	.61	£ 185	6.38
1,946	.41	421	21.85
20,059	4.24	6,976	34.78
33,839	7.16	15,864	46.88
21,909	4.64	12,021	54.87
12,699	2.69	8,769	68.97
309,916	66.57	235,212	76.90
61,412	10.87	43,072	83.78
704	.15	820	116.47
17,297	3.66	27,464	158.90
472,678	100.00	350,816	74.23

"In 1909 81.02 per cent of the business of tariff offices bore a claim ratio of over 64 per cent, as against 70.84 per cent with a claim ratio of over 62 per cent in 1908, while of the business of the non-tariff offices under review of 82.94 per cent in 1909 bore claims in excess of 68 per cent, as against 85.57 per cent in 1908 with a claim ratio of over 66 per cent.

"For tariff offices the average cost of claims arising and settled during the year has been, for fatals £94 14s., for non-fatals £3 15s., while the estimates for those which arose during and remained unsettled at the end of the year are, for fatal cases £103 2s. 5d., and for non-fatals £21 9s. 3d. The average annual payment for a permanent case works out at £24 14s. and the annuity values average 106 years' purchase this time a mass of experience sufficient to warrant a revision of rates, and, if the business is to be made a source of profit, a general increase would seem essential. As matters

stand, a fall in claim ratio is hardly to be looked for, and if, as we think possible, the postponed liability from past years develops as time goes on, Workmen's Compensation Insurance will cease to be worth conducting even as a source of introduction for other lines."

NINETY-FOUR VARIETIES.

Use of the official letterhead of the House of Representatives to push a private financial scheme over the name of Representative Harry M. Coudrey of St. Louis has caused much talk in Washington. Mr. Coudrey was defeated in the recent election. The following letter has been sent out under date of November 3:

"Dear Madam: The purport of this letter is to state that I desire to take up with you an exceptionally fine business proposition, and make inquiry to learn if you care to have the facts placed before you.

"The foundation has been laid; also the cornerstone, and the balance of the structure is to be composed of the persons of standing. To this end I have conferred with many people who are in a position to say who are desirable. You have been so recommended; therefore this letter of inquiry.

"The writer would greatly appreciate hearing from you. I am,

"In your reply Yours sincerely,
please refer to H. M. COUDREY.
Personal File 'C.'"

Mr. Coudrey's enterprise is called "The Lincoln National Holding Corporation of America," which is advertised as having "proposed capital and surplus of \$15,000,000."

The literature issued advertising this concern makes it appear to be an embryo insurance trust. The Lincoln Company declares a purpose of organizing and buying a controlling interest in many subordinate insurance companies, which "will handle 94 different kinds of insurance combinations."

The 94 kinds of insurance include everything, from life, fire, theft, hail, tornado, burglary, and lightning insurance to insurance for court bail bonds and registered mail.

RIGHT NOW—WRITE NOW

LIVE ASSETS for
LIVE AGENTS

Live, not Life Insurance, is the only necessity of life that has not increased in cost.

It is a great asset for a Live Agent to represent the largest health and accident insurance company in the world, especially at this time with compulsory workmen's insurance imminent and employers' liability insurance becoming costlier every day.

Up-to-the-second policies. Most liberal contracts to agents.

CONTINENTAL CASUALTY CO..

H. G. B. ALEXANDER,
President.

1208 Michigan Ave. : : Chicago

"Often Copied: Never Equalled."

Insurance News in the West

CHICAGO, Nov. 16.—A prominent union manager has added some interesting comments to those already made on the unfortunate abandonment of the effort to reduce large city expenses. This manager was active in the movement and probably understands the whole situation as well as does any man in Chicago. He says that in his opinion the non-union companies have just ground for complaint at the attitude the union companies have assumed in refusing to take up the "excepted" cities, un-

less the whole Western field is taken up. The non-union companies which are in the Western Insurance Bureau, he says, have a large undertaking on hand at present in adjusting agency contracts in half a dozen States. They cannot do everything at once and are not to be criticised for excepting certain cities, such as Indianapolis, Detroit, Minneapolis, St. Paul and Kansas City, in addition to the six "excepted" cities. When the companies took up this expense question they took it up merely for the "excepted" cities, where no organization has supervision and where conditions are the worst as regards expense. Had the companies carried out the program started upon the union companies would have helped the non-union companies to meet present expenses in other territory by reducing their large city expense, but the non-union companies would have performed a similar service for the union companies.

This manager also points out that this is not the first time union companies have failed to carry out their undertakings regarding the "excepted" cities. At one time a number of years ago several managers joined the union on the understanding that the large cities were to be taken up. But they were not taken up, and to-day some of the leading members of the Western Insurance Bureau are those that then joined the Union, but left it later.

He says that one cause of the present deadlock is the attitude of some of the union managers toward the non-union managers. While this is not in any sense a universal attitude, there is a certain union contingent which carries its orthodoxy to an extreme. It can see nothing good in any company out of the Union; can scarcely understand how any reputable manager can stay out of the big organization, and because many managers do stay out doubts whether they really are to be considered reputable. This suspicious attitude makes co-operation between the two classes of companies difficult.

* * *

Somebody has been doing some very plain talking in Iowa. A few days ago one of the Des Moines daily papers quoted the secretary and manager of a fire insurance company (not named) as saying that "conditions governing fire insurance in the State of Iowa will have to be changed if the Iowa companies are to survive." He says that he doubts if more than two of the State companies made any profits last year, while some lost heavily. The main trouble, he points out, is in farm insurance, where the loss ratios are growing higher nearly every year.

This is very frank talk, and the fact that an officer of a company would

disclose the serious situation in which the Iowa companies find themselves raises a fair presumption that they see no way of getting relief except by admitting they are "up against it." The re-election of Governor Carroll does not make the situation look any better. For seven or eight years Iowa has had no more determined enemy of the fire insurance business than Mr. Carroll, not because he is set upon ruining it or even injuring it, but because of his firm belief in certain policies under which it is almost impossible to avoid chaos in the field and losses in underwriting some classes of business.

The situation in the State of Iowa is peculiar and interesting. In perhaps no other Western State is there such bitter hatred of the insurance companies by the people, evidenced by as strong an anti-compact law as can be drawn, a law forbidding the use of the co-insurance clause and other oppressive measures. That this public attitude was brought about by the high-handed tactics of the companies years ago is beside the question. Iowa has more home companies than has any other Western State, originally fostered by laws which made possible the starting of companies on very little cash capital and a reserve law which bears lightly on young companies. In the old organization days underwriting profits were very large, as witnesseth the Hawkeye paying dividends of \$30,000 annually for years, while its cash capital was only \$25,000, the other \$75,000 being stockholders' notes. This excessive profit also bred new companies. The State, being almost purely agricultural, most of the home companies turned largely to farm insurance. For years they made money on that, and the profitability of it raised up a horde of mutuals to take much of the cream of the business and lower the average of that left to the stock companies. As the cities have grown up the big Eastern and foreign companies, most of which do not write farm business, have corralled much of the city business.

* * *

With the growth of tenant farming and the increase in the number of large barns, with practically all farm values concentrated in them, and the gasoline and machinery hazard added, the profits on farm business have gone down until for some companies they have disappeared. While the Iowa business as a whole usually shows a loss ratio around 40 per cent, which means a good underwriting profit, it is the outside companies operating in the cities and towns which are reaping most of this, while the home companies, carrying the bulk of the farm business, are suffering. None of the farm companies wants to cut the old standard rates which prevailed in compact days, but none has the nerve to

OUR BOND—YOUR SECURITY.

T. J. FALVEY, President. JOHN T. BURNETT, Sec'y & Treasurer.



Massachusetts Bonding and Insurance Co.

Organized under the Laws of the Commonwealth of Massachusetts.

Home Office, 77-81 State Street, Boston.
Capital\$500,000.00
Surplus\$250,000.00
SURETY BONDS and BURGLARY and THEFT INSURANCE.

"The Leading Fire Insurance Company of America."



WM. B. CLARK, President.
W. H. KING, Vice-President.
HENRY E. REES, Secretary.

Assistant Secretaries,
A. N. WILLIAMS, E. S. ALLEN,
E. J. SLOAN, GUY E. BEARDSLEY.

The Connecticut Mutual

That means the best life insurance to have and the best to sell. If you can sell life insurance, you can sell more of it for the CONNECTICUT MUTUAL.

Men of Character and Ability are invited to apply.

Conn. Mutual Life Ins. Co.,
Hartford, Conn.

Please mention this paper.

advance those rates alone, and the anti-compact law prevents the companies from agreeing upon an advance.

With a few exceptions the Iowa companies are practically confined to an unprofitable field. Most of them are too small to go into outside States with much hope of success. They cannot wrest the more profitable city and village business from their stronger competitors. They cannot advance farm rates to a profitable point under the present law. It can readily be seen that there must be a change in conditions if they are to survive.

It has been suggested that the best way out of their difficulties would be through consolidation. The little companies are burdened with too many officers for their assets and the volume of business they do. They are also employing too many special and local agents, keeping up a hot competition for business which is of questionable value when they get it.

* * *

Rumor has it in Chicago that the State's Attorney's office is going to take up the subject of rebating by life insurance companies. Last week on the witness stand in the Municipal Court a well known agent admitted that he had given a rebate of \$500 on a large premium. His general agent is said to have asked advice from the home office as to what to do. Representatives of other companies are expressing hope that the State's Attorney will take up this case. The company, whose agent is involved, is no worse than plenty of others, if as bad. As the Illinois law visits the sins of the agents upon their companies also, a number of companies are likely to find themselves in trouble if the State's Attorney gets busy and conditions really are what some agents say they are.

* * *

There is some criticism of the custom which local associations of life underwriters have fallen into of soliciting funds for the entertainment of the National Association from local companies, which at the national meetings are likely to get jumped

upon for their methods. Nearly every Western city of importance now has one or more local life companies. With but few exceptions they are preliminary term companies, many of them were organized by unapproved methods, and a number conducting their business in a way not looked upon as orthodox. The better portion of the membership of the National Association of Life Underwriters is composed of representatives of the old companies which operate in New York. They are entitled to express their views freely, and in doing so they are very likely to criticise the younger companies. It is hardly consistent for the local bodies to place the visitors in the position of enjoying the hospitality of companies they do not approve and are likely to "roast" before they got out of town.

* * *

Last week's election is likely to result in the shifting of a considerable

amount of surety business in Chicago. The Democrats carried every county office except Probate Judge. As the Republicans have been in power for years, a general housecleaning is expected in the county building—before a Civil Service law is enacted. While a number of surety offices had Republican connections which gave them some of the county official business, it is expected now that the bulk of this business will be controlled by George E. Brennan, manager of the United States Fidelity and Guaranty, and John McGillen, who has recently taken a general agency of the American Bonding under the Chicago branch office, following his resignation of the United Surety. Both of these men are prominent in Democratic politics and stand close to Roger C. Sullivan, who is the controlling factor in the party in Illinois.

LA SALLE.

THE USE OF ALCOHOL.

The annual convention of the agents of the Southwestern Life Insurance Company of Texas, held in Dallas, heard an address by H. D. Lindsley, President of the company.

Whitfield Harrall, medical director, has just issued to the medical examiners of the Southwestern Life the following instructions in regard to the use of alcoholic beverages by applicants for insurance:

"One of the most important duties of the medical examiner is to ascertain and report, without offending, the habits of an applicant regarding the use of alcoholic beverages. Such terms as 'temperate,' 'occasionally,' 'moderately,' 'social drinker,' 'very rarely,' convey no definite information and necessitate correspondence.

"Be specific and state WHAT the applicant drinks; HOW MUCH and HOW OFTEN. 'Ten drinks a day,' 'two drinks a week,' 'not over one glass of beer a month,' are statements that indicate something definite. It is sometimes very difficult to obtain the truth from an applicant, either on account of his desire to overstate facts or conceal them.

"Two types of hazard are represented—one the steady drinker, the other the periodical drinker. The first shows the result in organic changes, chiefly in the kidneys and liver. In the other these changes do not occur so early, but the effect on the nervous system is marked, and the added moral and accident hazard is very great. The lives of such individuals are shortened, and hence are not desirable.

"Neison's table shows the influence of alcohol upon the expectancy at various ages to be as follows:

Age. Intemperate. General.		
20	15.5	44.2
30	13.8	36.5
40	11.6	28.8
50	10.8	21.2
60	8.9	14.3

"From the above you will note that the expectancy of the alcoholic is only one-third of the general at age 20, while at 60 it is nearly two-thirds.

"The examiner should give the company the benefit of his knowledge regarding the habits of an applicant, no matter how much at variance the same may be with the applicant's own statements."

WESTERN ASSURANCE Co.

HEAD OFFICE,

TORONTO, - - CANADA.

Incorporated 1851.

Hon. GEORGE A. COX.....President
W. R. BROCK and JOHN
HOSKIN, K. C. LL. D. Vice-Presidents
W. B. MEIKLE.....General Manager

United States Statement, Jan. 1, 1910.

Assets\$2,377,302.37
Surplus in United States..... 839,268.07

PROSPEROUSLY BUSY!

Our agencies are steadily increasing this year's lead over the figures of our high record in 1909.

Our agents are prosperously busy. With Business Life Insurance and our unequalled Continuous Monthly Income policy they are reaching and satisfying the public and liberally rewarding themselves.

Inquiries invited from delivering producers.

GEORGE D. LANG,

Superintendent of Agencies,

Massachusetts Mutual Life Insurance Company,

Incorporated 1851.

Springfield, Massachusetts

The Best, Safest, Most Liberal and Most Equitable Forms of Policy Contracts are Issued by the



ROLAND C. LAMB, President. WALTON L. CROCKER, Secretary.

Issues the Most Perfect Forms of Life, Endowment, Instalment and Term Policies. Greatest Sellers in the Market.

LIBERAL CONTRACTS TO THE RIGHT MEN.
ROBERT K. EATON, Supt. of Agencies, Boston.

WILLIAM N. COMPTON, General Agent, Metropolitan District,
St. Paul Building, 220 Broadway, New York.

SPECIAL OPPORTUNITIES offered now in Southern States to Representatives of

CITIZENS NATIONAL LIFE INSURANCE CO.

W. H. GREGORY,
President.

—THE— FIDELITY & CASUALTY COMPANY

97 TO 103 CEDAR ST., NEW YORK CITY.

Assets - - \$9,607,864.46
Cap. & Surp. - \$3,378,053.64
Losses Paid - \$33,065,866.09

This Company grants insurances as follows:

Bonds of Suretyship for Persons in Positions of Trust, Fidelity Bonds, Burglary, Plate Glass, Steam Boiler, Fly Wheel, Employers, Public, Teams, Workmen's Collective, Elevator, and General Liability; Personal Accident, Health and Physicians' Liability.

OFFICERS:

GEORGE F. SEWARD, President.
Robert J. Hillas, V.-P. & Sec'y. Henry Crossley, Asst. Sec'y.
Frank E. Law, 2d Asst. Sec'y. Geo. W. Allen, 3d Asst. Sec'y.

Life Ins. Co. of Virginia

Home Office, Richmond, Virginia.

J. G. WALKER, President.
T. W. PEMBERTON, 1st Vice-President.
W. L. T. ROGERSON, 2d Vice-President.
E. D. HARRIS, Secretary.

The OLDEST Southern Life Insurance Company.
The LARGEST and STRONGEST Southern Life Insurance Company.
The PIONEER Southern Industrial Life Insurance Company.

Its policies are clear and definite in their provisions and their values are absolutely guaranteed.

Assets Dec. 31, 1909..... \$5,372,691.99
Liabilities Dec. 31, 1909..... 4,312,405.32
Insurance in Force Dec. 31, 1909 68,337,613.00
Total Payments to Policyholders since Organization 9,820,412.40

COMMERCIAL - UNION

ASSURANCE CO.,

(LIMITED)

OF LONDON.

OFFICE;

Cor. Pine & William Sts.

NEW YORK.

Personal and Family Insurance Combined

No trouble to get a hearing with this policy
It's something more than life insurance
Write for booklet and agency terms

Address

ALEXANDER McKNIGHT
Vice-President

THE FIDELITY MUTUAL LIFE INSURANCE CO.

L. G. FOUSE, President

OF PHILADELPHIA

BONDS OF SURETYSHIP.

The Guarantee Company of North America

HEAD OFFICE, MONTREAL

Edward Rawlings, President.

H. E. Rawlings, Asst. Mgr.

Richard B. Scott, Secretary & Treasurer.

It is the Pioneer Company, was established in 1872, and is conducted under a conservative management of over 55 years experience.

It has recouped to employers over \$2,190,000 for losses sustained by the infidelity of employees and has a surplus of \$1,041,423.23 to credit of shareholders and total resources of \$1,919,892.38 for the security of insured.

Branch Offices:

NEW YORK: 111 Broadway,
D. J. Tompkins, Secretary.
BOSTON: 114 Milk Street,
W. A. Hamilton, Agent and Attorney.
CHICAGO: Room 400, The Temple,
J. R. Pruyn, Resident Sec. and Atty.
PHILADELPHIA: 500 Arcade Bldg.
W. H. Jackson, Res. Secretary.
PITTSBURG: 1120 Farmers Bank Bldg.
E. R. Munro, Resident Secretary.
LOUISVILLE: 316 Columbia Bldg.
P. N. Clarke & Co., Agents.

HARTFORD LIFE

Wants You

If You Can Do Things.

Write to

Hartford, Conn.

New York Insurance Stocks

Casualty Companies.

	Capital.	Div.	Period.	Bid.	Ask.
	Annual				
Aetna Indemnity (\$25)....	\$350,000	V	V	...	200
Casualty Co. of America...	500,000	6	J&J	120	150
Fidelity & Casualty.....	1,000,000	18	"	450	500
Hartford Steam Boiler....	1,000,000	10	"	255	265
Metropolitan Casualty	200,000	10	"	185	...
N. Y. Plate Glass (\$50)....	200,000	16	"	500	...
United States Casualty....	500,000	10	Q	200	225

Fire Companies.

City of New York.....	\$500,000	10	Q	...	205
Commonwealth	500,000	10	J&J	326	...
Continental	2,000,000	40	"	1,025	1,075
Empire City	200,000	8	"	125	...
Fidelity-Phenix	2,500,000	V	V	290	300
German Alliance	400,000	15	J&J	275	300
German-American	1,500,000	30	"	550	560
Germania (\$50)	1,000,000	18	"	285	295
Glens Falls (\$10).....	200,000	30	"	1,525	...
Globe & Rutgers.....	400,000	40	Q	475	500

Hanover (\$50)	1,000,000	15	J&J	200	210
Home	3,000,000	30	"	640	660
Nassau (\$50)	200,000	10	"	165	175
Niagara (\$50)	1,000,000	20	"	300	305
North River (\$25).....	350,000	10	A&O	155	165
Pacific (\$25)	200,000	14	"	185	...
Peter Cooper (\$20)	150,000	6	"	90	105
Stuyvesant	400,000	10	"	155	160
United States (\$25).....	250,000	V	V	60	70
Westchester (\$10)	300,000	40	F&A	455	...
Williamsburg City (\$50)..	250,000	20	J&J	380	400

Life Companies.

Aetna Life	\$2,000,000	15	Q	650	660
Connecticut General	300,000	8	J&J	250	...
Equitable	100,000	7	A	4,000	...
Germania (\$50)	200,000	12	J&J	210	225
Hartford Life	500,000	10	"	150	...
Home	125,000	12	M&N	275	...
Manhattan Life	100,000	26	O&F	400	425
Metropolitan (\$25).....	2,000,000	7	M&N	155	175
Prudential (\$50)	2,000,000	10	Q	450	500
Travelers' Hartford.....	2,000,000	20	Q	900	...
United States Life.....	264,000	7	J&J	90	105

V—No information. Q—Quarterly.

UNEMPLOYMENT INSURANCE.

(Continued from Page 2.)

gaged in government or municipal service, those employed on the rail-ways and similar concerns, and generally those whose employment is, by its nature, of a permanent character. It will probably be found necessary also to fix a wage limit, and confine membership of the scheme to those whose earnings do not exceed a certain low, fixed sum. Such sum should certainly not exceed the limit named in the Workmen's Compensation Act, 1906—namely, £250 per annum, and might reasonably be fixed at a lower amount.

In regard to the machinery for carrying out such a scheme, the author gave reasons for the opinion that it should be independent of existing trade union organizations, although the co-operation and assistance of these latter should be welcomed and sought. He next proceeded to consider the possibility of combining such a system of insurance with those dealing with sickness, invalidity and old age, and assuming such a possibility, the advantages of such a combination.

In approaching the subject, he said, from this point of view, one is at once struck by the fact that all these forms of insurance are, in reality, insurances against unemployment. It would not be necessary for such a Congress as the present to consider the risk of sickness and invalidity and the provision for old age, were it not that these conditions all imply more or less complete inability to work, with the consequent loss of income. Pearing in mind that insurance is principally concerned with the dimensions of the risk, rather than with the causes which produce the risk, it seems prima facie probable that the risk of unemployment, however arising,

can advantageously be dealt with by one system of insurance, which shall include unemployment arising from failure to find work, from sickness, from invalidity and from presumed incapacity arising from old age.

It is easy to see that the collection of information as to unemployment from all causes, whether sickness, invalidity or absence of work, if these are combined in one system, can be accomplished with as little labor, and perhaps with less labor, than would be required in the case of each system of insurance if taken separately. Moreover, all difficulty of classification, such as between sickness and invalidity, or between these and inability to continue work by reason of enfeebled physical condition, would disappear, if all the forms of insurance were combined in one system.

It is, I think, equally easy to show the advantages from the point of view of organization that will result from combining into one system all forms of social insurance. In the first place, in any such system as that which I have outlined above, and, assuming that where contracting out is allowed it will only be allowed in respect of all forms of insurance or none, the contributions will in every case be payable at the same time and place, and by the same persons, for all forms of insurance. The fixed charge for insurance, which could hardly in any circumstances exceed a deduction of 5 per cent from the wages, would be a premium for all insurance against all forms of unemployment, including unemployment due to incapacity arising from old age.

In the second place the machinery necessary for carrying on any one system of social insurance is practically identical with that required for any other; and it is, therefore, manifest that, at least so far as the working of the systems is concerned, they should be combined into one organi-

zation. Without such combination considerable difficulty would arise in the matter of the overlapping of the different forms of insurance, as, for example, where a man in receipt of unemployment benefits fell sick and received, or endeavored to receive, sick pay in addition. With regard to the supervision of those receiving benefit, it is manifest that the same system would be applicable, in the main, to all forms of insurance; and the same staff of supervisors could carry it out. I am of opinion that in practice it will be found better to organize unemployment insurance according to locality, rather than according to trade.

PURITAN LIFE AFFAIRS.

The Executive Committee of the Puritan Life Insurance Company, of Providence, R. I., advises its stockholders that its financial condition is so strong that a well known New York company proposed to take over the business on very favorable terms. This offer was placed before the Board of Directors and was rejected by an almost unanimous vote, eighteen out of the twenty directors being present.

RECTOR 2817

ESTABLISHED 1864

E. S. BAILEY

DEALER IN

INSURANCE STOCKS

A SPECIALTY

66 Broadway

NEW YORK

SURPLUS LINE INSURANCE

The Yorkshire Insurance Co., Ltd.

of York, England.

Established 1824.
Home Office Assets, \$12,191,000.

FRANK & DuBOIS,

United States Attorneys,
47 William St., New York.

Authority to adjust and pay all losses
and power of attorney to accept
service of legal process.

Funds held on deposit in New York
banks for protection of Amer-
ican policyholders.

GOOD AGENTS FIND

The Union Central

Life Insurance Company

Of Cincinnati, O.,

A GOOD COMPANY

Address: JESSE R. CLARK,
President, or ALLAN WAT-
ERS, Superintendent of Agents.

Germania Fire

INSURANCE CO.,

NEW YORK.

ORGANIZED 1880.

Cash Capital.....\$1,000,000.00
Assets\$6,562,329.14
Net Surplus.....\$2,008,419.02
Surplus for Policyholders,\$3,008,419.02

HEAD OFFICE:

Cor. William and Cedar Streets.

DON'T HESITATE TO WRITE US



if you believe you can
make a success of life
insurance selling. We
will be glad to have you
write us fully. Do it to-
day.

We Want Agents.

THE PRUDENTIAL
Insurance Company of America.

Incorporated as a Stock Company by the
State of New Jersey.

John F. DRYDEN, Home Office,
President. NEWARK, N. J.

Chronicle Paragraphs

AT THE next meeting of the Insurance Society of New York on November 22 an address will be made by Samuel R. Weed on the subject of "Moral Hazard." This lecture should be an interesting one because open to all of the insurance fraternity and held at the rooms of the New York Board of Fire Underwriters, 123 William Street. Mr. Weed is not only a good speaker, but also well versed upon any subject pertaining to insurance.

* * *

Nearly fifty new names have been added recently to the membership of the Insurance Society of New York. The total number is now over 650, embracing nearly every branch of insurance, realty and financial business.

* * *

On January 1 the new law goes into effect (as to New York State) regarding the operations of all Lloyd concerns. It is thought that this enactment may restrict materially London Lloyds in this State. As no person or firm can act directly or indirectly—agent or representative—it would seem that such prohibition would preclude the binding or acceptance of risks, at least upon those located in New York State for account of Lloyds of any kind.

* * *

With a proposed capital of \$500,000 and surplus of \$100,000, the Peerless Fire Insurance Company has been incorporated at Waco, Texas. The underwriting operations, it is stated, will be on a basis of less than tariff rates.

* * *

It is under contemplation by the New York Plate Glass Company to change its name to the City of New York Casualty Company. This would be in line with President Major A. White's idea as to conforming the title to that of the City of New York Fire Insurance Company, of which institution he is also President, and, besides, give opportunity for using a broader name in view of the proposed enlarged scope as to casualty lines.

* * *

Frank & Dubois will take additional office space at 45 William Street to provide for the firm's increased business as United States managers for the Yorkshire Fire.

* * *

R. J. Kerr, at present Assistant Secretary of the United Surety Company, has been engaged as manager of the bonding department under Whilden & Hancock, who are general agents of the Pacific Coast Casualty Company for New York and New Jersey.

* * *

It has often been remarked by fire underwriters that two companies, each with a capital of \$200,000 and a surplus of equal amount, would do more

business under the same office representation than a single company with \$400,000 capital and \$400,000 surplus. This may seem a paradox, but it is, nevertheless, the peculiar ethics of fire underwriting experience. And yet we hear of continued amalgamations for purposes of increased capital and surplus. Ability to reduce expenses thereby may undoubtedly accrue, but as to increased lines, that does not often materialize, as brokers have often noted.

* * *

It is expected that the New Jersey Fire Insurance Company of Newark, which is rapidly approaching completion, will shortly be ready for business.

* * *

From the Department of Insurance at Bismarck, N. D., under Bulletin 37, comes information regarding violation of law relating to misrepresentation. It is charged that the mode of procedure is somewhat as follows, quoting from the bulletin referred to:

"That a man who has a deferred dividend policy, and who has paid say ten annual premiums, or thereabouts, is approached by an agent, who inquires as to what kind of insurance he is carrying, and when advised of the fact that he is carrying a deferred dividend contract upon which he has paid in the neighborhood of ten premiums, he is advised by the agent that he can carry the same amount of insurance without any cost to him whatsoever; that it will be taken care of by his deferred dividends, and will not cost him a cent. The proposition looks good to the person who is approached, and at the request of the agent he signs what he supposes to be an application, and he knows no difference probably for a year, when he is requested to pay the premium on both policies and also the interest on a loan, which is probably the amount of the first premium on his additional insurance. He has signed an application for a loan without his knowledge.

"These are the facts as explained to the department, and if such a thing is being done by any insurance agent and it can be conclusively proven to the satisfaction of the department, not only will the agent's license be revoked, but the license of the company employing such an agent will be revoked."

Over 125 agents were licensed in North Dakota for fire companies during October.

* * *

Unexpired risks of the Shawnee Fire of Topeka, located in Georgia, Florida, Alabama, North Carolina, Virginia and South Carolina, reinsured in the National of Hartford, have been taken over by the People's National of Philadelphia.

The Northwestern Mutual Life Insurance Co. of Milwaukee

GEO. C. MARKHAM, President
A. S. HATHAWAY, Secretary



New Business Paid-For

1905	.	.	.	.	.	\$ 90,334,038
1906	.	.	.	.	.	93,563,452
1907	.	.	.	.	.	102,233,634
1908	.	.	.	.	.	109,685,428
1909	.	.	.	.	.	113,716,188

Each year larger than any in the previous
history of the Company:

Commenced Business 1858

INSURANCE MEN will note the significant increase in The Northwestern's new business during the past five years.

IMPORTANT FACTS relating to this business are shown by the following percentages:

	Expenses	Mortality	Interest
1905	12.15	67	4.73
1906	11.76	59	4.72
1907	11.81	58	4.76
1908	10.76	59	4.84
1909	10.63	54	4.85

It is capable of easy demonstration that The Northwestern is the best Company to insure in.

See The Northwestern's new (1910) policy contract with its Dividend Options, Paid-up and Endowment Options, Options of Settlement and the Premium Loan Features.

Issues Partnership and Corporation Insurance.
For further information or an Agency, address

H. F. NORRIS,
Superintendent of Agencies.



of New York

SUPERIOR POLICIES

KIMBALL C. ATWOOD, President
290-292 Broadway, New York.

New England Mutual Life

Insurance Company

BOSTON, : : : MASS.
Chartered 1835

Assets, January 1, 1910..\$51,316,543.00
Liabilities 47,050,072.15
Surplus \$4,265,870.85

Sixty-six years of honorable dealing with its policyholders has placed the NEW ENGLAND MUTUAL LIFE INSURANCE COMPANY in the front rank of Life Insurance Companies of the Country.

ALFRED D. FOSTER, President.
D. F. APPEL, Vice-President.
J. A. BARBEY, Secretary.
WM. F. DAVIS, Assistant Sec'y.
J. G. WILDMAN, Assist. Sec'y.

EDWARD W. ALLEN, Manager.
220 Broadway, New York.
LATHROPE E. BALDWIN, Manager.
141 Broadway, New York.
CHARLES H. STRAUSS, Gen. Ag't.
200 Fifth Ave., New York.

FOUNDED 1792

118th ANNUAL STATEMENT INSURANCE COMPANY OF NORTH AMERICA, OF PHILADELPHIA, PA.

ASSETS.

January 1, 1910.	
Real Estate	\$ 364,410.00
First Mortgages on Real Estate	373,803.48
Philadelphia, New York, Boston and other City and State Loans	1,134,390.00
Pennsylvania, Philadelphia and Erie, Lehigh Valley and other Companies' Bonds and Stocks	8,909,150.32
Cash in Bank and Bankers' hands	1,134,635.88
Notes Receivable and Unsettled Marine Premiums....	347,440.69
Net Cash Fire Premiums in course of Transmission....	1,069,510.62
Accrued Interest, and all other property	52,160.57
Total Assets	\$13,385,501.56

LIABILITIES.

Capital Stock	\$ 3,000,000.00
Reserve for Re-Insurance ..	6,813,862.47
Reserve for Losses	877,250.00
All other Liabilities	104,982.45
Surplus over all Liabilities..	2,589,406.64
	\$13,385,501.56

Surplus to Policyholders.....	\$5,589,406.64
Increase in Reinsurance Reserve	349,934.71
Increase in Net Surplus.....	838,500.99
Increase in Assets.....	1,371,455.93

Eugene L. Ellison.....President
Benjamin Rush.....Vice-President
T. Howard Wright.....Secretary
Henry W. Farnum.....Assistant Secretary
John O. Platt.....Assistant Secretary

Agencies in all Prominent Cities & Towns.

T H E PROVIDENT LIFE AND TRUST COMPANY OF PHILADELPHIA

Insurance in Force, \$214,509,255.00
(Paid for Basis)

Assets \$70,514,350.45
(Market Value, Dec. 31, 1909)

Contingency Reserve . \$9,207,276.38
(Inclusive of Capital Stock, \$1,000,000.)

The Provident has been particularly distinguished for the development of a highly trained force of agents. The systematic instruction which its agents receive has resulted in their being recognized as representatives of exceptional knowledge of the business and of marked efficiency.

Survivorship Annuity Tables

Net Premiums, Mean and Terminal Reserves

American Experience Table,
LIFE OF NOMINATOR

Danish Survivorship Annuitants' Table,
LIFE OF ANNUITANT

And $3\frac{1}{2}$ Per Cent. Interest

BY
MILES M. DAWSON,
Consulting Actuary

SEND ALL ORDERS TO

The Chronicle Co. (Ltd.)

No. 80 Wall St.

NEW YORK

The Chronicle

1866

Published by THE CHRONICLE COMPANY (Ltd.), 80 Wall Street, New York City

1910

VOLUME LXXXVI.

NEW YORK, NOVEMBER 24, 1910

NUMBER 21



▲ MOISSANT AT BELMONT PARK ▲



▲ CHAVEZ AT NICE ▲



▲ BLERIOT AT RHEIMS ▲

▲ FOURNIER AT RHEIMS ▲



THE AVIATION HAZARD

COMPARATIVE RESERVE TABLES

BY

MILES M. DAWSON

Consulting Actuary.

Containing Mean and Terminal Reserves for the
usual forms of policies and by the
following standards:

American Experience, Select and Ultimate $3\frac{1}{2}$ per cent.
American Experience, Select and Ultimate 3 per cent.
American Experience, Modified Preliminary Term $3\frac{1}{2}$ per cent.
American Experience, Modified Preliminary Term 3 per cent.
American Experience, Select and Ultimate 4 per cent.
Actuaries', Modified Preliminary Term 4 per cent.
American Experience, Committee of Fifteen, $3\frac{1}{2}$ per cent.
American Experience, Illinois and Tennessee, $3\frac{1}{2}$ per cent.
American Experience, Michigan, $3\frac{1}{2}$ per cent.
American Experience, Wisconsin, $3\frac{1}{2}$ per cent.
American Experience, New Jersey, $3\frac{1}{2}$ per cent.
H^M, Canadian Life Officers' Association, $3\frac{1}{2}$ per cent.
O^[M], Select and Ultimate, $3\frac{1}{2}$ per cent.

THIS covers all the standards, other than the net level
premiums, in use in this country. Tables showing
the first year margins set free by each method of valu-
ation are given.

Send all orders to the Publishers,

The Chronicle Co., Ltd.

No. 80 Wall St.

NEW YORK

The Chronicle

VOLUME LXXXVI.

NEW YORK, THURSDAY, NOVEMBER 24, 1910

NUMBER 21

PUBLISHED EVERY THURSDAY BY
THE CHRONICLE COMPANY, Limited.

No. 80 Wall Street, New York.

Phone "567 John." Cable Address, "Chronogram," New York.

Subscription Price:

Three Dollars a Year.

Single Copies, Twenty-five Cents.

Postage Prepaid in the United States and Canada.

MILES M. DAWSON, President.

R. B. Dawson, Treas. A. C. Harwick, V.-P. A. L. Dern, Sec'y.

Emil Schwab, Manager New England Department,
200 Devonshire Street, Boston, Mass.

All communications should be addressed to and remittances should be made to The Chronicle Company, Limited.

Entered at the Post Office, New York, N. Y., as Second Class Mail Matter.

Aviation Hazard the New Problem

EVERY few days life and accident underwriters are being strengthened in their position as to the hazard involved for policyholders in the spread of aviation. The death of Johnstone at Denver last week, which appears to have been due to carelessness in a slight repairing job on the machine in which he made his ascension, accentuates the situation. For some time past several companies have been sending notices of their intention to cancel policies of men identified with aviation contests, regardless of whether the policyholder makes a flight or not.

The most conspicuous instance of

this course occurred in September, when Allen A. Ryan, chairman of the Committee of Arrangements of the International Aviation Meet at Belmont Park, was notified that his continued connection with the meet would be deemed sufficient reason for cancelling policies held by him. Mr. Ryan did not own an aeroplane, did not intend to buy one and had no idea of making a flight. His duties as chairman of the Committee of Arrangements consisted of attending to the details of the meet. He was not even required to be on the field during the flights. Despite this, he was notified that he would be compelled

to forfeit all his claims under the policies he held if he retained his position in the meet.

Mr. Ryan's case was by no means a solitary instance. There is no question that the aviation hazard will have to be allowed for in some form sooner or later, especially in so far as it does not include those who actually make the flights. In view of the experimental nature of aviation up to date, several prominent life underwriters have hesitated recently to take any position just yet, other than that of cancelling all policies held by persons identified in any way with the promotion of aviation contests.

Classification Tables and Their Reason for Existence

IN A circular letter to its agents, the Hartford Fire Insurance Company has made public an expression of its views in regard to the value of classification tables to the most successful fire insurance companies in their underwriting practice. In the course of this letter the Hartford management says:

"Moreover, such tables enable companies to know at all times what proportion of the various classes their agents are offering, and whether the average quality of their business is being satisfactorily maintained or not. Again, in deciding what lines may be properly and safely assumed, classification tables are most helpful.

"From time to time it is suggested that the proper way to determine fire insurance rates for all risks is to fix premium charges by results of the classification table. Even a prominent Insurance Commissioner has recently remarked that it may be desirable to require from companies 'a uniform classification, figured so that the experience of each company on results of each classification can be readily determined.' * * * Reference to the classification would determine the justness of the rate charged."

"This method of settling a vexed question seems plain and easy—and it is a reflection on generations of fire insurance men that they have overlooked so simple a solution—provided the whole conception be not a fallacy. But unfortunately for fire underwriters, classification tables, as formulae for the making of rates, are wholly inadequate and unreliable. To an experienced insurance man the results of classification have some general and indeterminate suggestive value, but they afford absolutely no material for accurate deduction.

"There is no similarity between fire insurance classification tables and the mortality tables of the life companies. In life insurance the individual insured is a standard man. He must inevitably die, and the company knows in advance just how much it must pay when he does. There are no partial losses in life insurance. The average expectancy of life is easily ascertained, and the life actuary has exact mathematical data on which to figure his rates. Not so with the fire insurance company. Few of its risks are 'standard' or can be made so. Many of its insureds never suffer from fire, and when a claim is made

it may be for the face of the policy or for an insignificantly small proportion of the amount insured.

"To fire insurance there is no fixed basis on which to found mathematical calculations of rates. Risks are complex and seldom precisely alike. As a single instance of complexity, we may take a three-story brick building occupied on the ground floor as drug store; on the second floor, as millinery shop, and on the third floor as printing office. Here, in one building, are presented the distinct hazards of three kinds of risks. To what class shall it be posted? Perhaps there is not another building in the same State occupied by exactly the same combination of hazards. A company writing the stock on the ground floor would classify its risk as a drug store. The company writing the property on the second floor would probably call it a millinery store. The company writing the property on the third floor would doubtless classify it as a printing office. Now, a frame dwelling situated next door catches fire, and, the fire spreading, entirely destroys the three-story brick building and contents. The loss did not arise from a cause inherent in any of the classes contained in

the brick building. What good reason is there for saying that this occurrence has any relation to the discriminatory rates which should attach to other drug stores, millinery stocks and printing offices?

"One fundamental difficulty about classification tables is the impossibility of arriving at such a division of classes as will produce results having scientific value. Every risk, naturally, has its own inherent hazard, and if each risk of a class were identical both as to building and contents, and every one were situated detached, classification tables might be devised which would approximately show the fire hazard of individual classes. But with almost every risk there are circumstances which differ from those of other risks of the same class. Some buildings are of sole occupancy. Those variously occupied have combinations of hazard differing one from the other. The number of possible combinations is infinite. No class can be made up of risks identically the same, and yet if we pile into one class all risks of a general kind, irrespective of how they may be combined with others or what peculiar conditions they may have surrounding them we get results obviously valueless. On the other hand, if we seek to avoid this difficulty by multiplying classes and classifying together only risks closely approaching each other as to characteristics, we have such a variety of classes and so we reduce the volume of each as to narrow the average and show abnormal results produced by transient or exceptional causes. We are between Scylla and Charybdis.

"As illustrating the infinite combinations which exist in fire insurance risks we may instance stocks of merchandise alone, mentioning a few of the variations important to consider when fixing rates for insurance. Some stocks are in brick buildings and some in frame; some are in buildings with shingle roofs; others in buildings with tin roofs; some buildings have walls of certain thickness and capacity to withstand fire; others have thinner walls or thicker; some buildings are one-story, some are twenty; some buildings have interior divisions in the shape of walls with openings protected; others have no interior divisions and have area varying from small to mammoth proportions; some risks are exposed by brick buildings and some by frame; some by business structures and some by manufacturing establishments; some stocks are more subject to damage than others, and some, in case of small fires, cause total loss to the companies because the amount of insurance carried is low. Coinsurance is obtainable in some places and prohibited by law in others. Some establishments are clean, some dirty; some successful, some failures. Every one of these features and many others are important to consider when making rates. They differentiate the risks presenting them, and thousands of

combinations occur.

"If rates were to be fixed by the results of classification must not there logically be also thousands of classes to correspond with all these variations? And if so we further must multiply the total several times over to provide for risks of these respective kinds when situated in towns with good fire departments, in towns with poor departments and in towns with none at all. We speak here only of stocks of goods, but dwellings and each individual class of manufacturing risks must needs be divided in like manner.

"Care, cleanliness, character and business methods are all entitled to consideration in the making of rates, but how can they be expressed in a classification table? Trapped elevators, iron shutters, watchmen and automatic alarms, everybody knows, have prevented loss, but nobody knows how much they have prevented, so nobody can say, except as a matter of judgment, how they should affect rates. The value of these uncertain qualities cannot be ascertained by means of classification.

"If, for sake of argument, we concede the possibility of logically establishing a rate on any class by the results of its classification, what do we then have? A rate, it is true, but after all only an average rate. It is conceivable that it might not be the exact rate of any individual risks in the class. All will remember the patriotic citizen who claimed for his town the attractive average temperature of 60 degrees—made up, as was afterward ascertained, of 100 degrees in Summer

and 20 degrees below zero in winter. If we find that the average rate of a certain class is 1 per cent shall we reduce to that figure all its inferior risks, now paying more, and increase the rate on its better built or carefully managed establishments for which we now charge less?

"One cause of loss which upsets all attempts at scientific deduction from classification is exposure. The most frequent cause of fire in particular risks is its communication from another building, near or remote. This fact vitiates all classification undertaking to prove the relative fire hazard of different classes of risks by the amount of the loss each presents.

"But even if we had the science of classification reduced to a point where there was absolute connection between the dollars of loss shown in each class and the causes which produced such loss, we should still be without an effective guide for the future making of rates. We should have a history—that is all. Great changes are constantly occurring in methods of building, material for construction, in processes of manufacture, in growth of cities, height of buildings, and in the use of such agents as gasoline and electricity. The conditions which produced the classification figures of the last ten years have altered, and what results the change will inevitably bring there is none can tell. By the time the results of such changes could be crystallized into classification tables other changes would have occurred, again making our tables unreliable."

Maccabees of the World

THE case of Wright vs. the Knights of the Maccabees of the World, which may involve more than 90 per cent of the millions of outstanding fraternal insurance, came up for argument last week in the Appellate Division of the New York State Supreme Court. Alton B. Parker appeared for the fraternal society. A brief has been filed by George W. Miller, who is an authority on legal aspects of fraternal insurance and a law partner of Representative James R. Mann, of Chicago. The case involves directly the continued life of the fraternal system of insurance, for the reason that the right to collect from members rates adequate to provide sound insurance is at issue. Counsel on both sides regard the outcome of this case as momentous to fraternal insurance throughout the country, which is held by upward of 6,000,000 members.

This case of Wright vs. the Knights of the Maccabees of the World originated in 1904. Dennis L. Wright, of Watertown, N. Y., in 1905 was suspended from membership in the Knights of the Maccabees because of

failure or refusal to pay membership dues at rates advanced by the Supreme Council because the previous rates were found to be inadequate to pay the cost of insurance and of management. A suit was brought to secure the reinstatement of Wright and to enjoin the fraternal association from changing its dues and assessments. The case has been passed upon before by the Appellate Court, the lower court, which held for the plaintiff, Wright, being reversed. On the second trial judgment was entered for defendant, which was confirmed by the Appellate Division of the Supreme Court, but this was again reversed by the Court of Appeals. On the third trial the plaintiff again won, and the hearing is again on appeal, this time of the defendant society.

The case involves the main points covered by the bill for State regulation of fraternal insurance recently adopted by the National Convention of Insurance Commissioners and endorsed by the National Fraternal Congress and the Associated Fraternities of America, the question of adequate rates. The Insurance Commis-

stoners bill would make adequacy of revenue compulsory upon all societies.

"If these associations have not the right to readjust their rates," the Miller brief alleges, "so as to collect from their members rates of contribution which will enable them to redeem their outstanding obligations and pay their promised benefits as they mature from time to time, it means that each of them will struggle along for a few years more when increasing mortality will lead to their destruc-

tion, and it will be the end of this beneficent system of insurance."

The right to readjust rates in these associations has been a matter of controversy in the courts of the country before, and the Supreme Courts of Indiana, Georgia, Illinois, Virginia, Massachusetts, Kansas, Nebraska, Tennessee, Michigan, one of the Appellate Courts of Missouri, the Court of Civil Appeals of Texas, the Appellate Division (Second Department) of New York, as well as every Federal court which has heard the question.

The Future of Fraternals

IN A statement recently prepared Actuary George D. Eldridge expressed with clearness the conditions confronting fraternal orders, in the course of which he said:

"The agreement at Mobile, through which there is presented for the supervision and regulation of fraternal beneficiary societies the draft of a bill which has behind it the support of the Insurance Commissioners' Convention and of the fraternal orders, as represented in the two great bodies, the National Fraternal Congress and the Associated Fraternities of America, is a matter of national

economic importance. Nothing less than what is therein required can accomplish the perpetuation of the system of fraternal protection.

The time has come when the managers of every society should recognize that nothing is to be gained from the mere temporary advantage of cheapness born of failure to provide for obligations incurred; that those institutions that have already placed themselves upon a proper foundation of rates, instead of thereby making themselves the target for an unjust competition, have led where all must follow, and that the sooner the steps

necessary for such following are taken the better will it be for the system of fraternal protection and for all who are charged with its responsibilities.

"The great fundamental principle of the proposed bill is recognition of the right of each society, as a self-governing, responsible body, to work out its salvation by its own selected means.

"If a society is able to make its returns, as now required, to the several insurance departments, without enforcing balances or guessing at results, then with comparatively little trouble or expense the material for a valuation can be had. If it has to force balances or guess at figures, then it is likely to find the preparation for a valuation somewhat difficult and expensive.

"Unless a society's records are so kept that a valuation can be fairly easily made they are not so kept that the membership can be given accurate knowledge of the condition and needs of the society as a whole, or that the individual can know whether his certificate of membership is a stated, redeemable provision for protection of his dependent ones, or simply something to cozen him and them into a belief that he has done his duty by them, when in reality he may have betrayed their most sacred interests."

Nebraska Rating Law Unconstitutional

THE United States Circuit Court has declared the Nebraska State Rating law unconstitutional and has issued a permanent injunction restraining the Governor, Attorney General and Auditor of the State from attempting to enforce its provisions. The Nebraska State Rating law, which is Chapter 27 of the Laws of 1909 of Nebraska, provides for a State board to fix the rates for fidelity and surety premiums to be composed of the Governor of the State, the Attorney General and the Auditor of the State. The American Surety Company opposed the enforcement of the act and instituted proceedings in the United States Circuit Court, District of Nebraska, to secure a temporary injunction restraining the State officials from enforcing its provisions pending the decision of the court as to its constitutionality.

This action on the part of the surety company aroused the animosity of the State officials, who immediately started retaliatory litigation against the company, bringing two actions for \$5,000 each as fines for having resisted the law, and the Attorney General brought a separate action in equity to have the American Surety Company thrown out of the State. The suits to impose two fines of \$5,000 each on the company came up before Judge

T. C. Munger of the United States Circuit Court, who decided against the State officials and granted the temporary injunction prayed for by the American Surety Company. The action to have the company debarred from Nebraska never came to trial.

The decision just handed down disposes of the Rating law and is very interesting to all insurance interests because Judge Munger takes the position that the fixing of the price of insurance or surety premiums is not within the province of the State any more than the fixing of the price of any commodity would be, and that an endeavor to do so is a violation of the Fourteenth Amendment of the Constitution of the United States. The American Surety alone deserves the credit for the success of this litigation, because it conducted the fight independently, and, in fact, against the advice of the other members of the Surety Association of America, which voted by a large majority not to oppose the Nebraska law.

Judge Munger in his opinion said in part:

"The real controversy in the case is over the power of the State to fix the rates to be charged for insurance. No case has been cited where such a question has previously risen, although acts somewhat to the same effect have been passed in other

States (Laws of New Hampshire, 1899, Chap. 85, Sec. 1; Laws of Kansas, 1909, Chap. 152, Sec. 3).

"May the State exercise this power, in view of the Fourteenth Amendment to the Constitution of the United States, which declares that no State shall 'deprive any person of life, liberty or property, without due process of law?'"

The liberty to enter into contracts is not an unrestricted liberty, but is subject to the police power of the State. The extent to which the State may go in the exercise of this power in regulating or prescribing the prices of goods or services is not clearly defined. In earlier days it was usual for Parliament to fix the rates which lawfully could be charged even by those who were engaged in private business, and such legislation also existed in the colonies before the adoption of our Constitution (Freund on Police Power, Sec. 318). The right to regulate the charges for services of those whose business is devoted to a public use has been thoroughly established. It is also well settled that the right exists in the State to regulate the charges to be made by those whose business is affected by a public interest. (Munn vs. Illinois, 94 U. S. 113-125; Budd vs. New York, 143 U. S. 517-544; Brass vs. North Dakota, 153 U. S. 391.)

Ideas Help an Agent Sell
Policies

SECURITY MUTUAL LIFE INSURANCE COMPANY

Binghamton, N. Y.

Furnishes Ideas Through an
Educational System

For particulars address

HOME OFFICE

INCORPORATED 1833.

British America Assurance Company

HEAD OFFICE, TORONTO, CANADA

UNITED STATES BRANCH.

JANUARY 1, 1910.

Assets	\$1,556,740.94
Liabilities	902,438.61
Surplus	\$ 654,302.33

Hon. GEORGE A. COX, President.
JOHN HOSKIN } Vice-Presidents.
W. R. BROCK }
W. B. MEIKLE, General Mgr.

NOTEWORTHY ADVANCE.

The BERKSHIRE LIFE Insurance Company,

OF PITTSFIELD, MASSACHUSETTS,

takes an advanced step in the interest of the policyholder by the adoption of the following liberal features in its new policy contract:

- Low premium rates.
- Large surrender values.
- Dividends at the end of each policy year.

Thirty-one days of grace in payment of all premiums after the first year.

Paid-up insurance or cash surrender value or extended insurance after two years' premiums have been paid.

Loans for the full cash surrender value.

Policy payable in one sum or in instalments for terms of years.

Policy has no restrictions upon residence or travel and is incontestable after the first policy year, except for non-payment of premiums.

Right of the insured to change the beneficiary.

Liberal re-instatement privileges.

Every effort has been made to make this new policy the very perfection in a life insurance contract.

For further information apply to
JOHN H. ROBINSON, General Agent
FRANK ALLEN, Associate General Agent
For New York and New Jersey,
Postal Building,

253 Broadway, • • • NEW YORK.

The three cases just cited involved the validity of statutes regulating the charges which lawfully might be made by those owning grain elevators, and in each case it was declared that the business conducted by them was so affected with a public interest that the State could regulate the charges imposed by them. Some of the characteristics of that business which led the court to declare it to be affected with a public interest were: The practical monopoly of the business at the places where it was carried on, and the consequent power to levy tribute upon the community; its relation to the business of transportation, and to the business of common carriers, thus, being of a quasi-public character.

The business of the companies engaged in furnishing surety bonds has none of those characteristics. It is in no way a monopoly, for individuals and partnerships are free to furnish such bonds in competition with them, and to make any charge or no charge for assuming such risks. No one is compelled to resort to the surety companies as practically the only source from which may be obtained surety bonds. The public interest in the business of such companies is no different from its interest in the business of any large mercantile or manufacturing company, whose capital, experience and facilities may enable it to have a widely extended patronage, but such characteristics do not make the business one which is affected with a public interest. (State vs. Associated Press, 159 Mo. 410, 60 S. W. 91.)

If the State may fix the amount of compensation for which an insurer may lawfully contract for furnishing such insurance the State may dictate the price for which all other commodities shall be sold, including the price which may be paid for labor. This cannot be done. The Fourteenth Amendment to the Constitution protects the right of those engaged in purely private business to fix the price at which they will sell their services or commodities.

The case of Chesapeake and Potomac Tel. Co. vs. Manning, 186 U. S. 238, 246, involved the right of Congress to regulate the charges to be made by any person or telephone company doing business in the District of Columbia for the use of such telephones. The court said:

"And we start with the proposition that it cannot be presumed that a Legislature intends any interference with purely private business. It cannot ordinarily prescribe what an individual or corporation engaged in a purely private business shall charge for services, and, therefore, although the language of a statute may be broad enough to include such private business it will generally be excepted therefrom in order to remove all doubts of the validity of the legislation. It appears that some portion of the defendant's business is of a purely private nature, the receipts

whereof are spoken of in its reports as private rentals, and as to such business Congress could not, if it would prescribe what shall be charged therefor. In many buildings, both those belonging to the Government or the District, and those belonging to private individuals, is what may be called a local telephone plant—that is, an arrangement of telephones by which parties in different rooms can communicate with each other; a system which is not connected with the general telephone exchange, and is no more public in its nature than the speaking tubes or call bells in a building. It is only for the personal use of parties in the building. By it those in the building cannot communicate with the general public, nor can such public reach parties in the building. It is simply a local convenience for the use solely of those who are in the building. Such combinations of telephone instruments in a single building, with no outside connections, are furnished by the defendant, and the rentals therefrom, as well as the expenses thereof, are entered in its books of account, and constitute a part of its business. The mere fact that such telephones are furnished by the company, which also does a public business, does not make them a part of such public business, or subject them to the regulation by Congress of its charges. A railroad company may, if authorized by its charter, carry on not simply its strictly railroad business but also an establishment for the manufacture of cars and locomotives. The fact that it is engaged in these two different works would not in itself subject the manufacture of cars and locomotives to the supervision of the Legislature, although such body would have the right to regulate the charges for railroad transportation. So, in an inquiry of the reasonableness of the charges imposed by Congress in this legislation, it is essential that the receipts and expenses from such private telephone systems be excluded from consideration."

In the case of People vs. Coler, 166 N. Y. 1, 59 N. E. 716, the court had before it an act of the Legislature of

The Connecticut Mutual

That means the best life insurance to have and the best to sell. If you can sell life insurance, you can sell more of it for the CONNECTICUT MUTUAL.

Men of Character and Ability are invited to apply.

Conn. Mutual Life Ins. Co.,
Hartford, Conn.,

Please mention this paper.

New York providing that laborers on public works should be paid the prevailing rate of wages. This provision of the statute was held to be void, and the court said:

"The contractor is a private individual, engaged in private business. When he enters into a fair and honest contract for some municipal improvement that contract is property, entitled to the same protection as any other property. It is not competent for the Legislature to deprive him of the benefit of this contract by imposing burdensome conditions with respect to the means of performance or to regulate the rate of wages which he shall pay to his workmen, or to withhold the contract price when such conditions are not complied with in the judgment of the city. When he is not left free to select his own workmen upon such terms as he and they can fairly agree upon he is deprived of that liberty of action and right to accumulate property embraced within the guaranties of the Constitution, since his right to the free use of all his faculties in the pursuit of an honest vocation is so far abridged."

In *Street vs. Varney Electrical Supply Co.*, 160 Ind. 338, 66 N. E. 895, an act of the Indiana Legislature was in question. It provided that unskilled labor employed on any public work of the State, counties, cities and towns should receive not less than 20 cents an hour. In holding this law to be in violation of the Fourteenth Amendment to the Constitution of the United States, the court said:

"If the Legislature has the right to fix the minimum rate of wages to be paid for common labor then it has the power to fix the maximum rate. And if it can regulate the price of labor it may also regulate the prices of flour, fuel, merchandise and land. But these are powers which have never been conceded to the Legislature, and their exercise by the State would be utterly inconsistent with our ideas of civil liberty. Among the most odious and oppressive laws ever enacted by the English Parliament, in the worst of times, were the statutes of labor of Henry VI and Edward III. These

enactments fixed a maximum rate of wages for the laboring man, prohibited him from seeking employment outside of his own country, required him to work for the first employer who demanded his services and punished every violation of the statutes with severe penalties. In the very nature and constitution of things legislation which interferes with the operation of natural and economic laws defeats its own object, and furnishes to those to whom it professes to favor few of the advantages expected from its provisions. The circumstances that the act of March 9, 1901, reverses the conditions of the statutes of labor of Henry VI and Edward III, and lays the burden and the penalty upon

the employer instead of the laborer, does not render it any less pernicious and objectionable as an invasion of natural and constitutional rights. Statutes similar to this have been before the courts of other States, and in nearly every instance have been held unconstitutional."

See also *State vs. Norton*, 5 Ohio (N. P.) 183; *State vs. Firecreek Coal and Coke Co.*, 33 W. Va. 188, 10 S. E. 288.

The act of the Nebraska Legislature of 1909 falls within the principles announced in these cases, and as it does not seem that the portions of the act are separable the whole act must be declared void, and its enforcement will be enjoined.

Life Underwriting Problems

THAT the question of getting the right kind of men as recruits for the army of life insurance agents is a practical problem of much moment to company executives is indicated by the prominence being given to the subject in the programme of the fourth annual meeting of the Association of Life Insurance Presidents, to be held at Chicago on Friday and Saturday, December 9 and 10. In a letter now being sent to invited guests, inclosing a copy of the preliminary programme, the following statement is made:

"One of the problems of the life insurance business to-day is found in recruiting the field forces—the men who spread the gospel of protection for the home and who write the business. This is a difficulty experienced by every company, whether large or small. It is hoped that some practical solution will be pointed out in the discussion of this subject which has been arranged for the first day of the meeting. Executive officers of companies and agency managers will relate the nature of the troubles they have had in this respect and some will explain how they have recently overcome this situation to a certain extent. Representatives of universi-

ties prominent in the vocational training movement in this country will tell what institutions of higher learning are accomplishing in the professional training of men for business positions, and probably the way will be indicated for a more practical direct application of this method of instruction with respect to the life insurance business. It is hoped that the officers of all companies will come prepared to join in the general discussion and thus add the benefit of their experience and thought to this important subject."

The investments made by trustees for life insurance policyholders, savings bank depositors, etc., is another subject which will receive attention at the meeting. It will be broadly discussed in a paper by Prof. James Laurence Laughlin, of the University of Chicago, who is an economist with an international reputation.

No institution employing men in positions of financial trust need look beyond the advertising columns of THE CHRONICLE for FIDELITY INSURANCE.

1860 50th YEAR 1910

HOME LIFE

Insurance Company of New York.

GEORGE E. IDE, President.

Assets	\$23,626,018.63
Liabilities	21,858,691.52
(Including Deferred Dividend Fund)	
Dividend Endowment Fund	
(Deferred Dividends)	2,119,044.00
Net Surplus	1,767,327.00
Insurance in Force	92,532,583.00

The record for 1909 shows the following GAINS:

Insurance in Force	\$4,164,239.00
Assets	1,917,117.00
Deferred Dividend Reserve	148,581.00
Contingency Reserve (Surplus)	655,149.17

THE FRANKFORT MARINE, ACCIDENT AND PLATE GLASS INSURANCE CO.

OF FRANKFORT-ON-THE-MAIN GERMANY
ESTABLISHED 1865.

United States Department, - - 100 William Street, New York, N. Y.

TRUSTEES:

RICHARD DELAFIELD, Pres. of National Park Bank
ERNST THALMANN, of Ladenburg, Thalmann & Co.
STUYVESANT FISH, 52 Wall Street, New York City.

C. H. FRANKLIN, U. S. Mgr. and Attorney JNO. M. SMITH, Sec. U. S. Branch

INSURANCES TRANSACTED

LIABILITY—	General,	Vessel Owners,	Burglary
Employers,	Landlords,	Contingent,	Workmen's Collective
Public,	Elevator,	Druggists & Physicians.	Individual Accident & Health
Teams,			Industrial Accident & Health

AGENTS WANTED FOR UNOCCUPIED TERRITORY

Dutchess in Court Again

CHARLES J. Stovel, representing California policyholders, caused an order to be served upon the Directors of the old Dutchess Insurance Company last week to show cause before Justice Tompkins at White Plains to-morrow why a receiver should not be appointed. The law firm of Baldwin & Hutchins, of 27 Pine Street, New York, is acting for Stovel.

In addition to the affidavit and order there was a summons and complaint against the Directors to remove

them as trustees and let the receiver transact all the business. The trustees named are: Lewis H. Vail, Milton A. Fowler, William S. Ketcham, John N. Lewis, Eugene Ham, Cyrenus P. Dorland, Samuel H. Moore, I. Reynolds Adriance, Alonzo H. Vail, Floy M. Johnston, Edward S. Atwater, George H. Sherman and J. Wilson Poucher. These men still have charge of the funds of the company, which went out of business after the San Francisco fire and earthquake. There is an action pending in the Supreme Court here, brought by these same trustees, to determine what shall be done with nearly \$100,000, which represents the balance of funds remaining after the settlement of the San Francisco claims for 30 cents on the dollar.

In his complaint Stovel says that the other suit was not brought in good faith. But it "is brought in furtherance of a fraudulent scheme and conspiracy on the part of the defendants here on their part to obtain a judgment in such action, which will validate the various unlawful and fraudulent acts of the defendants herein and will operate as a bar to any action which may be brought by a stockholder or creditor of the Dutchess Insurance Company." Stovel, in his complaint, says that there are \$200,000 or more of the assets of the old company which will not reach the stockholders unless summary action to appoint a receiver is taken by the court.

NEW COMMISSIONER IN FEDERAL DISTRICT.

George W. Ingham, statistician of the District of Columbia Insurance Department, has been appointed superintendent of that department by the District Commissioners. He succeeds the late Thomas E. Drake, who died in July. Daniel Curry, examiner of the department, has been acting as temporary superintendent. After announcing the appointment the Commissioners gave out the following statement:

"After weeks of careful investigation and consideration of the matter of filling the vacancy in the position of Superintendent of Insurance of the District of Columbia, the Commissioners concluded that either of the two ranking employes of the office is as competent to fill the position as is any other person that is available.

"It becomes, therefore, the duty of the Commissioners, in accordance with their policy of filling vacancies by promotion where practicable, to name one of the employes next in line. In the case of Daniel Curry they took cognizance of his long and faithful service and the good work he has done as acting Superintendent of In-

surance. Mr. Curry has the indorsement of many of the leading professional men and others of Washington.

"George W. Ingham has been connected with the Insurance Department since its organization, possesses fine ability and, in the judgment of the Commissioners, is thoroughly competent to perform the duties of the office. He is indorsed by nearly 30 per cent of all the insurance companies doing business in the District of Columbia, which has, of course, had weight with the Commissioners in determining the relative merits of those under consideration. Mr. Ingham's appointment is made in the best exercise of their judgment to obtain the best service in the position of Superintendent of Insurance that appears to be available."

HELVETIA CASE ENDS.

Judge Lacombe in the United States Circuit Court has vacated warrants of attachment against the Central Trust Company, Weed & Kennedy and the New York State Insurance Department in the case of Max J. Grandenstein and others against the Helvetia Swiss Insurance Company. The warrants were sworn out by the United States marshals of the Northern and Southern districts of New York in suits instituted by residents of San Francisco for judgments recovered against the Helvetia Swiss for losses during the San Francisco conflagration.

The case of the Helvetia Swiss is one of the most complicated legal tangles of all the litigation arising from the great fire. In 1906 the Helvetia Swiss had its statutory deposit with the New York Department. The company was not doing business direct in San Francisco at the time of the fire, but is alleged to have purchased the business of a smaller Swiss company which had established there. After the fire the small company closed up its office and withdrew from the country. The loss claimants, therefore, attached the funds of the Helvetia Swiss in the Central Trust Company, Weed & Kennedy and the New York Department. Since then the Helvetia has ceased doing business in this country and the money has been held awaiting the disposition of the suits.

SURETY STATEMENTS.

Assistant Secretary of the Treasury Hilles has issued a circular calling the attention of surety bonding companies, doing business with the United States, to the act requiring them to file statements in January, June and October of each year, showing their financial condition. Mr. Hilles states that the Secretary of the Treasury has no authority to extend the time, within which these statements must be filed, but that it will be his duty to enforce the penalties required by the law of August 13, 1894, for failure to comply with its provisions.

MEN OF ENERGY ARE OFFERED WORK OF MOMENT

In desirable localities representing a sixty-year old institution, with modern, liberal, law-conforming policies, and helpful Home office co-operation. Much good territory available. Many opportunities for advantageous positions. Inquire NOW.

UNION MUTUAL LIFE INSURANCE COMPANY PORTLAND, MAINE

FRED E. RICHARDS, President.

Address either:
ALBERT E. AWDE,
Supt., 396 Congress St.,
Portland, Maine.
THORNTON CHASE,
Supt., 405 Exch. Bldg.,
Los Angeles, Cal.

"The Leading Fire Insurance Company
of America."



WM. B. CLARK, President.
W. H. KING, Vice-President.
HENRY E. REES, Secretary.

Assistant Secretaries,
A. N. WILLIAMS, E. S. ALLEN,
E. J. SLOAN, GUY E. BEARDSLEY.

A PENN MUTUAL PREMIUM, less a
PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS is unsurpassed for net low cost and care of interests of all members.

THE PENN MUTUAL LIFE INSURANCE COMPANY OF PHILADELPHIA

On January 1, 1909, rates were reduced and values increased to full 3% reserve.

In New England

BOSTON, Nov. 22.—The recent death of former Insurance Commissioner Theron Upson, of Connecticut, recalls to a writer in the "Hartford Times" the circumstances of Mr. Upson's retirement from the office of Commissioner when the present Commissioner, Colonel Theodore Macdonald, was appointed in his place. The story runs as follows:

"He had been Commissioner for five years and had made a record for efficiency of which he had reason to be proud. He had expected to be reappointed by Governor Woodruff. But he would not ask the Governor for a reappointment. With confidence he relied on his record to secure for him the favorable consideration of Governor Woodruff. Nor would he allow any of his friends to ask the Governor to reappoint him. He repeatedly said that he was not a candidate in the sense of being an applicant for a reappointment. It was only to a few intimate friends that Mr. Upson admitted he would accept a reappointment, but he positively forbade these friends to repeat his statement to the Governor. His position created the impression on the minds of those who were not in his confidence that he was not a candidate and that he did not care to continue as the head of the Insurance Department of the State. But whatever doubt there might have been as to Mr. Upson's desire was removed by the appearance of a dispatch from this city in a New York financial paper, stating positively that Mr. Upson was not a candidate for reappointment. When this item made its appearance every one was satisfied that Mr. Upson wished to be relieved of the duties of the Commission. Governor Woodruff appointed his friend and townsman, the present efficient Commissioner, Colonel Macdonald, to succeed Mr. Upson. It was afterward learned that the author of the dispatch had misunderstood

Mr. Upson. It has always been thought he was unwittingly the cause of the superseding of Mr. Upson in the office of Insurance Commissioner. Mr. Upson, however, never had any feeling about the matter. He rather excused the sender of the dispatch by accusing himself of not having been sufficiently explicit in his statement. It was characteristic of Mr. Upson not to blame any one for the circumstances that contributed to his retirement from the office of Insurance Commissioner. He was never inclined to find fault and he took everything, even the disappointments of life, with a philosophical cheerfulness."

The office of Insurance Commissioner, by the way, is among the appointments to be made by Judge Baldwin, Governor-elect of Connecticut.

Little Bureau Meets.

The annual meeting of the Underwriters' Bureau of New England took place at 93 Water Street, Boston, on Wednesday, the 16th inst. Among those present were: United States Manager Crosby, of the Royal Exchange; Vice-President Galacar, Springfield; President Sargent, New Hampshire Fire; Secretary Ludlum, Home; Assistant Secretary Guy Beardsley, Aetna; General Agent E. T. Cairns, North British and Mercantile; Supt. F. C. Moore, of the sprinklered risk department, Hartford Fire; Supt. F. M. Blake, of the sprinklered risk department, Phoenix of Hartford.

The usual reports were read. Manager Gorham Dana reported a successful year with fire losses, which were less than the previous year, and a considerable increase in the number of surveys sent out.

The following were elected:

Executive Committee—Royal Insurance Company, National Insurance Company of Hartford, London and Lancashire Fire Insurance Company, Scottish Union and National Insurance Company, New Hampshire Fire

Insurance Company, Home Insurance Company, Queen Insurance Company, Aetna Insurance Company, German-American Insurance Company.

Membership Committee—Phoenix Insurance Company of Hartford, North British and Mercantile Insurance Company, Northern Assurance Company.

Secretary, Gorham Dana; Treasurer, E. B. Cowles.

George Neiley was elected chairman of the Executive Committee.

New England Notes.

The opening lecture for the season of the Boston Insurance Library course will be given on Friday evening, December 2, at the assembly room of the New England Insurance Exchange, by C. W. Fletcher, controller of the Massachusetts Bonding. His topic will be "Fire Insurance Legislation."

* * *

The handsome building at 95 Milk Street, Boston, owned by the Mutual Life of New York, is on the market for improvement, commercially speaking. Architecturally it is one of the finest structures in Boston, but occupies a plot too valuable for a building of the old fashioned type.

* * *

The Vermont Life Underwriters' Association had a successful annual meeting and dinner at Montpelier last week. Thomas Magner, of Burlington, was elected President, and Glenn A. Wilkinson, of Morrisville, Secretary for the ensuing year, while T. J. O'Brien, of Burlington, was made chairman of the Executive Committee. Fourteen new members were added, and among the after-dinner speakers were Governor Meade, President DeBoer, of the National Life, Thomas Magner and T. J. O'Brien.

* * *

Last Friday night new offices were opened for the New England Mutual Life at Portland, Me., in the new Fidelity Building. The occasion was celebrated with a dinner, at which several members of the home office staff were in evidence.

EMIL SCHWAB.

WESTERN ASSURANCE Co.

HEAD OFFICE,

TORONTO, - - CANADA.

Incorporated 1851.

Hon. GEORGE A. COX.....President
W. R. BROCK and JOHN
HOSKIN, K. C. LL. D., Vice-Presidents
W. B. MEIKLE.....General Manager

United States Statement, Jan. 1, 1910.

Assets\$2,377,303.37
Surplus in United States..... 839,268.07

PROSPEROUSLY BUSY!

Our agencies are steadily increasing this year's lead over the figures of our high record in 1909.

Our agents are prosperously busy. With Business Life Insurance and our unequalled Continuous Monthly Income policy they are reaching and satisfying the public and liberally rewarding themselves.

Inquiries invited from delivering producers.

GEORGE D. LANG,

Superintendent of Agencies,

Massachusetts Mutual Life Insurance Company,

Incorporated 1851.

Springfield, Massachusetts

Insurance News in the West

CHICAGO, Nov. 23.—The Illinois Fire Insurance Commission expects to have its report in the hands of Governor Deneen, and the bills it will recommend for passage, ready when the Legislature convenes early in January. What the practical results of the commission's work will be will depend largely upon the organization of the Legislature. A majority of both houses is Republican, but not all in either house belong to the Governor's wing of the party. If the Governor's friends or-

ganize the two houses and his opponents in his own party stand with the majority the bills should have a good chance of passing, unless some external pressure is brought to bear. If, however, the minority Republicans and the Democrats should co-operate as they did in the last Legislature the Governor's measures may fare badly as a matter of politics.

Two of the committee's bills will provide for supervision of concerns not now under department control and for an anti-discrimination measure, providing for the filing of basis rates and schedules of charges and credits with the department, so that it may judge whether there is discrimination as between classes of risks. Should this become a law one important result would be a reduction in preferred rates in Cook County, or, what is not at all likely, an increase in the rest of the State. This anti-discrimination bill will also prohibit rebating, unless that evil should be treated in a separate measure.

It is taken as a sign that unauthorized companies see that there is to be legislation curtailing their freedom of action that within the last few weeks five of them have been admitted to Illinois, which heretofore have been operating as surplus line companies without license. Three of these are big French companies—the General Fire, Union and Nationale.

Considerable support in putting through a bill placing unincorporated concerns under supervision and strengthening the surplus line law is expected from the local agents of the State. Many of them have suffered severely from the inroads of London Lloyds particularly, and other unincorporated concerns in a less degree. At the meeting of the Illinois Association of Local Fire Insurance Agents last week at Decatur measures were taken to increase the membership of the organization. Secretary Meisant will spend considerable time working among the agents seeking their cooperation in the organization movement. Incidentally he will use his influence in favor of such legislation as the local agents need. Another force in this direction will be H. F. Espenscheid, of Danville, formerly state agent of the National of Hartford and one of the most influential field men in the State. He is now a local agent. He has one or more friends in nearly every town of any importance in the State and his influence with them is such that he can "start something" for the benefit of local agents generally and make his work felt.

On this proposition of supervising Lloyds the authorized companies and the agents can work together. London Lloyds are now said to have three-fourths of the automobile busi-

ness in Chicago. A fire the other day showed them on a large risk for \$104,000. These are merely samples of what the Lloyds are doing to the stock companies.

* * *

In appointing Thomas R. Weddell, editor of the Insurance Post and Insurance editor of the Chicago Record-Herald, as publicity man, the publicity bureau of the Western Union made a good choice. Mr. Weddell will not give up any of his present connections. Therein lies much of his value. As a newspaper man, rather than as representative of the fire insurance companies, he will seek the cooperation of newspapers and trade papers in a campaign for reduction of the fire waste. His first letters have met with a generous response. A number of influential trade papers have asked for articles by experts on hazards peculiar to their lines and several trade associations have requested speakers for their meetings. The Western Union among its inspectors and hydraulic and electrical engineers has some excellent men, who can either write or speak on their specialties in a practical manner suited to impress business men. Eventually it is expected to get much matter to the public through the country newspapers, all aiming to impress the people with the tax they are laying upon themselves in burning up so much property every year.

* * *

It is hoped that the Fire Marshal's department of Illinois can be made effective before the first of February. Governor Deneen has expressed his intention to send a special message to the Legislature at the beginning of the session asking for the passage of an appropriation bill with an emergency clause to release for use the Fire Marshal's funds now tied up through a defect in the law which created the office. During the period in which he was unable to carry on his intended work, Fire Marshal Doyle has addressed a large number of commercial bodies on the fire waste and has made the acquaintance of the members of the new Legislature, thus creating a sentiment in favor of the department and allaying opposition to it.

* * *

Reports from Des Moines are to the effect that there is much talk about consolidation among fire insurance companies in Iowa. The Insurance Department is examining a number of them and finds several of them in weak condition, especially when it is taken into account that they have a large amount of farm notes in their assets.

* * *

Some of the life insurance companies are considerably worried over the the campaign against rebating which

GOOD AGENTS FIND
The Union Central
Life Insurance Company

Of Cincinnati, O.,

A GOOD COMPANY

Address: **JESSE R. CLARK,**
President, or **ALLAN WATERS,**
Superintendent of Agents.

COMMERCIAL - UNION

ASSURANCE CO.,

(LIMITED)

OF LONDON.

OFFICE;

Cor. Pine & William Sts.

NEW YORK.

HARTFORD
LIFE

Wants You

If You Can Do Things.

Write to

Hartford, Conn.

State's Attorney Wayman at Chicago started last week in bringing suit against two companies and three agents to collect fines. As the Illinois law provides that the informer shall get half the penalties imposed there is a chance for no end of trouble and for somebody to get rich if he can unearth even a fraction of the rebating which is alleged to have been going on.

* * *

The Executive Committee of the Chicago Surety Underwriters' Association is now endeavoring to work out plans for effectively stopping certain abuses which have appeared in the business, especially within the last few months. The committee recognizes that it has a difficult task in working out any rule which shall define and govern brokers and at the same time be acceptable to a majority of the managers and general agents. While it is pretty generally recognized that it is against the spirit, if not the letter, of the present rules to pay commissions to lawyers, every little while some office reports having been offered business by a lawyer if it would pay him a commission, and, having refused, only to find later that the bond had been executed. This is

a hard class of cases to deal with.

* * *

The Globe Surety of Kansas City has been admitted to Illinois and has had a representative in Chicago looking over the general agency material, but up to the end of last week had not announced any appointment. The company is regarded as a desirable one, and there are several men in Chicago controlling considerable business who have been looking for a general agency.

* * *

From current reports a few of the burglary insurance companies are going to make a sorry showing when their Illinois loss ratios for the year are made up. One general agent who does a fair amount of business says he will be in luck if he gets out with a loss ratio of 85 per cent. Two large offices have admitted that they have been hit hard. In the case of one the full losses may not show in this year's figures, as it is resisting several of them which it believes to be crooked. On the other hand there are some companies which up to the present time have played in good luck. Their turn may come before New Year's, however.

LA SALLE.

Railroad Relief to Employees

AT A meeting of the New York Railroad Club last Friday night Joseph N. Redfern, of Chicago, superintendent of the relief department of the Chicago, Burlington and Quincy, read a paper on "Employers' Liability and Railroad Relief Departments." Referring to public sentiment having been aroused in favor of "employers' liability" and a "workmen's compensation" act, and a prevailing difference of opinion as to which should be adopted, Mr. Redfern said the general proposition of both is that every industry shall be compelled to bear the expenses of all injuries to employees which happen in the industry without wilful negligence of the employee—particularly the ex-

ception as to wilful negligence amounts to nothing. It is argued that there is no sound reason for distinction between accidents caused by negligence and those which are unavoidable.

"To attempt to make an employer pay for something for which he is not responsible," Mr. Redfern declared, "is equivalent to confiscation of property, and it is not to be expected that laws such as are now proposed can be enforced except with a delay of years, until the question can be submitted for final determination to the United States Supreme Court.

"There does not seem to be any sound reason for compelling an employer to pay damages to an employee

who breaks his leg because he accidentally stubs his toe on the stairs of his employer, which were not defective, or because of a defective sole in his shoes; if an employer can by law be compelled to pay damages in such cases could the employer be compelled to pay damages for similar injuries inflicted while the employee was on his way to work, but not on the premises of his employer?"

Mr. Redfern insisted that fraternalistic work in foreign countries is no reason why their steps should be followed in this respect any more than we should follow in their steps as regards wages paid employees. "Contrast the recent railroad strike in France," he remarked, "where one of the principal demands of the men was for a minimum wage of \$1 a day, with the wage of the railroad employees of the United States. If our employees received the wage paid in other countries there might be some reason for society's assuming the proposed obligation, but, considering the fact that they receive the highest wage of any workmen, it would seem they should do something for themselves.

"The experience of railroad relief departments is that over one-half of the total amounts paid in benefits to members and their beneficiaries is on account of disability and death from sickness and injuries received while not at work, and this, too, in a line of work which is admittedly of the most hazardous character.

"There are six railroad systems in the United States operating relief departments. They are: Baltimore and Ohio, 1880; Pennsylvania lines east, 1886; Philadelphia and Reading, 1888; Burlington, 1889; Pennsylvania lines west 1889; Atlantic Coast Line, 1890. These roads employ about 400,000 men. About 275,000 of them, or 70 per cent are members of these relief departments. The members are contributing to the funds annually about \$4,000,000, and the companies are contributing a like amount in cash and facilities. There is being paid to the members and their families about \$4,000,000 a year, and to date about \$50,000,000 has been paid in benefits over one-half on account of sickness."

SPECIAL OPPORTUNITIES offered now in Southern States to Representatives of

**CITIZENS
NATIONAL LIFE
INSURANCE
CO.**

W. H. GREGORY,
President.



CAPITAL. \$500,000

THE "EMPIRE"

**Stands for AGGRESSIVENESS
PROMPT PAYMENT OF LOSSES
and CLEAN METHODS.**

Agents wanted who are unattached and can produce business.

**Address Agency Department,
THE EMPIRE STATE SURETY CO.,
84 William Street, New York**

HERE AND THERE

An odd and interesting pamphlet entitled "A Few Helpful Suggestions for the Man Behind the Gun," has been issued by T. Howard Lewis, Boston Manager of the Mutual Life of New York. The pamphlet contains originalities as well as bromides.

* * *

Rhodes & Morrison, a firm composed of Frederic H. Rhodes and Frederick A. Morrison have been appointed general agents of the Berk-

shire Life for New York and New Jersey. John H. Robinson will continue to represent the companies as a general agent.

* * *

The Northern Insurance Company of Moscow has made the deposit in the State of Connecticut and was licensed on Monday. This is the second admitted reinsurance company under the management of Fester, Douglas & Folsom, and will enter the various States. The Northern has home office assets of nearly \$6,000,000.

* * *

Four cases involving the constitutionality of the Employers' Liability law, passed by Congress in 1908, which were to have been argued before the Supreme Court of the United States on November 28, have been reassigned for argument on January 16. This action was taken at the request of Attorney-General Wickersham.

* * *

Insurance Commissioner Beedle of Wisconsin has issued a circular on rebating as regards surety bonds, which are being issued in large numbers just now on newly elected public officials. He asserts that the anti-rebate law does not forbid insurance companies to alter rates, but does prevent agents from reducing rates by rebating part of their commissions. If he rebates he is liable to a fine, imprisonment and the revocation of his license for three years. The department also declares that agents, especially of health and accident companies, are taking a note for a part of the commission, with the understanding that the note is only to be paid from a claim under the policy, if any. This is plainly a rebate in violation of the statute and will be prosecuted.

* * *

The attempt of policyholders of the American Temperance Life Insurance Association to elect one of their own number to the vacant directorship in place of James H. Pettit, who was supported by the officers of the company, failed on Tuesday and Mr. Pettit was re-elected. The meeting, which was held in the rooms of the National Temperance Society at 3 E. Fourteenth Street, was stormy at the outset owing to dissatisfaction with the administration. It ended more peacefully, however, when it was announced that in spite of the victory the officers had gained they would for the sake of harmony allow one of their directors to resign and in his place elect Henry W. Wilber of Philadelphia. The resignation of Dr. D. A. Dobie was accepted at the directors' meeting that followed and Mr. Wilber was chosen in his place.

No head of a family need look beyond the advertising columns of THE CHRONICLE for LIFE INSURANCE.

DARWIN P. KINGSLEY IN NATIONAL SURETY.

Darwin P. Kingsley, President of the New York Life Insurance Company, has been elected a director of the National Surety Company. At the meeting of the directors the stock dividend of 33⅓ per cent to present shareholders, as provided for at the stockholders' meeting, was formally declared, payable to holders of record of November 30. In addition thereto, the directors declared the usual quarterly dividend of 2 per cent, payable January 3 to holders of record of November 29. It was also announced that the 5,000 shares of new stock authorized at the shareholders' meeting of November 9, which is to be sold at 150 per cent or better, has been oversubscribed four times the amount to be allotted.

TO SUCCEED CROUSE.

The Board of Public Works, which consists of the Governor, Controller and Treasurer of Maryland, has elected unanimously Emerson C. Harrington as Insurance Commissioner for the term of four years. Mr. Harrington is from Cambridge, Dorchester County, where he was born in 1864. He was graduated from the St. Johns Academy, Annapolis, in 1884, and then for four years taught Latin and mathematics; then for two years he was principal of the Cambridge Academy, and when it was combined with the Cambridge Female Academy he continued as its principal for nine years. While connected with this school his energies were given to the study of law, and in time he was admitted to the bar. In 1899 he was elected on the Democratic ticket as State Attorney for Dorchester County and served four years. He was one of the organizers of the Farmers' and Merchants' Bank of Cambridge and also one of its Directors. Professor Joseph E. Green, who has been Deputy Commissioner since 1905, will be retained.

Life Ins. Co. of Virginia

Home Office, Richmond, Virginia.

J. G. WALKER, President.
T. W. PEMBERTON, 1st Vice-President.
W. L. T. ROGERSON, 2d Vice-President.
E. D. HARRIS, Secretary.

The OLDEST Southern Life Insurance Company.

The LARGEST and STRONGEST Southern Life Insurance Company.

The PIONEER Southern Industrial Life Insurance Company.

Its policies are clear and definite in their provisions and their values are absolutely guaranteed.

Assets Dec. 31, 1909.....	\$5,372,691.99
Liabilities Dec. 31, 1909.....	4,312,405.32
Insurance In Force Dec. 31, 1909	68,337,613.00
Total Payments to Policyholders since Organization	9,820,412.48

201ST YEAR.

SUN Insurance Office OF LONDON.

FOUNDED 1710.

UNITED STATES BRANCH:

54 PINE STREET, NEW YORK.

WESTERN DEPARTMENT:

171 LA SALLE ST., CHICAGO.

PACIFIC DEPARTMENT:

Sansome & Sacramento Sts.,
SAN FRANCISCO, CAL.

AGENTS WANTED
AT UNREPRESENTED POINTS

The

Columbian National Life INSURANCE COMPANY OF BOSTON, MASS.

LIFE, ACCIDENT AND HEALTH
INSURANCE.

The Only Massachusetts
Non-Participating Company

The New Columbian Policies are
Unexcelled in Clearness and Liberality.

Good Contracts and Territory for
Good Producers.

ARTHUR E. CHILDS, President.

THE LEADING FIRE COMPANY OF THE WORLD



Steel Trust Gets a Medal

THE permanent exposition of safety of the American Museum of Safety and Sanitation was opened in the auditorium of the Engineering Societies Building, at 29 West Thirty-ninth Street, on Monday night.

It is the design of the promoters to create a clearing house for safety devices for all phases of American activity. Efforts to conserve health will be recognized also.

On behalf of the Travelers Insurance Company S. C. Dunham, President of the company, presented to the United States Steel Corporation a gold medal awarded to the industrial institution whose management had done most during the last year to conserve human life and prevent accident. The medal was received by William B. Dickinson, Vice-President, on behalf of the corporation.

Edson S. Lott, representing the casualty companies, made the opening address. He made it clear that the accident companies are very much

interested in the museum. He said that the companies will be direct beneficiaries of the good which the museum is sure to accomplish. Any agency which would tend to lessen liability losses would lessen premium rates.

"The largest percentage of profit on all lines of insurance, I think, and on liability lines, I know, is made from the lowest premium rated risks," said Mr. Lott. "Every casualty insurance company has a prohibited list—that is, there are certain lines which some companies do not insure at all. The prohibited list varies with different companies. Some companies do not insure sewer construction of any kind, some do not cover steel construction work, others will not write policies on mining operations.

"But not a single low premium rated risk is on the prohibited list of any insurance company. The prohibited industries are always those which pay the highest premium rates for their insurance. It must be, then, that, from purely selfish motives, if

none other, all casualty insurance companies will welcome the work of the museum of safety and sanitation, because it will reduce premium rates and at the same time increase underwriting profits.

"Of course, employers of labor will be actuated by the same motives. And I believe that the vast majority of employers of labor will be actuated by a nobler motive, by the humanitarian aspect. I have spent the greater part of my business life dealing with employers of labor, and my experience with them has taught me that they, as a class, are profoundly interested in any practical measure looking toward the betterment of conditions affecting their employees."

William H. Tolman is director of the museum, and its officers are Philip T. Dodge, President; Charles Kirchhoff, Vice-President; T. Commerford Martin, Frederick R. Hutton and Dr. N. E. Ditman, chairman of the committees; William J. Moran, counsel.

British Underwriting Novelty

THE current issue of the "Policyholder," of Manchester, England, an article of unusual interest appears under the caption, "A New Life Assurance Scheme," as follows:

"While a practically unceasing supply of new and ingenious schemes of insurance or indemnity emanate from the department known by the comprehensive term of 'casualty insurance,' it is comparatively seldom that fresh ground is broken in the domain of life assurance. The explanation of this is obvious. In the one department the opportunities of putting new ideas into shape are severely limited by the nature and purpose of the contract; in the other department innumerable subdivisions can be made—

there is inexhaustible material for the manufacturer of insurance novelties. A well-known expert, speaking on the general prospects of insurance business, declared recently that there is hardly any contingency in life for which a quotation cannot be made; that the day is coming when insurance companies will cover every risk that a human being is heir to; that there are countless branches of insurance, out of which profit is to be made, as yet untouched; and in the brief period which has elapsed since these observations were made several striking adaptations of the insurance idea given to the world might be cited in confirmation of the belief they expressed. Looking back upon the development of life assurance in the last

thirty years, the most important modifications of the original scheme are seen to be the endowment assurance policy and the policy with 'options' at maturity, while other noteworthy variations have been a plan providing for the discontinuance of payment of premiums during disablement, one for dispensing with medical examination and one combining life and invalidity insurance. Various alterations and concessions as regards the method of payment of premiums have also been introduced into the system, the offices constantly vying with one another in their efforts to make the contract of assurance convenient and attractive to the public. At the present time a

(Continued on Page 14.)

Germania Fire

INSURANCE CO.,

NEW YORK.

ORGANIZED 1889.

Cash Capital.....\$1,000,000.00
Assets\$6,562,329.14
Net Surplus.....\$2,008,419.02
Surplus for Policyholders,\$3,008,419.02

HEAD OFFICE:

Cor. William and Cedar Streets.

The year of 1910 is rapidly drawing to a close, this being the last quarter of the year.

The amount of money earned by the agents of the Philadelphia Life from now until the end of the year will more than equal the total earnings of agents of other companies for the year 1910.

If you are in a position to contract with the Philadelphia Life at this time, it would be to your interest; or, if you contemplate making a change at the close of the year, let us hear from you now, as perhaps the territory that you would prefer would be closed at that time.

Write Perry To-Day.



SUPERIOR POLICIES

KIMBALL C. ATWOOD, President
290-292 Broadway, New York.

New England Mutual Life

Insurance Company

BOSTON, : : : MASS.
Chartered 1835

Assets, January 1, 1910. \$51,316,543.00
Liabilities 47,050,672.15

Surplus \$4,265,870.85

Sixty-six years of honorable dealing with its policyholders has placed the **NEW ENGLAND MUTUAL LIFE INSURANCE COMPANY** in the front rank of Life Insurance Companies of the Country.

ALFRED D. FOSTER, President.
D. F. APPEL, Vice-President.
J. A. BARBEY, Secretary.
WM. F. DAVIS, Assistant Sec'y.
J. G. WILDMAN, Assist. Sec'y.

EDWARD W. ALLEN, Manager.
220 Broadway, New York.
LATHROPE E. BALDWIN, Manager.
141 Broadway, New York.
CHARLES H. STRAUSS, Gen'l Ag't.
20 Fifth Ave., New York

FOUNDED 1792

118th ANNUAL STATEMENT

INSURANCE COMPANY OF NORTH AMERICA. OF PHILADELPHIA, PA.

ASSETS.

January 1, 1910.
Real Estate \$ 364,410.00
First Mortgages on Real Estate 373,803.48
Philadelphia, New York, Boston and other City and State Loans 1,134,390.00
Pennsylvania, Philadelphia and Erie, Lehigh Valley and other Companies' Bonds and Stocks 8,909,150.32
Cash in Bank and Bankers' hands 1,134,635.88
Notes Receivable and Unsettled Marine Premiums..... 347,440.69
Net Cash Fire Premiums in course of Transmission..... 1,069,510.62
Accrued Interest, and all other property 52,160.57

Total Assets \$13,385,501.56

LIABILITIES.

Capital Stock \$ 3,000,000.00
Reserve for Re-Insurance .. 6,813,862.47
Reserve for Losses 877,250.00
All other Liabilities 104,982.45
Surplus over all Liabilities.. 2,589,406.64

\$13,385,501.56

Surplus to Policyholders.....\$5,589,406.64
Increase in Reinsurance Reserve 349,934.71
Increase in Net Surplus..... 838,500.98
Increase in Assets..... 1,371,455.93

Eugene L. Ellison.....President
Benjamin Rush.....Vice-President
T. Howard Wright.....Secretary
Henry W. Farnum.....Assistant Secretary
John O. PlattAssistant Secretary

Agencies in all Prominent Cities & Towns.

THE HOME LIFE INSURANCE COMPANY OF AMERICA

Incorporated 1899.



General Agents and District Managers who can produce ordinary business can secure "Ground Floor" contracts with **GUARANTEED RE-NEWALS** and an assignment of territory limited only by capacity to produce agency organization and business. Send for Sample Policy. **IT IS ONE YOU CAN SELL.** New business, \$3,500,000—January 1-Oct. 30, 1910.

Address

JOHN LANGHAM, Jr., President.
JOSEPH L. DURKIN, Secretary.
EDWARD P. MADDEN, Treas.

M. LALLY,
General Manager,

416-18-20 Walnut St., : **PHILADELPHIA, PA.**

BONDS OF SURETYSHIP.

The Guarantee Company of North America

HEAD OFFICE, MONTREAL

Edward Rawlings, President.

H. E. Rawlings, Asst. Mgr.

Richard B. Scott, Secretary & Treasurer.

It is the Pioneer Company, was established in 1872, and is conducted under a conservative management of over 55 years experience.

It has recouped to employers over \$2,190,000 for losses sustained by the infidelity of employees and has a surplus of \$1,041,423.23 to credit of shareholders and total resources of \$1,919,892.38 for the security of insured.

Branch Offices:

NEW YORK: 111 Broadway,
D. J. Tompkins, Secretary.
BOSTON: 114 Milk Street,
W. A. Hamilton, Agent and Attorney.
CHICAGO: Room 400, The Temple,
J. R. Pruyn, Resident Sec. and Atty.
PHILADELPHIA: 500 Arcade Bldg.
W. H. Jackson, Res. Secretary.
PITTSBURG: 1120 Farmers Bank Bldg.
E. R. Munro, Resident Secretary.
LOUISVILLE: 316 Columbia Bldg.
P. N. Clarke & Co., Agents.

Organized 1850

ISSUES GUARANTEED CONTRACTS

JOHN P. MUNN, M.D.
PRESIDENT.

FINANCE COMMITTEE
CLARENCE H. KELSEY
Treas. Delta Guaranty and Trust Co.

WILLIAM H. PORTER
Pres. Chem. Nat. Bank

EDWARD TOWNSEND
Pres. Importers & Traders Nat. Bank

Good men, whether experienced in life insurance or not, may make direct contracts with this company, for a limited territory if desired, and secure for themselves, in addition to first year's commission, a renewal interest insuring an income for the future. Address the Company at its Home Office, No. 277 Broadway, N. Y.

Paul Morton on Conservation

PAUL MORTON, President of the Equitable Life Assurance Society, has made an appeal to his agents in behalf of that phase of conservatism which signifies most to life underwriters. In this appeal he says, in the main:

"The Equitable Life Assurance Society of the United States has nothing to do with politics, but it has a great deal to do with conservation.

"The conservation of the country's natural resources deserves the consideration of all thoughtful men, but the conservation in which we are interested is the conservation of insurance.

"The Equitable was the first company to show the public that a life insurance policy could be paid as promptly as a bank draft; it was the first company to make the insurance contract incontestable after one year; it formulated the system of investing the assets in the localities contributing them; it has always been recognized as a pioneer in reforms for the benefit of policyholders, and I should like to see it take the lead in adopting the most efficient measures for the conservation of insurance.

"The American people have shown a greater appreciation of life insurance than any other nation. But, although they have insured more readily, they have been less steadfast than the people of other nations, and the result has been the surrender of many policies for trivial reasons, or without reason. This has resulted in much waste, and has done serious injury to the steadfast policyholders who have remained, as well as to those who

have retired.

"The Equitable has done, and is doing, much to minimize this evil, but much more may be attained by concerted action.

"If all our general and local agents will write in a campaign of education and in an earnest endeavor to keep outstanding insurance on the books they will render an important public service, and will gain an enormous personal advantage. For the permanently successful agency is the one which is supported by a loyal army of policyholders; and any agent is short-sighted who concludes that his time is wasted if spent in persuading members of the society to keep their policies in force. It makes no difference whether these policyholders are clients of the particular agent or not. The man who has been insured by some other agent and then surrenders his policy can do you as much harm as a deserter from your own ranks. In the army the most severe punishments are for desertion. This is not simply because the services of the deserter are lost, but because his example has a demoralizing influence on those who remain, and because he sows dissension wherever he goes.

"No agent can hope for permanent success unless he secures public confidence in the community in which he is working, and every deserting policyholder in that community will exert an influence which will tend to retard the growth of public confidence.

"The very act of surrendering a policy prematurely suggest the inference that the policyholder is dissat-

isfied. The maintenance of a policy, on the other hand, indicates satisfaction. Surrendered policies influence no new insurance, while a matured endowment or a death claim paid are utilized by every competent agent in extending his business."

ACCIDENT POLICY RENEWALS.

At a conference between Superintendent Hotchkiss of New York and Commissioner Hardison of Massachusetts several questions came up for consideration and decision relative to the laws of both States, which go into effect on January 1 next, whose purpose is to regulate the issuing of accident and health insurance contracts.

In respect to the renewal of policies issued before that date and which have no provision giving the insured the right to renew by the payment of successive premiums, it was decided that, although it is a close question whether or not these so-called renewals are not technically new contracts, calling for the use of new policies as prescribed by law, yet, in view of the practical difficulties in the way and the loss which might result to policyholders, the benefit of the doubt should be given to the present method of renewals, and any further question which might arise thereunder be left to the courts or to further legislation. There will be, accordingly, no interference by these departments with the renewal of contracts now in force by renewal certificates, if that method is acceptable to the companies and their policyholders.

However, the departments urge that policies issued under the new law have a renewal provision, so that, in respect to such policies, no question can arise as to whether or not a renewal certificate is legal.

THE COMPANY WITH THE PYRAMID

40 CONSECUTIVE YEARS OF PYRAMIDAL PROGRESS

ASSETS	SURPLUS
18,114,321.00	1,037,971.00
24,151,312.00	1,380,000.00
34,138,271.00	2,028,844.00
53,337,171.00	3,041,887.00
83,363,980.00	4,723,009.00
123,760,871.00	7,024,871.00
182,371.65	113,478.14
507,616.00	127,679.38
537,873.59	147,113.04
185,734.20	171,247.80
618,192.98	183,108.52
915,132.37	204,407.96
965,147.53	206,162.65
1,048,578.95	214,049.40
1,101,451.03	219,983.34
1,191,863.33	237,759.15
1,269,088.20	244,344.03
1,305,101.00	264,351.79
1,398,816.66	323,429.81
1,638,157.79	340,128.69
1,839,961.20	400,681.84

NEW HAMPSHIRE

2,037,318.76	840,940.17
3,163,800.05	946,783.34

FIRE INSURANCE CO.

3,779,569.87	1,154,610.10
3,877,848.70	98
3,976,127.53	49
4,074,406.36	1,257,267.06
4,172,685.19	1,257,059.25
4,270,964.02	1,322,978.14
4,369,242.85	1,408,661.54
4,467,521.68	1,510,064.23

TOTAL LIABILITIES \$2,585,953.23
POLICY-HOLDERS SURPLUS \$2,610,064.23

**OLDEST
IN
AMERICA**

**STRONGEST
IN THE
WORLD**

THE MUTUAL LIFE Insurance Company of New York

**Mutual Life Agents Make Most Money
Because Mutual Life Policies Sell Most Freely**

For terms to producing agents, address

GEORGE T. DEXTER

2nd Vice-President

34 Nassau Street

New York, N. Y.

A BRITISH NOVELTY.

(Continued from Page 11.)

policy can be paid for by weekly premiums (in the industrial branch), by monthly, quarterly, half-yearly or single payments, and the companies give every possible facility to enable the assured to keep their policies in force.

"In spite, however, of the helpful assistance given by the companies in emergencies when the lapsing of the policy is one of the alternatives confronting the assured, it is one of the objections alleged against the life assurance contract that the premium must be paid on a fixed date, and that the premium notice may arrive at a time when it is most inconvenient—perhaps impossible—to pay. 'There are a few men,' says a leaflet on 'Life Assurance and Investment Assurance,' recently issued by the Economic Life Assurance Society, 'who can afford to make the necessary provision for those dependent upon them and set their mind and conscience at rest by a payment down of a single premium. They are to be congratulated. There is, again, a large class of happy men with assured positions and fixed or increasing salaries to whom the recurring premium periods present little anxiety. They can forecast accurately their available means, but, however carefully they may arrange their expenditure, they cannot forecast the unexpected calls on their purse occasioned by illness or other unforeseen calamity.' It is, however, to the very large and important class of men who are in professional or business work on their own or on partnership account—the class which has to expect and allow for a fluctuating income—that the scheme proposed by the Economic should specially appeal. The society offers a policy the unique feature of which is that premiums are optional as to date and amount—the assured practically can pay as he pleases and when he pleases.

"The plan submitted by the Economic is a simple modification of the single premium principle—and the single premium policy, whatever may be urged for or against it, must be the method of payment which involves the smallest amount of anxiety as regards the future. Under the new scheme the total amount of the premiums payable is limited to the amount of a single premium, and of this it is only necessary to pay 5 per cent to begin with, the remaining 95 per cent being payable in instalments of any amounts and at any periods convenient, interest at 4 per cent (less income tax) being payable on the balance unpaid. By this arrangement the assured secures all the benefits, and options too, attaching to a paid up policy, subject only to the debt represented by the amount of premium unpaid, which can be reduced from time to time in small or large amounts just as it may suit the convenience of the assured. We get a good idea

of the working of the scheme by the illustration given in the society's leaflet. Age 32 next birthday is selected for the purpose, and the hypothetical policy is for £1,000, with profits, on the whole-life plan. The total amount of premiums payable is £444 4s. 2d., and the first instalment of premiums (5 per cent) is £22 4s. 2d. Having paid this first instalment the policyholder is assured to the extent of £1,000, plus any bonuses which may have accrued at the time of his death, but subject to deduction of any portion of the balance of premium and interest which may be unpaid. When the policy has been in force a year and the time has come when, under an ordinary policy, the renewal premium would have to be paid, the assured is in a position to temporize. He can, if things are temporarily bad, pay only the interest on balance of premium (£422), viz., £16 17s. 8d., and leave the question of reducing the premium till the following year. Then he may find business good and the shakel\$ flowing in well, and he may be glad to pay, say, £72 on account of premium plus interest £16 17s. 8d., leaving £350 to be paid off premium account, and reducing interest to £14. In the following year we may assume a swing of the pendulum in the direction of bad business, and the policyholder merely pays £14 interest; in the succeeding year things are much improved and he can reduce his debt by £100, in addition to payment of interest, £14, leaving £250 due for premium, and interest reduced to £10. Of course, interest would continue until the remaining £250 of the total premium is finally cleared off.

"A point not to be overlooked in connection with this scheme is that the policy is to rank for the full sum assured at each bonus distribution, and the policyholder will have the option of using the cash value of the profits then allotted to reduce the amount of loan then outstanding. In this connection the bonus prospects of the Economic become an important consideration. The society has sought to attract the insuring public in the past chiefly by offering the benefits of life assurance at an exceptionally low premium, and that fact ought always to be borne in mind when comparing its bonuses with those of other offices charging higher premiums. But, after all, the Economic declared at its last investigation (as at December 31, 1908) a 'compound' bonus of 20s. per cent, and its invariably favorable mortality experience, moderate expenditure and the high average rate of interest earned on the funds (it was £4 6s. 10d. per cent last year, as compared with 3 per cent assumed in the valuation) afford grounds for the belief that at future valuations the society will not disappoint those who have formed reasonable expectations as to its continued prosperity."

REFORM IN UTAH.

State Insurance Commissioner Done of Utah is continuing his campaign for clean practices in insurance circles in that State, and last week issued the following statement and warning concerning the operation of life insurance agents:

"The Commissioner of Insurance calls attention to certain practices which are likely to creep into life insurance work at this season. In their attempts to secure a large volume of business in the last months of the year, agents are likely to be tempted to make use of rebating, twisting and misrepresentation. The department takes this opportunity of warning agents and applicants for insurance against these things. The offence of rebating involves both the giver and the taker of the rebate, and both are criminally guilty, and if discovered will be prosecuted to the full extent of the law. The other offenses involve the agent alone, and will also subject him to prosecution and punishment.

"Upon the due proof presented to this department that an attempt had been made by an agent to lapse a value-bearing policy, or that misrepresentation has occurred or an offer has been made to rebate any part of the premium, the license of such agent will be immediately revoked."

T H E
PROVIDENT
LIFE AND TRUST COMPANY
OF PHILADELPHIA

Insurance in Force, \$214,509,255.00
(Paid for Basis)

Assets \$70,514,350.45
(Market Value, Dec. 31, 1909)

Contingency Reserve . \$9,207,276.38
(Inclusive of Capital Stock, \$1,000,000.)

The Provident has been particularly distinguished for the development of a highly trained force of agents. The systematic instruction which its agents receive has resulted in their being recognized as representatives of exceptional knowledge of the business and of marked efficiency.

New York Insurance Stocks

Casualty Companies.

	Capital.	Approx. Annual	Div.	Period.	Bid.	Ask.
Aetna Indemnity (\$25)....	\$350,000	V	V	...	...	200
Casualty Co. of America...	500,000	6	J&J	120	150	
Fidelity & Casualty.....	1,000,000	18	"	450	500	
Hartford Steam Boiler....	1,000,000	10	"	255	265	
Metropolitan Casualty	200,000	10	"	185	...	
N. Y. Plate Glass (\$50)....	200,000	16	"	500	...	
United States Casualty....	500,000	10	Q	200	225	

Fire Companies.

City of New York.....	\$500,000	10	Q	...	205	
Commonwealth	500,000	10	J&J	326	...	
Continental	2,000,000	40	"	1,025	1,075	
Empire City	200,000	8	"	125	...	
Fidelity-Phoenix	2,500,000	V	V	290	300	
German Alliance	400,000	15	J&J	275	300	
German-American	1,500,000	30	"	550	560	
Germania (\$50)	1,000,000	18	"	285	295	
Glens Falls (\$10).....	200,000	30	"	1,525	...	
Globe & Rutgers.....	400,000	40	Q	475	500	

Hanover (\$50)	1,000,000	15	J&J	200	210	
Home	3,000,000	30	"	640	650	
Nassau (\$50)	200,000	10	"	165	175	
Niagara (\$50)	1,000,000	20	"	300	305	
North River (\$25).....	350,000	10	A&O	155	165	
Pacific (\$25)	200,000	14	"	185	...	
Peter Cooper (\$20)	150,000	6	"	90	105	
Stuyvesant	400,000	10	"	155	160	
United States (\$25).....	250,000	V	V	60	70	
Westchester (\$10)	300,000	40	F&A	455	...	
Williamsburg City (\$50)..	250,000	20	J&J	380	400	

Life Companies.

Aetna Life	\$2,000,000	15	Q	650	660	
Connecticut General	300,000	8	J&J	250	...	
Equitable	100,000	7	"	...	4,000	
Germania (\$50)	200,000	12	J&J	210	225	
Hartford Life	500,000	10	"	150	...	
Home	125,000	12	M&N	275	...	
Manhattan Life	100,000	26	O&F	400	425	
Metropolitan (\$25).....	2,000,000	7	M&N	155	175	
Prudential (\$50)	2,000,000	10	Q	450	500	
Travelers' Hartford.....	2,000,000	20	Q	900	...	
United States Life.....	264,000	7	J&J	90	105	

V—No information. Q—Quarterly.

Bruce Committee Again

DANIEL F. GORDON, Chief Fire Insurance Examiner of the State Insurance Department, testified on Tuesday before the Legislative Investigating Committee that there were at present 375 fire insurance companies doing business in New York State and that the aggregate capital of the companies was \$69,000,000 and their combined surplus \$164,000,000. The total amount of losses paid by the companies last year was \$133,000,000 and the total amount of premiums collected \$271,500,000.

Mr. Bruce wanted to know if the London Lloyd companies had any license to do business in this State, and was told that they had not. Mr. Gordon said that the "general opinion" was that several of the London Lloyd companies were operating here, but that he had no personal knowledge of it. He admitted that if they were really operating here it would be a violation of the law, and that the proper procedure in such a case would be for the State Superintendent of Insurance to make a report to the Attorney General and the District Attorney.

Mr. Gordon testified that the usual commission paid by the fire insurance companies to their agents was 25 per cent. He added that insurance brokers were sometimes paid by the insured and that in some instances, where brokers were employed by department stores, it might be that preferential rates are allowed.

Albert W. Whitney, Professor of Mathematics and Insurance at the University of California, and actuary of the Legislative Committee, produced a report he had compiled for the San Francisco Chamber of Commerce, after the San Francisco fire,

showing many facts pertinent to the fire loss of both the insurance companies and the property owners out there.

Mr. Whitney said that the fire loss in San Francisco was about \$200,000,000. The average commissions paid by the insurance companies of this country to their agents was 21½ per cent on new business. Some of the companies paid as low as 15 per cent and some as high as 41 per cent.

Taking six of the largest fire insurance companies in the United States, he said their average profit during the last twenty years was 10½ per cent, and that one of the companies paid an average dividend of 5-10 per cent during that period.

George W. Babb, general attorney for the Northern Assurance Company, and a member of the National Board of Fire Underwriters, described the objects of the national board. "Its work," he said, "is educational and of public service." Its most important work was in bringing about improvements in construction.

Mr. Bruce announced that the committee was especially interested just now in the economic side of fire insurance, but that for the present it would be considered only in its elementary form. As the inquiry progresses an effort would be made to pick out weak points in the present insurance system and suggest remedial legislation.

NEW ENGLAND BREVITIES.

La National of Paris has been admitted to do a fire insurance business in Massachusetts, with S. E. Barton as its Boston representative.

* * *

By the death of John J. Raleigh, of St. Louis, State agent for Missouri

of the John Hancock Mutual Life, who passed away Friday of last week, the company has lost one of its ablest and most successful representatives.

* * *

George L. Fickett, for the last four years an electrical inspector for the New England Insurance Exchange, and prior to that city electrician of Portland, Me., has been appointed superintendent of the fire alarm system of Boston by Fire Commissioner Daly.

* * *

We are indebted to D. N. Handy, Secretary, for a copy of the "Proceedings of the First and Second Conferences of Insurance Institutes of America."

* * *

The announcement is made that Franklin W. Gans has resigned as Vice-President and director of agencies of the Columbian National Life Insurance Company of Boston. This is a step he has had in contemplation for some time, as he wishes to return to his original work as a general agent for the company. It is reported that the directors are negotiating with a man of national reputation to become the insurance manager of the company. EMIL SCHWAB.

RECTOR 2817

ESTABLISHED 1864

E. S. BAILEY

DEALER IN

INSURANCE STOCKS

A SPECIALTY

66 Broadway NEW YORK

Do You Know What Your Full Earning Capacity Is?



Life insurance selling offers you an opportunity to fully develop your earning abilities.

Write Us About an Agency.

THE PRUDENTIAL
Insurance Company of America.

Incorporated as a Stock Company by the State of New Jersey.

John F. DRYDEN,
President.

Home Office,
NEWARK, N. J.

To Agents and Brokers!

Are you familiar enough with the new Liability Laws to advise and protect your clients' interests? We will gladly send any information on request.

THE
Philadelphia Casualty Co.

Walter Le Mar Talbot, President

Personal Accident, Health, Liability,
Automobile, Plate Glass and
Credit Insurance.

NATIONAL LIFE
Insurance Company,
MONTPELIER, VERMONT.

Established in 1850.
Operating in 37 States.

JOSEPH A. DE BOER, President.

FRED A. HOWLAND, Vice-President
JAMES B. ESTEE, 2nd Vice-President
OSMAN D. CLARK, Secretary
H. M. CUTLER, Treasurer
A. B. BISBEE, Medical Director
C. E. MOULTON, Actuary

This Company held January 1, 1910,
and gained during the past decade:

ASSETS . . .	\$47,490,998.98
GAIN, 167 PER CENT.	
LIABILITIES . . .	\$41,661,130.12
GAIN, 162 PER CENT.	
SURPLUS . . .	\$5,829,868.86
GAIN, 211 PER CENT.	
INSURANCE . . .	\$161,423,115.00
GAIN, 79 PER CENT.	

**Absolute Security and
Economy of
Management**

Chronicle Paragraphs

A MEETING of the Surety Association of America was held at the Waldorf-Astoria Hotel on November 10. Many important matters were discussed, but one of the principal topics, relating to the question of difference between the American Bonding Company and the National Surety Company as to timber bonds, apparently did not receive attention. This fact rather has the appearance of straining the organization and its stability, not so much from the alleged rate cut as the possible allowance of the larger companies to violate rules to the detriment of smaller ones. The outcome of the controversy is of much interest to all concerned.

The receiver of the Guardian Fire of Pennsylvania, George H. Calvert, is reported as suing at Pittsburg, Robert* Dickson, R. D. Tweeddale and G. N. Thompson, to recover more than \$100,000, the amount claimed to be due the company.

A new fire insurance company is being organized by President W. J. Harris, of the Georgia Fire, Atlanta, to be a running mate to the parent company. Its capital to start with will be \$100,000, with \$50,000 surplus. The same officers will operate both companies.

The Franklin Fire Insurance Company of Washington, D. C., is about to increase its capital stock to the full authorized amount of \$250,000. John A. Kelly, of Kelly & Fuller, is President of the company, which has just declared its 182d semi-annual dividend.

The regular forms for floater policies, under some seven or eight different kinds of phraseology, are up for change. To the Rate Committee of the New York Fire Insurance Exchange the matter has been referred. This chiefly on a question of rate, since changed features have entered into a proper consideration of the wording of floater forms. Originally these printed forms were the result of the careful thought and long experience of the late George M. Coit, of the Royal Insurance Company. They have stood as law for many years in the Exchange. Owing to the steady growth of the metropolitan district and the rapidly changing conditions—physically and from area standpoint—it is quite possible that some alterations would be needed in "floater" forms as well as others.

On Tuesday of this week a meeting was held in Asbury Park of New Jersey local insurance agents for the purpose of forming a State organization, this to become affiliated with the National Association of Local Fire

Insurance Agents. The call for the meeting was signed by many prominent agents from Asbury Park, Elizabeth, Newark, Jersey City and other important localities. Although this so-called "advisory bureau" system has been established since the abolition of the Newark Fire Insurance Exchange, yet still it is fairly well known that certain agencies or companies have brought about a cutting of rates and broadening of commissions which has resulted in many "twistings" of policies. Of course, this is naturally of much deep concern to local New Jersey agents.

From the office of Maguire & Wood, attorneys, of Rochester, N. Y., comes an opinion that the Suburban Fire Insurance Exchange is fully within the requirements of New York State laws.

The Sovereign Fire Insurance Company of Canada, as also the Marine Insurance Company (Limited) of London, has been duly admitted to do business in New York State. For the Sovereign Kelly & Fuller have been appointed metropolitan district managers.

Advices from the West indicate that the Pacific States Fire Insurance Company of Los Angeles has been chartered in California. The capital stock is placed at \$500,000, with a surplus of about \$250,000. It is stated that the Pacific States Underwriters' Company will be the managers for the new organization.

As United States correspondents, Hall & Henshaw have received appointment for the Royal London Auxiliary Insurance Company (Limited) of London. This company is a subsidiary one of the Royal London Mutual Insurance Company, founded in 1861, with total assets of \$13,000,000.

The Franklin Fire of Philadelphia has appointed Ten Broeck, Morse & Co. of New Jersey as head suburban agents.

To fill the vacancy caused by the death of Duncan H. Scott, F. LeRoy Templeman has been appointed manager of the accident and health department of the Maryland Casualty Company. He has been in the company's service since 1899, and during the greater portion of those eleven years has handled personal accident and health claims.

The recent receivership proceedings against the St. Jean Baptiste Society ended unexpectedly in the Superior Court at Providence, R. I., last week. Attorneys for both sides agreed to settle the case out of court.

Survivorship Annuity Tables

Net Premiums, Mean and Terminal Reserves

American Experience Table,
LIFE OF NOMINATOR

Danish Survivorship Annuitants' Table,
LIFE OF ANNUITANT

And $3\frac{1}{2}$ Per Cent. Interest

BY
MILES M. DAWSON,
Consulting Actuary

SEND ALL ORDERS TO

The Chronicle Co. (Ltd.)

No. 80 Wall St.

NEW YORK

LIVERPOOL & LONDON & GLOBE

NEW YORK OFFICE, 45 WILLIAM STREET.

H. W. EATON, *Manager*
G. W. HOYT, *Deputy Manager*.
B. KREMER, JR., and T. A. WEED, *Agency Supts*

NEW ENGLAND STATES, NEW YORK, NEW JERSEY,
PENNSYLVANIA, MARYLAND, DELAWARE,
DISTRICT OF COLUMBIA, VIRGINIA,
WEST VIRGINIA, NORTH CAROLINA,
SOUTH CAROLINA. OHIO,
INDIANA, KENTUCKY,
TENNESSEE.

NEW ORLEANS OFFICE, COR. CARONDELET & COMMON STS.

CLARENCE F. LOW, *Manager*
J. G. PEPPER, *Asst. Mgr.*
THOS. H. ANDERSON, *Deputy Asst. Mgr.*

LOUISIANA,
MISSISSIPPI,
ALABAMA,
OKLAHOMA,
FLORIDA,
ARKANSAS,
TEXAS,
GEORGIA.

SAN FRANCISCO OFFICE, 444 CALIFORNIA ST.

CHARLES D. HAVEN, *Manager*.
C. MASON KINNE, *Asst. Manager*.
JOHN W. GUNN, *Deputy Asst. Mgr.*

CALIFORNIA, NEVADA,
ALASKA,
OREGON,
WASHINGTON,
ARIZONA,
IDAHO.

ILLINOIS,
MICHIGAN, IOWA,
WISCONSIN, MINNESOTA,
MISSOURI, KANSAS, NEBRASKA,
COLORADO, N. DAKOTA, S. DAKOTA,
MONTANA. UTAH. WYOMING.
NEW MEXICO.

CHICAGO OFFICE, 205 LA SALLE STREET.

W. S. WARREN, *Manager*.
GEO. H. MOORE, *Assistant Manager*.
HUGH R. LOUDON, *Deputy Asst. Mgr.*

INSURANCE CO., LTD.

ESTABLISHED 1836. ENTERED U. S. 1848.

The statement of the condition of the United States Branch on the 1st day of January, 1910, in accordance with the Laws of the State of New York, is as follows:

ASSETS\$13,885,802.88
LIABILITIES 8,766,622.58

SURPLUS\$5,119,180.30

As an illustration of the Company's practice in maintaining its assets in the United States in years of excessive loss, the following figures may interest policyholders:

Year.	Assets at January 1.	Income	Expenditure.	Excess of Expenditure.
1871	\$3,054,361	\$3,163,901	\$5,122,653	\$1,958,752
1872	3,640,450	3,733,101	4,484,999	751,898
1873	4,165,290			

Thus showing excess of expenditure in the two years of\$2,710,650
And increase of assets in the same time of 1,110,929

Progress of the United States Branch: Net Fire Premiums: 1848, \$4,519; 1858, \$471,998; 1868, \$1,739,620; 1878, \$2,422,126; 1888, \$3,928,010; 1898, \$4,979,422; 1908, \$7,427,617.63.

LOSSES.—The amount paid in the satisfaction of fire losses in the United States to the beginning of the present year was over \$119,461,623.72. This large sum, in conjunction with the growth of the company's business, evinces the confidence of the public and the faithfulness with which the Company's losses are adjusted and settled.

The Chronicle

1866

Published by THE CHRONICLE COMPANY (Ltd.), 80 Wall Street, New York City

1910

VOLUME LXXXVI.

NEW YORK, DECEMBER 1, 1910

NUMBER 22



ALBERT R. HOSFORD
Chairman Insurance Institutes of America

Survivorship Annuity Tables

Net Premiums, Mean and Terminal Reserves

American Experience Table,
LIFE OF NOMINATOR

Danish Survivorship Annuitants' Table,
LIFE OF ANNUITANT

And $3\frac{1}{2}$ Per Cent. Interest

BY
MILES M. DAWSON,
Consulting Actuary

SEND ALL ORDERS TO

The Chronicle Co. (Ltd.)

No. 80 Wall St.

NEW YORK

The Chronicle

VOLUME LXXXVI.

NEW YORK, THURSDAY, DECEMBER 1, 1910

NUMBER 22

PUBLISHED EVERY THURSDAY BY
THE CHRONICLE COMPANY, Limited.
No. 80 Wall Street, New York.
Phone "567 John." Cable Address, "Chronogram," New York.

Subscription Price:
Three Dollars a Year. Single Copies, Twenty-five Cents.
Postage Prepaid in the United States and Canada.

MILES M. DAWSON, President.
R. B. Dawson, Treas. A. C. Harwick, V.-P. A. L. Dern, Sec'y.
Emil Schwab, Manager New England Department,
200 Devonshire Street, Boston, Mass.

All communications should be addressed to and remittances should be made to The Chronicle Company, Limited.
Entered at the Post Office, New York, N. Y., as Second Class Mail Matter.

The Insurance Institutes of America



SERIES of examinations of insurance men in fire and casualty insurance has been planned by the Insurance Institutes of America, of which Albert R. Hosford, assistant manager of the Royal, is Chairman, and E. R. Hardy, assistant manager of the New York Fire Insurance Exchange, Secretary and Treasurer.

The members of the Institute are: The Fire Insurance Club of Chicago, the Fire Insurance Society of Philadelphia, the Fire Underwriters' Association of the Pacific, the Insurance Institute of Hartford and the Insurance Society of New York. The committee in charge of the examinations comprise E. R. Hardy, Chairman; L. N. Denniston, of the Travelers of Hartford, and L. A. Tanner, of the Home Insurance Company of Chicago. All communications of a general nature from those dealing in the subject of fire insurance should be sent to Chairman Hardy, at 84 William Street, New York, while inquiries in regard to the casualty side should go to Mr. Denniston.

The Institute, which was organized at Philadelphia in 1909, and held its second conference in 1910, is putting forth as one result of its deliberations a system of study and examinations.

Insurance in all its branches has developed to such an extent that there is to-day considerable insurance literature, textbooks and reference books. More and more is the practical insurance man realizing that he must rely on insurance literature and use it as a necessary part of his day's work.

The existence of insurance literature carries with it the opportunity for study. Insurance education has grown to such an extent that there are insurance courses in a number of universities and colleges, and the insurance societies all over the country are giving lectures and educational courses. Such facilities are available to many men who live in the large cities or principal centres, but they may not be available to the great number of men who are working in

smaller towns or who cannot take the regular courses. It is to reach all that the Insurance Institute has prepared its study course. It is intended to give every ambitious man the opportunity to study at his own home the principles and practice of the branch of insurance in which he is engaged. It aims to help him acquire knowledge which he would otherwise have to acquire by the rule of thumb. It aims to help the man who is willing to study to do the work of his present position in a better manner, and to prepare himself for promotion to a better paying post. It will be helpful by suggesting to the young men engaged in insurance work what they ought to know if they are to attain a degree of efficiency which will make them useful and successful members of the business. We can readily appreciate what an advantage this would be to a person seeking employment in different parts of the country, or in the world, for that matter, if he can show that he has passed these examinations and holds a certificate from the Institute.

The work of The Insurance Institute of America is patterned after The Insurance Institute of Great Britain and Ireland, which has been so successful that in ten years the number of candidates increased five times, and the number of papers submitted three times. If the educational work of the Institute abroad has proved so successful, then the work of The Institute of America bids fair to be equally successful.

The first work of The Insurance Institute of America will be the holding of a series of examinations during the year 1911. The details covering these examinations are set forth in the official circular issued by the committee in charge.

EXAMINATIONS

1911.

Entrance.—All men interested in insurance are invited to take the examinations.

There is *no age limit*.

Membership in an insurance society is not necessary, though desirable on account of the use of the library.

Enrolment.—Registration blanks will

be sent on application, and the same must be filled out and returned, together with the stipulated fee not later than *January 15, 1911*.

Fees.—The registration fee is \$2 for each year that examinations are taken. No fee is returned. In case the student cannot take the examination the amount will be placed to his credit for further examination in any year that he may choose to take it.

Certificate.—A certificate stating the branch, the subjects and the mark, will be issued, and the names of the successful candidates will be published in the annual report of the Conference and sent to the insurance press.

Date.—The examinations will be held in *June 1911*, and in the evening. Students will be advised of the exact date, time and subject at least two weeks before.

Place.—Arrangements will be made for the holding of examinations in Boston, Chicago, Philadelphia, New York City, Hartford and San Francisco. At each of these points there is an insurance organization who will have matters in charge. Examinations will also be held at Atlanta, Indianapolis, Denver, New Orleans and Cincinnati, providing a sufficient number of students enrol.

Subjects.—The student must take examinations in not less than three subjects, specifying his choice of subjects at the time of filling out the registration blank.

Marks.—The marks of a student's work will be under one of two headings—"Pass" or "Honor."

Examinations Limited.—As a general rule no student will be permitted to take examinations in more than one branch in the same year.

FIRE INSURANCE PART I.

Surveying and Inspecting.

a. **Building Construction**, including heating and lighting.

(The student should have a general knowledge of building terms; a knowledge of the construction of frame, ordinary, mill-constructed and fireproof buildings, carefully covering, in addition to other

things, walls, roofs, floors, chimneys, heating and lighting systems.)

Books of Reference.

Building Construction and Superintendence; Kidder. John Wiley & Sons, New York.

Masonry Construction, Treatise on; Baker. William T. Comstock Co., New York.

Building Construction for Beginners; Riley. Macmillan, New York.

Model Building Code. National Board of Fire Underwriters, 135 William Street, New York.

b. **Hazards.**—Hotel and lodging houses, printing and allied industries, storage and warehouses, cotton mills.

(In connection with this topic the student will be expected to describe the general hazards in two of the group—one, either hotels and lodging houses or warehouses; the other, either cotton mills or printing and allied industries.)

Books of Reference.

Special Hazards. Lectures delivered before Fire Insurance Club of Chicago. Rough Notes Pub. Co., Indianapolis, Ind.

Life Articles on Special Hazards. Weekly Underwriter, New York.

c. **Draughting to Scale.**

Books of Reference.

Primer of Architectural Drawing; Dana. William T. Comstock Co., New York.

Practical Draughting Work; Hasluck. Cassell & Co., New York.

PART II.

a. Correspondence.

(In addition to the ability to write a well-phrased and tactful letter, the student will be expected to show such a knowledge of the general practice of fire insurance as would enable him to deal with every-day occurrences.)

b. **Standard Policy of New York State.**

(The student should familiarize himself with the conditions in regard to policies previous to the adoption of the standard policy in Massachusetts in 1873, in New York in 1886.)

201st YEAR.

SUN Insurance Office OF LONDON.

FOUNDED 1710.

UNITED STATES BRANCH:

54 PINE STREET, NEW YORK.

WESTERN DEPARTMENT:

171 LA SALLE ST., CHICAGO.

PACIFIC DEPARTMENT:

Sansome & Sacramento Sts.,
SAN FRANCISCO, CAL.

AGENTS WANTED
AT UNREPRESENTED POINTS

Books of Reference.

Richards on Insurance. Banks Pub. Co.

Standard Policy; Deitch. Rough Notes Pub. Co., Indianapolis, Ind.

Standard Policy; Darrach. Johnson & Co., Philadelphia, Pa.

Standard Policy Index. Affeld, 141 Broadway, New York City.

Yale Readings in Insurance. Yale Pub. Co., New York.

Insurance Adjustments; Hall. Rough Notes Pub. Co., Indianapolis, Ind.

CASUALTY INSURANCE

PART I.

Employers' Liability Insurance.

a. The Beginnings of Industrial Development.

Richard T. Ely, "Studies in the Evolution of Industrial Society" (1903), Chapter 3, Pages 25-73.

b. Further Development in England and in the United States.

Frank L. McVey, "Modern Industrialism" (1904).

c. Early English Law of Master and Servant.

William Blackstone, "Commentaries" (1765), Book 1, Chapter 14.

d. The Fellow Servant Rule and the American Law of Master and Servant Prior to the Employers' Liability Acts.

James H. Deering, "Law of Negligence" (1886), Chapter 24, Pages 310-360.

Priestly vs. Fowler (England, 1837), 3 M. & W. 1.

Barstonhill Coal Co. vs. Reid (3 Macq. House of Lords Cases, 266).

Farwell vs. Boston & Worcester Railroads Co. (Mass., 1842), 4 Metcalf 49.

Murray vs. South Carolina R. R. Co. (So. Car., 1837), McMullen Law 385.

Clark, Lindley D., Employers' Liability in the United States; Bulletin of U. S. Bureau of Labor, January, 1908, Pages 1-120.

James Kent, "Commentaries on American Law" (14th ed., edited by O. W. Holmes and J. W. Gould, 1896), Part IV, Lecture 32, Pages 248-260.

Sherman and Redfield on "Negligence" (5th ed.), Vol. I, Chapter X, Pages 262-462.

Labatt on "Master and Servant," Chapter XXVI, Pages 1,303-1,348.

e. The Present Common Law System of Employers' Liability.

Report of Commission to N. Y. Legislature, 1910, Pages 11-13.

Charles R. Henderson, "Industrial Insurance in the U. S." (1909), Chapter 5, Pages 128-148.

Crystal Eastman, "Work Accidents and the Law" (1910), Chapters 12, 13, Pages 169-206.

f. The English Employers' Liability Act of 1880.

Launcelot Packer, in Bulletin of U. S. Bureau of Labor (May, 1907), Pages 579-652.

g. Employers' Liability Acts in the United States.

Conrad Reno, "Employers' Liability Acts."

h. Workmen's Compensation Acts

in New York State.

Laws of New York (1910), Chapter 352, Section 3, and Chapter 674.

PART II.

Accident and Health Insurance.

Books of Reference.

History of. Yale Readings in Insurance, Dunham.

"Policy Contract Forms," Faxon. Vol. I, Proceedings, Insurance Institute, Hartford.

"Classifications and Ratings," Parker. Vol. II, No. 1, Proceedings, Insurance Institute, Hartford.

"Underwriting," Ahern. Vol. II, No. 2, Proceedings, Insurance Institute, Hartford.

"Adjusting," Eaton. Vol. II, No. 2, Proceedings, Insurance Institute, Hartford.

"Preservation of Public Health," Messenger.

"Work Accidents and the Law," Eastman.

"Workingmen's Insurance in Europe," Dawson and Frankel.

"Insurance," Papers read at Wharton School of Finance, Philadelphia, Pa.

PART III.

Correspondence.—In addition to the ability to write a well-phrased and tactful letter, the student will be expected to show such a knowledge of the general practice of insurance as would enable him to deal with every day occurrences.

Preparatory.—The question will naturally arise as to the requirements of general education previous to the taking of the examination. It will be assumed that the student has a general knowledge of chemistry and electricity, is familiar with ordinary book-keeping, with mathematics (including arithmetic, algebra and geometry), and commercial geography. It is not the intention to hold examinations in these subjects, but, governed by the character of the papers submitted, the committee may ask the second or third year or before the final certificate is given for certificates as to ability in these topics.

Books of Reference.—The student will understand that the books of reference are listed for his convenience, but it is not necessary that the information should be obtained from the works noted. If it can be secured from any other source that is optional with the student.

Life and Marine.—No examinations are offered for the present year in Life and Marine. These will be offered next year, in addition to Fire and Casualty.

Instruction.—The Institute will offer no instruction, but it is expected that the various insurance societies will open courses for those students who desire to take the examination. If any are interested in taking the course by correspondence the chairman will be pleased to answer all communications relative thereto.

No head of a family need look beyond the advertising columns of
THE CHRONICLE for LIFE INSURANCE.

Interstate Commissioners in Agreement on New Employers' Liability Provisions

AT THE conference of members of commissions on employers' liability, held in Chicago on November 10, 11 and 12 last, the following were represented:

United States Employers' Liability Commission.

New York Commission on Employers' Liability.

Wisconsin Industrial Insurance Committee.

Ohio Employers' Liability Commission.

Minnesota Employers' Liability Commission.

Illinois Employers' Liability Commission.

New Jersey Employers' Liability Commission.

Montana Employers' Liability Commission.

Massachusetts Commission on Compensation for Industrial Accidents.

United States Commissioner of Labor.

Special Committee of Commission on Uniform Laws.

Special Delegate from Connecticut.

The following general programme for proposed legislation was agreed upon:

1. What employments shall the act cover? All employments.

2. Shall all injuries be covered, irrespective of negligence?

(a) Irrespective of employers' negligence? Yes.

(b) Irrespective of employees' negligence? Yes, except where injury is self-inflicted for the purpose of recovery. Burden of proof that injury was self-inflicted to be placed on the employer.

3. Shall all persons engaged in such employments be included? Yes.

4. Shall compensation be paid in a lump sum or in instalments?

(a) Temporary disability? Instalments.

(b) Permanent disability or death? Instalments with right to commute after given time with approval of some public official.

5. Amount and duration of compensation?

(a) Temporary disability? Fifty per cent of the impairment of wages; maximum of \$10 per week, minimum of \$5 per week; or if wages less than \$5, then full wages (or 66⅔ per cent of wages up to \$7.50 of wages per week, then 50 per cent of balance until compensation amounts to the maximum of \$10 per week, maximum). Payments not to exceed beyond period of 300 weeks.

(b) Permanent disability? Same as temporary disability.

(c) Partial permanent disability? Fifty per cent of impairment of wages. Maximum of \$10 per week. Payments not to extend beyond period of

300 weeks.

(d) Death?

1. Total dependents.

If orphans, 50 per cent of wages of deceased.

If widow alone, 25 per cent of wages.

If widow and one child, 40 per cent of wages.

If widow and two children, 45 per cent of wages.

If widow and three children, 50 per cent of wages.

If widow and four children, 55 per cent of wages.

If widow and five children or more, 60 per cent of wages.

If widow, father or mother, 50 per cent of wages.

Children under sixteen years of age only to be included and only during period they are under sixteen years of age.

Maximum of \$10 per week, minimum of \$5 per week, or if full wages less than \$5, their full wages (or 66⅔ per cent of wages up to \$7.50 of wages per week, then 50 per cent of balance until compensation amounts to \$10 per week maximum). Payments not to extend beyond period of 300 weeks.

2. Partial dependents?

Fifty per cent of the portion of the wages contributed by the deceased to the partial dependents.

3. No dependents?

Expenses of last sickness and burial not exceeding \$200.

6. Length of waiting period? Two weeks, during which period employer shall furnish medical treatment or hospital care to an amount not exceeding \$100 in value.

7. Shall dependents include aliens and illegitimate relations? Shall not include aliens residing outside the country. Illegitimate children not to be mentioned.

8. Shall employees contribute? No.

9. Shall it be permissible for employers to substitute voluntary schemes? Yes; provided the voluntary scheme covers all points covered by the law and is approved by

some public official to be determined in the law.

10. Method of determination of controversies. A system of board of arbitration approved.

11. Nature of scheme; Compensation, insurance or state insurance. (a) Voluntary; (b) Compulsory? Compulsory insurance, state insurance. If these not possible, then compulsory compensation providing that the employer may transfer his liability by insuring in companies approved by a legally constituted public body or official.

12. Repeal of other laws? All other laws should be repealed.

13. Constitutionality. General discussion; no definite agreement reached.

It will be observed that the agreement leaves the door open, either for State insurance or for merely holding the employer liable. There is otherwise no special recognition of insurance or provision for it.

The proposals are, however, a great advance over the positions hitherto taken and the substantial unanimity of opinion is promising. The chief defects appear to be:

Failure to recognize insurance, so as to provide for adequacy of reserves, for complete release of insured employers, and, above all things, for the insurance inuring to the benefit of injured employees and dependents of employees who are killed.

Cutting short the period of payment to the disabled or to dependents to 300 weeks at most, which cannot be defended on principle, will largely destroy the economic advantages of the plan and is less than is done in any European nation.

No institution employing men in positions of financial trust need look beyond the advertising columns of THE CHRONICLE for FIDELITY INSURANCE.



THE "EMPIRE"
Stands for **AGGRESSIVENESS**
PROMPT PAYMENT OF LOSSES
and **CLEAN METHODS.**

Agents wanted who are unattached and can produce business.

Address Agency Department,
THE EMPIRE STATE SURETY CO.,
84 William Street, New York

Death of George F. Seward

GEO. FREDERICK SEWARD, President of the Fidelity and Casualty Company of New York and Vice-President of the New York Chamber of Commerce, died suddenly on Monday at his home in this city. He was a contemporary of James G. Batterson, first President of the Travelers Insurance Company and the founder of personal accident insurance in this country. Like Mr. Batterson, Mr. Seward was a man of decided views, and an exponent of the principle that insurance is a private business, and as such constitutionally entitled to make such contracts with policyholders as a company's charter allows, and its ability permits. He could see no good in the style of State supervision which presumed to dictate the details of the business, and, for instance, fought consistently against the recently enacted law which prescribes provisions and prohibitions to be included in personal accident and health policies. He maintained that this law abridged the constitutional right of contract.

Possessing these convictions, Mr. Seward had command of a forceful and lucid style, and in consequence his opinions were received with respect and interest by insurance men and State officials all over the country.

He was born in Florida, N. Y., on November 8, 1840, and was educated at Seward Institute and Union College. When he attained his majority Mr. Seward was attracted to the public service by reason of the prominence of his uncle, William H. Seward, who served in President Lincoln's Cabinet as Secretary of State. In 1861, the year his uncle became Secretary, George F. Seward was sent to Shanghai as Consul of the United States, becoming two years later Consul General, an office he held until 1876.

In 1869 he was also Minister to Korea, and from 1876 to 1880 Minister to China. He was familiar, too, with Siam, having been sent there on a special mission in 1867. While in the Far East he investigated many of China's problems as they related to the United States, and was an advocate of Chinese immigration.

Upon his return to this country Mr. Seward wrote a book called "Chinese Immigration and Its Social and Economic Aspects," which embodied the results of his investigations and his experiences as President of the North China branch of the Royal Asiatic Society, an office he held from 1865 to 1867. Mr. Seward wrote on other social and economic problems, his conspicuous books being a digest of the New York taxation and "Rapid Transit in New York and Other Great Cities."

A few months ago William H. Hotchkiss, State Superintendent of Insurance for New York, was investigating the past relations of fire insurance companies to legislation affecting their business, Mr. Seward was called to give testimony, and he frankly told about the Black Horse Cavalry and strike bills.

"Every Legislature in the country passes more insurance bills than one can easily keep track of," Mr. Seward said in the course of his testimony. "We are kept hopping all the time when the Legislatures are in session. If, as just suggested to me by Superintendent Hotchkiss, we should authorize a permanent board on insurance legislation, that would be in session all the time, how would we ever be able to go to Europe in the Summer for a rest? Why, only last year I personally examined more than 3,000 insurance bills from all parts of the country."

Mr. Hotchkiss read to Mr. Seward an interview in which he was quoted as saying that the fire insurance people "had not been playing honest," and asked him if he had been correctly quoted.

"In the main, yes," answered Mr. Seward, adding, "but the fire insurance interests are harassed and bedevilled all the time from every legislative quarter, and sometimes they have used money wrongfully. Years ago, when I used to go to Albany and meet legislators they would ask me if there was any money in it."

"I recall one particularly shameless proposition that was made to me in 1892. Roswell P. Flower was then Governor. A bill had been introduced to confine companies like mine to one class of business. Passage of this measure would have meant ruin to us. I received a telegram from Albany asking me to meet a gentleman who represented a certain member of the Assembly."

"The telegram requested me to go to Sing Sing and meet my man in the Penitentiary there. This gentleman rejoiced in the name of Brown. It

was not the Brown who then was Warden of the Penitentiary, but another Brown, who held some sort of position there. He told me he was authorized to say that for \$10,000 Timothy D. Sullivan would kill the bill. I sat down and dictated to Brown this telegram to Sullivan:

"Mr. Seward says you can go to h—l."

"Is that the man commonly known as 'Big Tim' Sullivan, now a member of the Senate?" asked Mr. Hotchkiss.

"I suppose so," answered Mr. Seward, who said later in more positive terms that it was "Big Tim."

At the same hearing Mr. Seward said: "When it comes to grafting at Albany there is no difference in the parties. There are Republican grafters and Democratic grafters. The Black Horse Cavalry was composed of men of both parties. But there was never a time when you couldn't rally a sufficient number of honest members against the Black Horse Cavalry to obtain honest legislation."

Mr. Seward explained that the Black Horse Cavalry was a combination of grafters, while a strike bill usually came from an individual. He also told about other attempts of legislators to extort money from his company.

By way of refuting the accusation against him "Big Tim" Sullivan dug into the Congressional records and brought to light the fact that an effort had been made to impeach Mr. Seward. Of this Mr. Seward said:

"There was an effort made in the Forty-fifth Congress to impeach me for alleged wrong in my official conduct as Consul General at Shanghai. This effort was made during the time I was Minister to China. The effort was defeated in the House of Representatives and the prosecution failed."

"In the proceedings to have me punished for contempt, as I remember them, the vote in my favor gave me a majority of four. The House that time was Democratic by a majority of fifteen or twenty. After the failure of the contempt proceedings, as I remember it, the whole matter was dropped. I returned to China as United States Minister, and remained there for a year and a half or more."

Royal Exchange Assurance

OF LONDON.

Incorporated by Royal Charter A.D. 1720.

UNITED STATES OFFICE:

92 William Street



New York City

UBERTO C. CROSBY, General Manager.

RICHARD D. HARVEY, Assistant General Manager.

"The Forty-fifth Congress was the first Congress after the Civil War with a Democratic majority, and in the campaign which elected it the cry was: 'Turn the rascals out!'"

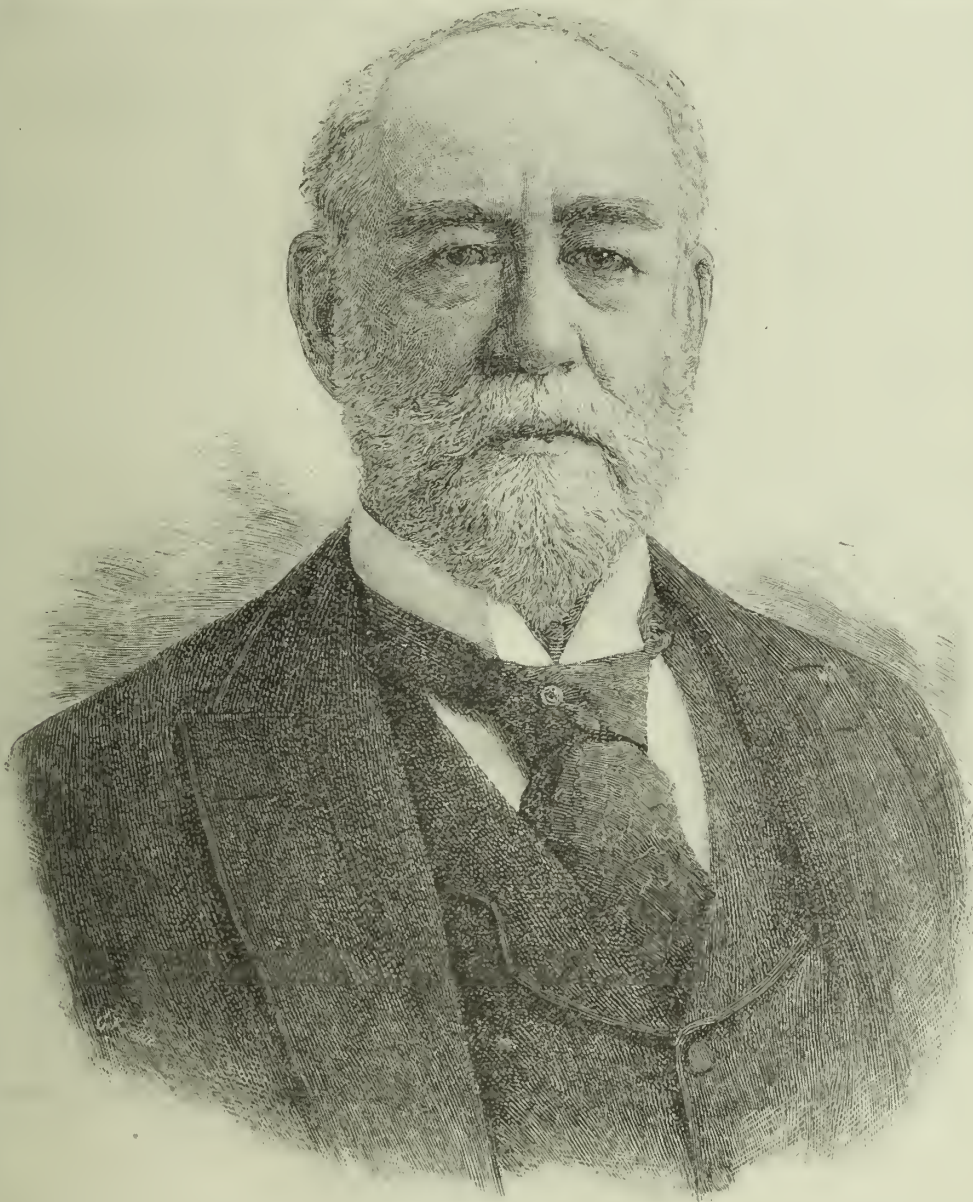
"I had been instrumental in sending home several consular officers for misconduct, and five of them went before the Committee on Expenditures in the State Department with all sorts of charges against me, and the committee thereupon proceeded to investigate. It sent to China for wit-

nesses, books and papers, and carried on its investigations during the greater part of the first session and nearly all of the second session of that Congress, with the result already stated."

Mr. Seward's wide sympathies led him to join many associations. He was a member of the American Geographical Society, Academy of Political and Social Science, Institute of Civics, Electro-Chemical Society, American Peace Society, Chamber of

Commerce, Civil Service Reform Association, New England Society of Orange, N. J.; Historical Society of New Jersey, National Municipal League, Sons of Revolution and the Union College Alumni Association of New York.

Mr. Seward was Commander of the Dragon of Annam, a French order, and Commander of Daneborg, an order of the Danish Government. His clubs were the Lawyers, Authors and Reform.



*Geo. F. Seward,
President Liberty & Casualty Co.*

Merchants Accept Merritt's Invitation

FRANK R. CHAMBERS, Chairman of the Committee on Insurance of the Merchants' Association, has replied to a recent letter sent by Chairman Merritt, of the Legislative Investigating Committee, who offered the Merchants' Association the "opportunity to make complaint before the committee in regard to unjust practices—if there are any—on the part of fire insurance companies or their agents." In this reply Mr. Chambers has suggested as suitable subjects for investigation the commissions paid by fire insurance companies and the taxation of fire insurance companies. Mr. Chambers asserts that of the premiums paid by insurers from 5 per cent to 37½ per cent is paid by insurance companies as commissions to agents and brokers for securing business, which, together with the revenue taxes imposed upon the insurance business, increases the cost of insurance and hence the premiums paid by policyholders.

In his letter to Mr. Merritt Mr. Chambers says in part:

In the City of New York 5 per cent or 10 per cent brokerage is paid upon premiums derived from the central business district, increasing to 25 per cent in the case of residences, churches, etc. In other parts of the State many companies pay flat commissions to agents of 15 per cent, others pay 20 per cent or 25 per cent and an additional commission up to 10 per cent, contingent upon the profits on business secured. The large amounts so paid for commissions are, of course, included by the companies in the cost of doing business, which total cost must be provided out of the aggregate premiums derived from insurers.

In consequence these premiums are materially higher than they would be were the commissions gauged upon the scale of compensation to salesmen which usually prevails in other branches of business.

The great disparity between the cost of selling insurance and the cost of selling merchandise raises the question whether the existing system and scale of commissions do not impose an excessive and unnecessary burden upon the premium payer, without any corresponding benefit to the insuring companies, and whether the existing system might not be so modified as to materially reduce the loading which each policy now carries by reason of the large cost of commissions.

While this association is not prepared to assert that the present system of commissions is not a reasonable and proper adjunct of the insurance business, or to assert that it involves a large element of avoidable waste, to the detriment of policyholders, it submits that the subject might be inquired into by the Legislative Investigating Committee, in order that the facts may be fully developed and that if any unreasonable waste be found to exist a remedy may be devised.

This association calls attention to the heavy burden of special taxation laid upon insurance companies in this State, but actually borne by insurers, whereby the cost of insurance is materially increased. The imposition upon the business of insurance of taxes for revenue is opposed to sound principles of taxation. Ordinary taxes represent the payment to the Government of a part of the profit derived from the economic use of wealth. Taxes derived from an insurance fund represent an addition to the burden upon a community imposed by the destruction of wealth. It is wholly unjust that the fund exacted from the community to distribute the burden of destruction should be increased by governmental exaction.

The business of insurance, however, is one to which government regulation is applied on the theory that the business shall be safely and properly conducted and that those who contribute to the fund shall be

guaranteed the protection for which they pay. If governmental regulation is necessary, it may not be unreasonable that the cost of such regulation should be borne by the business of insurance and paid for out of the premiums derived from insurance. Any taxation of insurance beyond the sum necessary to pay the cost of regulation is unreasonable and unjust, and should be abolished.

At present a corporation tax is exacted from insurance companies under Section 187 of the Tax Law, from which the State derived during the last fiscal year \$1,236,973.53. Under Sections 33 and 34 of the Insurance Law, a so-called reciprocal tax is imposed upon companies of other States, the rate of said tax equalling the rate imposed by such other States upon the insurance companies of this State. The amount collected under these provisions was \$427,074.40. The local authorities of every municipality in the State having a fire department are likewise empowered to impose a tax of 2 per cent on the gross premiums derived from all insurance business transacted by foreign companies within that municipality. No data are available showing the aggregate amount of such local taxation. In the city of New York, however, during the last fiscal year the amount exacted under this special tax was \$301,577.05, which amount was paid for the benefit of the Firemen's Pension Fund.

The aggregate of the item cited above is upwards of \$1,965,000. The total cost of conducting the State Insurance Department, to which the regulation of insurance companies is intrusted, was about \$226,000 during the same period. Thus, after payment of all the expenses incident to regulation, the State derived a net revenue from the taxation of insurance companies of about \$1,739,000, exclusive of the probably considerable amount paid to local authorities for the benefit of fire department.

Owing to the varying rates of taxes imposed upon insurance companies of different classes, it is impossible to state the average percentage upon the aggregate of premiums represented by the foregoing total, but it is probable that the special taxes exacted amount to between 2 and 3 per cent. The

"THE COMPANY WITH THE PYRAMID"

40 CONSECUTIVE YEARS OF PYRAMIDAL PROGRESS

1,400,000.00	1,400,000.00
1,300,000.00	1,300,000.00
1,200,000.00	1,200,000.00
1,100,000.00	1,100,000.00
1,000,000.00	1,000,000.00
900,000.00	900,000.00
800,000.00	800,000.00
700,000.00	700,000.00
600,000.00	600,000.00
500,000.00	500,000.00
400,000.00	400,000.00
300,000.00	300,000.00
200,000.00	200,000.00
100,000.00	100,000.00
50,000.00	50,000.00
25,000.00	25,000.00
12,500.00	12,500.00
6,250.00	6,250.00
3,125.00	3,125.00
1,562.50	1,562.50
781.25	781.25
390.62	390.62
195.31	195.31
97.66	97.66
48.83	48.83
24.41	24.41
12.21	12.21
6.10	6.10
3.05	3.05
1.52	1.52
0.76	0.76
0.38	0.38
0.19	0.19
0.09	0.09
0.05	0.05
0.02	0.02
0.01	0.01
0.00	0.00

NEW HAMPSHIRE FIRE INSURANCE CO.

3,779,569.67	1,154,810.10
3,877,949.70	98
3,976,329.83	49
4,074,709.96	1,257,267.06
4,173,089.19	1,257,058.25
4,271,469.32	1,322,978.14
4,369,849.45	1,409,681.54
4,468,229.58	1,510,064.23

TOTAL LIABILITIES \$2,585,953.23
POLICY-HOLDERS SURPLUS \$2,610,064.23

Personal and Family Insurance Combined

No trouble to get a hearing with this policy
 It's something more than life insurance
 Write for booklet and agency terms

Address
ALEXANDER McKNIGHT
 Vice-President

THE FIDELITY MUTUAL LIFE INSURANCE CO.

L. G. FOUSE, President

OF PHILADELPHIA

premium rates charged by insurance companies represent not only the amount necessary to meet fire losses, plus a reasonable profit upon the capital of the companies, but also represent and are based upon the expense of conducting the business, and of this expense the item of taxation is a large and important one.

In the course of the inquiry held during the current year by the Illinois Fire Insurance Commission there was

presented a tabulation of the taxation of fire insurance companies for the eighteen years 1891 to 1908, inclusive, showing the ratios of taxes to premiums less losses and expenses. This tabulation was compiled from official figures of the New York State Insurance Department and showed that, while the profit to premiums in the eighteen years had been only 3.06 per cent, the ratio of taxes to premiums had been 2.67 per cent, and

that the taxes paid in the period named aggregated an amount equal to 87.5 per cent of the profits derived from the business transacted.

As urged above, this excess of taxation is simply a burden upon calamity. The whole subject should, therefore, be carefully investigated by the Legislative Investigating Committee with a view to recommending legislation to modify or abolish these burdensome and objectionable taxes.

New York City Built Up by Speculators Aided by Life Insurance Loans

AT THE last meeting of the Business Science Club, in the rooms of the Aldine Association, Controller Walter Stabler, of the Metropolitan Life Insurance Company, told some 300 real estate men that almost all the present building operations in Greater New York were being conducted by speculative builders. The chief capital of these speculative builders is their faith in the city's inevitably increasing real estate values, and they finance their building operations by borrowing on mortgage from "lot operators," financial institutions and life insurance companies. The mortgages on practically all the big buildings are held by the life insurance companies, because, in Controller Stabler's own language, "the life insurance companies are the only people who have the money."

Mr. Stabler continued:

Real estate development in this city is different from that of any other city in the world. It is conducted by a class of persons known as "speculative builders." There are more of these speculative builders in this city than in any other. They buy lots and build houses on them by means of mortgages for the purpose of selling them. They are a type which never has much money. They buy the lot from another class of business man known as a "lot operator."

Lot operators are usually men of considerable means, who have bought their lots for cash. These lot oper-

ators then sell their lots to the speculative builders at an advance price, but for little or no cash payment. They take a mortgage on the lot and lend the speculative builder money to erect the building. When the building is completed the speculative builder raises a permanent loan of from three to five years on the house and lot through the title companies or other financial institutions at a fair rate of interest. With the money raised in this way the speculative builder pays the lot operator off.

Very recently building loan men have entered the real estate field here and speculative builders have had to have a little more money. The building loan associations lend the speculative builder enough to complete the building, but charge him from 2½ to 5 per cent interest. This is more expensive to the speculative builder.

When the speculative builders get loans from my company the interest charged is generally 6 per cent, and includes a mortgage on the land. We insist on having a first mortgage, and all the plans and specifications of the speculative builder's building have to be submitted to our architect. Our architect examines them and makes suggestions, and he and his inspectors keep inspecting the building in every stage of its construction.

New York is the most mortgaged city in the world. New York builders and real estate men have more nerve than those of other cities. They have supreme confidence in New York City real estate values, and to develop it use other people's money at low rates.

Savings banks by law can lend only

50 per cent of the appraised value of the property. Insurance companies can lend two-thirds of the appraised value and estates 60 per cent of the appraised value. Building loan associations lend from 80 to 90 per cent of the appraised value. Building loan associations have enabled many people of small means to own their own homes. In this city, however, building operations are so costly that the loans have to be made by the strong corporations. The large loans are almost always made by the insurance companies.

ST. LOUIS MEN GET UNITED SURETY CONTROL.

The stockholders of the United Surety Company, of Baltimore, at a meeting held this week, decided to change the corporate name of the institution to the American Bankers' Assurance Company. Application will be made immediately to the State Insurance Commissioner to change the name. A resolution was also adopted authorizing the increase of the capital stock from \$250,000 to \$600,000 by the issuing of 3,500 additional shares of the par value of \$100.

The announcement is made that the United Surety Company, which will be known as the American Bankers' Assurance Company, will be controlled by outside interests. Control has passed into the hands of a number of St. Louis capitalists, who will hereafter manage the company.

Germania Fire INSURANCE CO.,

NEW YORK.

ORGANIZED 1869.

Cash Capital.....\$1,000,000.00
Assets.....\$6,562,329.14
Net Surplus.....\$2,008,419.02
Surplus for Policyholders,\$3,008,419.02

HEAD OFFICE:

Cor. William and Cedar Streets.

THE HOME LIFE INSURANCE COMPANY OF AMERICA

Incorporated 1899.



General Agents and District Managers who can produce ordinary business can secure "Ground Floor" contracts with **GUARANTEED RENEWALS** and an assignment of territory limited only by capacity to produce agency organization and business. Send for Sample Policy. **IT IS ONE YOU CAN SELL.** New business, \$3,500,000—January 1-Oct. 30, 1910.

Address

M. LALLY,

General Manager,

416-18-20 Walnut St., : PHILADELPHIA, PA.

JOHN LANGHAM, Jr., President.
JOSEPH L. DURKIN, Secretary.
EDWARD P. MADDEN, Treas.

Insurance News in the West

CHICAGO, Nov. 30.—Announcement last week that J. H. Lenehan had resigned as Western general agent of the Fidelity-Phenix came as a surprise to Chicago fire insurance men, and yet not altogether so, for there was a belief more or less prevalent that his tenure of office was limited. As long ago as last December it was openly predicted that Mr. Lenehan would be retired. While the prediction was a long time coming true the signs pointed in the direction of its fulfillment. Other general agents of the old Phenix were cut off one after another, and there was no reason to expect an exception

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS is unsurpassed for net low cost and care of interests of all members.

THE PENN MUTUAL LIFE INSURANCE COMPANY OF PHILADELPHIA

On January 1, 1909, rates were reduced and values increased to full 3% reserve.

SAFETY FUND INSURANCE

NIAGARA

Fire Insurance Company

—OF—

NEW YORK

OFFICE:

46 CEDAR STREET, CITY.

The Connecticut Mutual

That means the best life insurance to have and the best to sell. If you can sell life insurance, you can sell more of it for the CONNECTICUT MUTUAL.

Men of Character and Ability are invited to apply.

Conn. Mutual Life Ins. Co.,
Hartford, Conn.

Please mention this paper.

to be made in Mr. Lenehan's case.

Mr. Lenehan resigned, but he did so only upon receipt of a letter from Vice-Pres. Kline stating his services would not be wanted after the end of the year, and that if he desired to resign now it would not put the company to any inconvenience. What Mr. Lenehan will do in the future is not yet known. He has been one of the big figures in Western fire insurance. As special agent, assistant general agent and general agent he has been recognized as a strong man. His associates have honored him by electing him president of the organization of which at the time he was a member—of the Illinois State Board as a field man and of the Western Union as a general agent.

In Chicago it generally is expected that Charles R. Street, assistant general agent, will become general agent. Mr. Street has been in the Western department of the Phenix and of the Fidelity-Phenix more than twenty-five years. His father was a Phenix man before him down in Mississippi. He is a fine underwriter, a splendid office man and a tremendous worker; in fact, he is regarded as a Henry Evans type of fire insurance man.

* * *

A special agent who for several years has travelled over a large Western field states that never before in his experience have local agents been so insistent in their efforts to make the companies accept bad forms. This tendency is not characteristic of any one part of his field alone, but of practically all of it. He is unable to explain it.

There apparently are two or three causes which may contribute to this condition of affairs. The tendency toward bad forms has been growing for some time. Unwilling for various reasons to deviate from advisory rates, and finding it constantly more difficult to keep up their premium incomes, some companies have been inclined to favor their agents by accepting forms which before they would have turned down.

Now that a large number of companies formerly bound by no commission rules are in the Western Insurance Bureau and in some cases have been obliged to reduce commissions to comply with its rules, agents naturally insist upon concessions in other directions if there is any hope of getting them. What the position of the bureau companies is on this question of "easy" forms cannot be stated—probably each has its own position, but it is known that one objection some of them had to joining the Western Union was that it would take from them their liberty to accept what forms they pleased.

Possibly another contributing cause is the competition local agents are

experiencing from city brokers. One of the strong cards of the brokers is their ability to draw forms favorable to the assured, and, by reason of the large business they do, make the companies accept them.

* * *

The official merger of the Northwestern Department of the Aetna at Omaha into the Western Department at Chicago occurred on Thanksgiving Day. General Agent W. H. Wyman, of Omaha, is now on the retired list after forty-eight years in the company's service, and General Agent Thomas E. Gallagher, of Chicago, now has one of the large departments of the West, with about 5,000 agents reporting to him.

It was fortunate in two ways that this merger took place at this time. While most of the experienced employees of the Omaha office were brought to Chicago a number of junior clerks and boys were left behind. This was just the class of help the North British and Mercantile left behind in Chicago when its Western Department was moved to New York a few weeks ago. This enabled many of these North British people to find employment with but little loss of time, and saved the Aetna the trouble and expense of breaking in a number of utterly inexperienced subordinates.

The moving of the United States Department of the Sovereign Fire to New York throws out a few employees here, but the office had not yet grown large enough to employ many people.

* * *

The decision of the People's National to write hail insurance in the Northwest next season will doubtless result in large additions to that company's fire business in the Dakotas and thereabouts. Hail companies are as much in demand there as farm companies are in some other Western States. Only about half a dozen stock companies write hail insurance.

* * *

In some parts of the West there is very serious complaint of want of co-operation in the field. A Wisconsin State agent said recently that co-operation in that Commonwealth is almost unknown at present. There is more or less talk of the same kind in other States also. The field men have been having a hard time in some ways this year. As recently published, two or three Western departments have made a careful tabulation of their business and found that they have increased their liability to a considerable extent while the premiums have increased only a little or have even decreased. Managers have admitted that until they saw the figures they were tempted to believe that some of their competitors were getting their business by unfair means, but they find that it is

the natural result of the improvement of risks they have been feeling. Municipal improvements, introduction of better construction and of sprinklers and other betterments of individual risks are reducing premiums faster than new business is increasing them.

The field man in his smaller sphere has felt the same thing. In spite of his best efforts the premium income would not show any marked advance. In some cases he may have become suspicious and in some he may himself have resorted to unapproved methods in an attempt to increase his business. With a practically stationary premium income the heavy losses some companies have sustained in the West have been magnified in the loss ratio as against what they would have been if premiums had increased rapidly. Apparently, then, some field

men have neither increased their business nor held down their loss ratio, a discouraging state of affairs, for which in most cases they probably are not responsible.

* * *

Chicago surety men are beginning to do some speculating as to the amount of corporate surety banks will give the city for protection of its deposits. For several years there has been a constant tendency to consolidation evident among the banks. It has happened that in the various mergers those banks accustomed to give personal bonds for protection of city deposits have had the preponderating influence. Thus the American Trust and Savings Bank used to give corporate bonds, and the Continental National gave personal ones. When they got under one control, no cor-

porate bonds were given. In the past the Commercial National has given corporate bonds at least in part. This year it has become a part of the Continental National, and it is a question whether that bank will give any corporate bonds for next year's deposits.

City Controller Wilson is very desirous of getting a higher rate of interest for the city if possible and with that end in view suggested recently accepting bonds for a smaller amount than in the past. When the surety companies raised the depository rate from 25 to 50 cents, the banks cut down their bids on interest from 2½ to 2 per cent because of the higher cost of bonds and then many of them gave personal bonds and were ahead one-half of one per cent on the deposits they secured. LA SALLE.

Life Companies and Railroad Rates

AT A hearing last Saturday before the Interstate Commerce Commission in Washington on the application of the railroads to increase freight rates George E. Ide, President of the Home Life of New York, appeared. Mr. Ide's address follows:

The decision of the question now before this Commission will have a potent influence upon the future earnings of our railroads, and upon these earnings will depend the value of their securities.

I appear for the life insurance interests, which represent an aggregate holding of railroad securities far beyond what is ordinarily believed. For whom are these securities held? The assets of life insurance companies represent accumulations to provide a reserve required by law against each policy, and also a surplus fund held for future contingencies. In all companies the reserve fund is distinctly maintained for the protection of each individual policy. The surplus fund belongs in part or whole to the policyholders according to the character of the organization. In mutual companies it is entirely theirs. Let

me cite a specific case to make my meaning clear.

In the company with which I am connected the total admitted assets are \$23,600,000. Of these assets \$6,400,000 is invested in mortgage bonds, \$8,160,000 in railroad bonds and \$705,000 in railroad stocks. Thirty-seven and one-half per cent of the company's total assets is invested in railroad securities. About 45,000 policyholders are the real beneficiaries and practical holders of these securities. It is not an intangible, vague corporation which owns these bonds for the benefit of a few wealthy stockholders. The bonds are held sacredly in trust for 45,000 citizens scattered over the entire United States. These are the facts concerning only one of the companies, and a small one at that.

It is said that if by reason of your action the earning power of railroads should fall below the requirements for dividends and fixed charges under existing or future conditions the only sufferers would be the stockholders who would receive a reduced dividend. This is not a full statement of the case. The value of any prior lien is affected by the margin of safety over the lien. Take a mortgage loan

on real estate. It is common practice to loan, say, \$60,000 on a conservative valuation of \$100,000. Suppose some law were to be enacted or some new condition created which should reduce the value of real estate so that this property, originally worth \$100,000, should be only worth \$80,000. In the first case the margin on the loan is \$40,000. Under the new conditions that margin would only be \$20,000. The value of the investment is impaired, and yet the owner may continue to pay his interest. It is not necessary to wipe out all of the margin before the value of the security is affected. Why is it that so many of our States have laws requiring that a railroad company must pay dividends on its stock for a given number of years before its bonds shall be a legal investment for savings banks, unless it is because it is generally believed that by such a record of dividend earning power the value of the underlying security is enhanced.

In investments for life insurance companies the trustees of these funds seek safety, satisfactory interest return and stable values. It is also of extreme importance to secure long term investments if possible. It is a

1860 50th YEAR 1910

HOME LIFE

Insurance Company of New York.

GEORGE E. IDE, President.

Assets	\$23,626,018.63
Liabilities	21,858,691.52
(Including Deferred Dividend Fund)	
Dividend Endowment Fund	
(Deferred Dividends)	2,119,044.00
Net Surplus	1,767,327.09
Insurance in Force	92,532,583.80

The record for 1909 shows the following GAINS:

Insurance in Force	\$4,164,239.00
Assets	1,917,117.00
Deferred Dividend Reserve	148,581.00
Contingency Reserve (Surplus)	655,149.17



THE FIDELITY & CASUALTY COMPANY

97 TO 103 CEDAR ST., NEW YORK CITY.

Assets - - \$9,607,864.46
Cap. & Surp. - \$3,378,053.64
Losses Paid - \$33,065,866.09

This Company grants insurances as follows:

Bonds of Suretyship for Persons in Positions of Trust, Fidelity Bonds, Burglary, Plate Glass, Steam Boiler, Fly Wheel, Employers, Public, Teams, Workmen's Collective, Elevator, and General Liability; Personal Accident, Health and Physicians' Liability.

OFFICERS:

GEORGE F. SEWARD, President.

Robert J. Hillas, V.-P. & Sec'y. Henry Crossley, Asst. Sec'y. Frank E. Law, 2d Asst. Sec'y. Geo. W. Allen, 3d Asst. Sec'y.

trite axiom that credit is based largely on sentiment. If there is, for any reason, created in the mind of the financial world the slightest suspicion that our railroads cannot earn a fair living, then credit will be at once impaired, for buyers of these securities will not be found.

I am not here to plead for the holders of junior securities, although they have their rights, but I do not wish to impress upon your minds the fact that if distrust were created the bonds, the underlying securities, will be injured in their value. Who will suffer? As

nearly as I can learn, of the entire bond issues of the steam railroads of this country amounting to \$9,118,000,000, the life insurance companies doing business in the State of New York hold \$1,139,000,000, or one-eighth of the entire railroad bond issues of the country. There are about 20,000,000 policyholders in these life insurance companies, and they are all collectively and individually interested in the integrity of this investment. Any move which even sentimentally affects unfavorably the railroads of the land will strike a blow at these securities which will affect this vast army of thrifty citizens. It is not necessary to reduce railroads to a condition of bankruptcy before the value of the underlying securities is affected. For those policyholders I therefore appear. They are not able to plead for themselves.

I know that in your deliberations you are giving to this momentous question the most careful thought and investigation, but it seems to me of vital importance that in arriving at a sound conclusion one should not overlook the fact that a false step at this time will affect seriously a vast

number of our citizens who, unable individually to make their own investments in securities of railroads, are yet indirectly but intimately interested in their prosperity and well being, and further that your action will be considered as a precedent to guide the commissions of our several States in their consideration of similar problems. The shipper, the jobber, the salesman and consumer all have rights of paramount importance, but the policyholders and savings banks investors must also be considered, for their interests are already vested in securities which have been purchased for their protection and profit, which were wise and conservative investments on the part of their trustees at the time they were made. The individual investor has his rights as well, but he is able to appear for himself. Under our general economic system the small saver who may become the future capitalist is a partner in these enterprises. Anything which affects unfavorably the prosperity and extension of our railroads will ultimately be felt by him, and his welfare is of vital importance to the upbuilding of our nation.

GOOD AGENTS FIND The Union Central Life Insurance Company

Of Cincinnati, O.,

A GOOD COMPANY

Address: JESSE R. CLARK,
President, or ALLAN WATERS,
superintendent of Agents.

THE LEADING FIRE COMPANY
OF THE WORLD



[of Liverpool,

England.]

A General Agency is open
in the State of

PENNSYLVANIA

For one of the best Old Line
Companies in America

Write "B," care of this paper

First National Promotion

THE following statement was issued last Friday by the New York State Insurance Department for publication:

The investigation by the New York Insurance Department of the Fire Securities Company of New York and the First National Fire Insurance Company of Pennsylvania, which when begun in July last developed only the fact that these companies, then recently organized, had not actively begun operations, was resumed a few days ago. Such action was based upon information that the President and Secretary of the Fire Securities Company, the former a resident of New York, had resigned and that the promoters of the company, residents of Pennsylvania, were forming or had formed the Fire Securities Company of Delaware. It is thought that it is the intention of such promoters to transfer the assets of the New York corporation to the new Delaware corporation of the same name, and thus to escape departmental examination under the new New York law permitting the Insurance Department to examine promoting companies of this class.

"On the examiners of the department proceeding to Harrisburg (the present home office of the company) early this week for the purpose of examining the books, accounts and financial transactions of the Fire Securities Company of New York, such examiners were refused access to such books by W. W. Abbott, of Harrisburg, who stated that he was the Vice-President of the company, and F. B. Maccarthy, its local counsel, the latter stating that the company had a big deal pending and would not permit

the examination until after such deal was consummated. He did not state whether the deal referred to was with the new Fire Securities Company of Delaware.

"The First National Fire Insurance Company of Pennsylvania seems as yet to be merely a name, though it expects to have \$500,000 capital and \$500,000 surplus. For reasons above indicated, however, the department cannot as yet give accurate information as to the transactions to date of the Fire Securities Company of New York. It apparently is, however, but a promoting company of the class brought to public attention by recent examinations of the Insurance Department. It seemingly was organized merely to accumulate through the sale of its stock to small investors a sufficient fund which, after deducting a considerable promotion expense, would be used in purchasing the stock of the Fire Insurance Company. The capital of the Fire Securities Company is \$1,000,000, consisting of 100,000 shares at \$10 a share. Thus far such stock has been sold in part at par and in part at a premium of \$2.50. From the best information obtainable, about \$40,000 has been paid into its treasury for stock, and of this sum from \$20,000 to \$25,000 has been already disbursed in expenses. Its President, Charles S. Barker, of Brooklyn; its Secretary, Charles White, of Llanarch, Pa., and its counsel, Charles W. Ridgway, of 100 Broadway, New York, who were its three incorporators, have all resigned. Its refusal to permit proper investigation of the books, standing and methods is, for the above reasons, thought to be significant."

In New England

BOSTON, Nov. 30.—A. C. Adams, manager for Boston and the metropolitan district of the Aetna Insurance Company, died last Thursday evening in the Hotel Touraine. Mr. Adams was born in Barnstable, Mass., thirty-three years ago. After leaving school he was for a brief time engaged in mercantile business. In 1865 he entered the service of the Howard Insurance Company of Boston as a clerk, and stayed with that company until 1872, when advancement came to him with the Globe, also a former Boston company, of which he became Assistant Secretary. In 1877 he transferred his services to the Liverpool and London and Globe as its New England special agent, and as such developed a fine capacity and large acquaintanceship as a field man. In 1891 he entered the service of the Aetna, taking charge of its New England field, and in 1897 was appointed Assistant Secretary of the company at its home office in Hartford. Here he remained until 1907, and then returned to Boston, taking charge of the company's local office in succession to the late B. B. Whittemore, and held this position till the end. He had been an active and influential member of the New England Insurance Exchange, and that body, as well as the Boston Board of Fire Underwriters, has appointed committees to prepare tributes to his memory, and were represented at the funeral, which took place on Sunday afternoon at Mount Auburn Chapel, Cambridge. Among those present also were: H. E. Rees, Secretary; Guy Beardsley, A. N. Williams and E. J. Sloan, Assistant Secretaries, and H. L. Hiscock, R. S. Ives and F. W. Mathews, special agents in this territory of the Aetna. Mr. Hiscock is in charge of the Boston office of the company for the time being.

New England Brevities.

The Standard Insurance Directory for New England, 1910-1911 editions,

has been received and commands our thanks. All the valuable features which have distinguished this useful compilation in past years, are excellently maintained, only this year there are seventy pages more of them than last. The Directory grows with the growth of the business, and is worth many times its price—\$2 a copy—to any one concerned in the underwriting interests of this section.

The Swiss National Fire of Zurich was last Friday admitted to Massachusetts to do a reinsurance business, with Simmons & Wetherbee as Boston representatives. Also the Michigan Millers' Mutual of Lansing, with similar authorization and Edmund Winchester as Boston agent.

The New England Insurance Exchange has appointed Gayle T. Forbush, W. F. Rice, C. D. Palmer, F. A. Wetherbee and F. H. Battilana a nominating committee, under the amended by-law, to propose officers for 1911.

The committee on 1911 nominations appointed by President Edward Marsh, of the Boston Life Underwriters' Association, comprises F. S. Sanborn, John E. Voodry and H. N. Haven.

We are indebted to Charles B. Wheelock, President of the Boston Board, for an extremely tasteful calendar for 1911.

"Liability for Industrial Accidents: How Shall This Burden Be Distributed?" was discussed before the Massachusetts Reform Club last Friday by Miles M. Dawson, of New York; George W. Anderson and James A. Lowell, of Boston, and W. W. Alexander, of Lynn.

The Boston Board, at its meeting on Tuesday, adopted a tribute to the late A. C. Adams. Action on the proposition to advance rates on three-

flat tenements was on the calendar, but was deferred.

The officers and agents of the Massachusetts Accident will convene at the home office, Boston, Wednesday and Thursday of next week to celebrate the twenty-seventh anniversary of the company's organization. THE CHRONICLE is indebted to President McNeill for an invitation to participate in the proceedings and festivities.

Action on moving picture rules, scheduled for last Saturday's meeting of the New England Insurance Exchange, was deferred to a later date.

George E. Hill, of Boston, has been appointed special agent for New England of the Citizens of Missouri.

The Union and Fenix Insurance Company of Madrid, Spain, was on Tuesday admitted to do a reinsurance business in Massachusetts.

EMIL SCHWAB.

No New York employer need look beyond the advertising columns of THE CHRONICLE for LIABILITY INSURANCE.

**The
Columbian National Life
INSURANCE COMPANY
OF BOSTON, MASS.**

**LIFE, ACCIDENT AND HEALTH
INSURANCE.**

The Only Massachusetts
Non-Participating Company

The New Columbian Policies are
Unexcelled in Clearness and Liberality.

Good Contracts and Territory for
Good Producers.

ARTHUR E. CHILDS, President.

BONDS OF SURETYSHIP.

The Guarantee Company of North America
HEAD OFFICE, MONTREAL

Edward Rawlings, President.

H. E. Rawlings, Asst. Mgr.

Richard B. Scott, Secretary & Treasurer.

It is the Pioneer Company, was established in 1872, and is conducted under a conservative management of over 55 years experience.

It has recouped to employers over \$2,190,000 for losses sustained by the infidelity of employees and has a surplus of \$1,041,423.23 to credit of shareholders and total resources of \$1,919,592.38 for the security of insured.

Branch Offices:

NEW YORK: 111 Broadway.
D. J. Tompkins, Secretary.
BOSTON: 114 Milk Street.
W. A. Hamilton, Agent and Attorney.
CHICAGO: Room 400, The Temple.
J. R. Pruyn, Resident Sec. and Atty.
PHILADELPHIA: 500 Arcade Bldg.
W. H. Jackson, Res. Secretary.
PITTSBURG: 1120 Farmers Bank Bldg.
E. R. Munro, Resident Secretary.
LOUISVILLE: 316 Columbia Bldg.
P. N. Clarke & Co., Agents.

**HARTFORD
LIFE**

**Wants You
If You Can Do Things.**

Write to
Hartford, Conn.

Hanover Fire

INSURANCE
COMPANY
of New York



Agencies
in all the Principal Places
in the United States.

OUR

Course of Insurance Education.

Department for Furnishing
Prospects.

New "Model Policy"

Will Plough the Field and Assure
the Harvest for Good Agents.

Phoenix Mutual Life

INSURANCE COMPANY,
Hartford, Conn.

Write Home Office.

OUR BOND—YOUR SECURITY.

T. J. FALVEY, President. JOHN T. BURNETT,
Sec'y & Treasurer.



**Massachusetts
Bonding and
Insurance Co.**

Organized under
the Laws of the
Commonwealth of
Massachusetts.

Home Office, 77-81 State Street, Boston.

Capital\$500,000.00

Surplus\$250,000.00

SURETY BONDS and BURGLARY and
THEFT INSURANCE.

Life Ins. Co. of Virginia

Home Office, Richmond, Virginia.

J. G. WALKER, President.
T. W. PEMBERTON, 1st Vice-President.
W. L. T. ROGERSON, 2d Vice-President.
E. D. HARRIS, Secretary.

The OLDEST Southern Life Insurance
Company.

The LARGEST and STRONGEST South-
ern Life Insurance Company.

The PIONEER Southern Industrial Life
Insurance Company.

Its policies are clear and definite in
their provisions and their values are ab-
solutely guaranteed.

Assets Dec. 31, 1909.....\$5,372,691.99

Liabilities Dec. 31, 1909.....4,312,405.32

Insurance in Force Dec. 31,
190968,337,613.00

Total Payments to Policy-
holders since Organization \$9,820,412.46

PROSPEROUSLY BUSY!

Our agencies are steadily increasing this year's
lead over the figures of our high record in 1909.

Our agents are prosperously busy. With Busi-
ness Life Insurance and our unequalled Continuous
Monthly Income policy they are reaching and satis-
fying the public and liberally rewarding themselves.

Inquiries invited from delivering producers.

GEORGE D. LANG,

Superintendent of Agencies,

Massachusetts Mutual Life Insurance Company,

Incorporated 1851.

Springfield, Massachusetts

THE

American Credit-Indemnity Co.

OF NEW YORK.

CREDIT INSURANCE ONLY.

Insures Wholesalers and Manufacturers against Excessive Annual
Loss through the Insolvency of their Customers.

We can always use a few high-grade solicitors.

ST. LOUIS, MO.

NEW YORK, N. Y.

Offices in All Principal Cities.

A. B. TREAT, General Agent,

302 Broadway, : : : : : New York.

**OLDEST
IN
AMERICA**

**STRONGEST
IN THE
WORLD**

THE MUTUAL LIFE Insurance Company of New York

Mutual Life Agents Make Most Money
Because Mutual Life Policies Sell Most Freely

For terms to producing agents, address

GEORGE T. DEXTER

2nd Vice-President

34 Nassau Street

New York, N. Y.

The Moral Hazard

SAMUEL R. WEED delivered an address on "The Moral Hazard" before the New York Insurance Society at its last meeting, in the course of which he said:

What is that intangible but important part of fire risk which is commonly called the moral hazard? It exists in other lines of business, and, in fact, it is omnipresent in all vocations where financial responsibility is involved and is frequently a synonym for a form of dishonesty. If we hear of a bank, or a stock broker, or a merchant who is dishonest, we frequently describe his condition as overburdened with "too much moral hazard." Consequently we must understand at the outset that moral hazard is a risk which to a greater or less extent permeates all kinds of business. It is the same as short weights in the grocery or coal yards; it is the same as misrepresentation in merchants' transactions or downright fraud in manufacturing, or any other dishonest proceeding to deceive the public on the part of the man who has something to sell and finds a market among the innocent purchasers. In the majority of cases there are some ways of discovery and detection, and often of punishment, but in fire insurance the moral hazard risk goes down much deeper because it is a long drawn out process of crime which may be conceived months or years before it is actually committed and it is more generally suspected than proved. It is, however, sometimes confirmed by circumstantial evidence, but even then the victim has no redress. It is intangible because we have to search into the inner motives of man and go below the surface before finding any important proof. Attempts to describe it in general terms have often been made, but the difficulty of a description applicable to each case is increased by the fact that no two instances are precisely alike.

Almost the earliest thing I can remember in my training as an underwriter was the repetition of the caution, "beware of moral hazard." I began writing policies in St. Louis in January, 1865. Almost every letter of instruction from the three companies I represented contained the same remark, "Look out for the moral hazard." I will recollect the advice given me by the late Alexander Stoddart, of the New York Underwriters' Agency, in 1866, when this agency was composed of the Niagara, Germania, Hanover and Republic. Mr. Stoddart came to St. Louis for a few days and, much to my delight appointed me his agent. As that was the most important company I had then received, we had a long talk together, in which I tried to excuse my inexperience. He was very lenient with me. I am now reminded by this remembrance, of the encounter that my wife once had with a sprig of female nobility from Ireland who applied to her for a situation as cook. My wife asked her if she knew how to cook various dishes, and her invariable reply was, "Begorra, if I don't know now I will learn." That

would have been a fitting answer to Mr. Stoddart on the occasion referred to, but I did not dare to give it. The constant urging upon the agents the importance of avoiding the moral hazard has probably been as much a puzzle to new agents who have been appointed since that date as it was to myself forty-five years ago.

For many years it has been observed that the majority of proofs of loss received by the companies, certified by the adjuster, refer to the origin of fires as "unknown," or "cause not ascertained," or an equivalent word expressing the negative suggestion. This fact has given rise to the suspicion that a large proportion of fires thus accredited is crooked. Of course it is a hasty judgment in the absence of any ascertainable evidence, but after due allowance is made for the manifest injustice of a sweeping charge against all the "unknown origin" cases it is probably true that a considerable percentage of these claims has a moral hazard basis, which cannot be detected. Yet to be fair in such wholesale judgment it must be admitted that where fires are of mysterious origin and the insured cannot honestly explain them he takes refuge in the "unknown class" where so many similar cases have found lodgment, rest and oblivion. I am impressed with the conviction that non-ascertainable causes are diminishing. The committee on losses and adjustments of the New York board have insisted upon a more vigorous effort being made to learn the causes of fires. In the printed bulletins which now accompany the service of loss proofs the result of this effort is shown in the increased explanations of the origin of fires. The adjuster by a severe cross-examination of all parties concerned more frequently arrives at a suspicion or conclusion as to the origin than formerly, when there was less effort to ascertain the facts. Still it must be admitted that the record is blurred by repeated statements of "cause unknown," and it seems as though there were yet cases of moral hazard covered up under this term. The probability is that most culpable carelessness has led to fires without any dishonest intention on the part of the owner or his employees, and the owners are generally unwilling to put themselves on record by admission of any carelessness at all. Yet from our standpoint the carelessness was an important phase of moral hazard, only slightly removed from premeditated design.

I presume you will be surprised when I assert that there is a new kind of moral hazard affecting the business of fire underwriting now in vogue, quite unknown twenty-five years ago. I mean a sort of reverse action of the moral hazard principle succeeding a fire, quite apart from its origin. I believe the experience of the last twenty years has demonstrated that many an honest loss has been turned into a dishonest loss by the temptation, or whatever else you chose to call it, to indulge in crookedness directly aroused by the fire. Somehow the underwriters are often

SPECIAL OPPORTUNITIES offered now in Southern States to Representatives of

CITIZENS NATIONAL LIFE INSURANCE CO.

W. H. GREGORY,
President.

COMMERCIAL - UNION

ASSURANCE CO.,
(LIMITED)

OF LONDON.

OFFICE;

Cor. Pine & William Sts.

NEW YORK.

THE BANKERS LIFE ASSOCIATION DES MOINES, IOWA.

ERNEST E. CLARK, President

Exceptional Record During twenty-nine years for
LOW RATE OF MORTALITY
ECONOMY OF MANAGEMENT
PROMPT PAYMENT OF CLAIMS
SECURITY OF ITS FUNDS

and satisfactory results
for its policyholders.

INCORPORATED 1833.

British America Assurance Company

HEAD OFFICE, TORONTO, CANADA

UNITED STATES BRANCH.
JANUARY 1, 1910.

Assets	\$1,556,740.94
Liabilities	902,438.61
Surplus	\$ 654,302.33

Hon. GEORGE A. COX, President.
JOHN HOSKIN } Vice-Presidents.
W. R. BROCK }
W. B. MEIKLE, General Mgr.



SUPERIOR POLICIES

KIMBALL C. ATWOOD, President.
290-292 Broadway, New York.

New England Mutual Life

Insurance Company

BOSTON, : : : MASS.
chartered 1835

Assets, January 1, 1910..\$51,316,543.00
Liabilities 47,050,672.15
Surplus \$4,265,870.85

Sixty-six years of honorable dealing with its policyholders has placed the **NEW ENGLAND MUTUAL LIFE INSURANCE COMPANY** in the front rank of Life Insurance Companies of the Country.

ALFRED D. FOSTER, President.
D. F. APPEL, Vice-President.
J. A. BARBEY, Secretary.
WM. F. DAVIS, Assistant Sec'y.
J. G. WILDMAN, Assist. Sec'y.

EDWARD W. ALLEN, Manager,
220 Broadway, New York.
LATHROPE E. BALDWIN, Manager,
141 Broadway, New York.
CHARLES H. STRAUSS, Gen. Ag't.
200 Fifth Ave., New York.

FOUNDED 1792

118th ANNUAL STATEMENT

INSURANCE COMPANY OF NORTH AMERICA. OF PHILADELPHIA, PA.

ASSETS.

	January 1, 1910.
Real Estate	\$ 364,410.00
First Mortgages on Real Estate	373,803.48
Philadelphia, New York, Boston and other City and State Loans	1,134,390.00
Pennsylvania, Philadelphia and Erie, Lehigh Valley and other Companies' Bonds and Stocks	8,909,150.32
Cash in Bank and Bankers' hands	1,134,635.88
Notes Receivable and Unsettled Marine Premiums....	347,440.69
Net Cash Fire Premiums in course of Transmission....	1,069,510.62
Accrued Interest, and all other property	52,160.57
Total Assets	\$13,385,501.56

LIABILITIES.

Capital Stock	\$ 3,000,000.00
Reserve for Re-Insurance ..	6,813,862.47
Reserve for Losses	877,250.00
All other Liabilities	104,982.45
Surplus over all Liabilities..	2,589,406.64
	\$13,385,501.56

Surplus to Policyholders....	\$5,589,406.64
Increase in Reinsurance Reserve	349,934.71
Increase in Net Surplus.....	838,500.92
Increase in Assets.....	1,371,455.93

Eugene L. Ellison.....President
Benjamin Rush.....Vice-President
T. Howard Wright.....Secretary
Henry W. Farnum.....Assistant Secretary
John O. Platt.....Assistant Secretary
Agencies in all Prominent Cities & Towns.

treated as easy marks, who can be plundered by fraudulent claims and robbed of large sums by schemes to cover up the real loss with a layer of fraud which sometimes escapes detection. I believe that the discovery of such schemes is generally possible through patience and perseverance, as well as by skilful handling of the testimony. Some very remarkable evidences of this kind of moral hazard have been gathered by our loss committee, and the former manager, Mr. Robb, could, if he would, tell you of one very extraordinary case in the surrender of policies for a large amount upon a stock of plate glass in this city, without any payment at all, after a most elaborate scheme of fraud had been prepared, which was exposed by accident. One of the links in the chain was weak and that broke down all the connecting links. I am obliged to withhold the particulars of this case, but I believe it was one where the rascality really followed the fire.

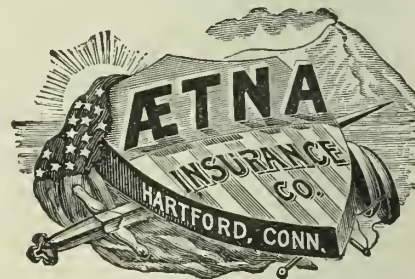
Now, having, as it were, diagnosed the disease, what is the remedy? I know of no quack nostrum which can prevent or cure it. But, as Abraham Lincoln once said when he was asked about how to end the Civil War, "We must keep pegging away." We have plenty of laws against grand larceny, but the crime continues with little or no diminution. We have ample law against arson, and the companies offer large rewards for the arrest and conviction of incendiaries, but the crimes do not lessen materially. It appears that during the year ending December 31, 1909, there were forty-two arrests in New York City for arson, with eight cases carried over from a former year. Of these fifty-two cases only seven were found guilty; twenty-three were discharged by the Magistrate; nine were acquitted on trial, and in two cases indictments were dismissed. In Brooklyn for the same period there were forty-four arrests and eleven pending cases at the end of the year. Out of these fifty-five there were fourteen convictions and only seven discharges. The Grand Jury failed to indict in four cases, but at the end of the year there were twenty-five cases still pending. This is not a very encouraging outlook as far as incendiarism is concerned; but the fact is that the public generally is indifferent to arson where the insurance companies are affected, and we often hear it said, "Why don't the companies catch the criminals and have them punished?" There appears to be a sort of antipathy to any serious attempt to stop the crime of arson by the public authorities. In the State of Louisiana it is said that incendiaries are never convicted, even where the proof is clear, and the reason is that in Louisiana there is a death penalty for the crime. In our own State when incendiarism was rife a few years ago in the City of Rochester there was a loud call for severer penalties upon guilty parties. The press and public authorities of Rochester joined in the demand, but it came about that the proposition for severer punishment aroused a doubt whether or not the chances for conviction would not be less with a severer penalty than under the law as it now stands. After all, the real losers in the game were the underwriters. Such heresies are not

uncommon, but I am in doubt whether mercy to a red-handed incendiary is either expedient or justifiable.

Well, then, what can be done? Or, in the language of the notorious "Bill" Tweed, when his system of looting the city treasury was exposed, "What are you going to do about it?" Tweed soon learned that something could be done about it, and forthwith was done in a fashion that sent him to jail, and, after his escape, into exile. Eternal vigilance is the only effectual remedy for moral hazard. I imagine that many underwriters who have given serious thought to the subject believe that nothing can be done which will throttle it. It belongs to a class of crime which it seems impossible to extirpate.

On the corner of Third Avenue and 183d Street, in this city, there is one of the most magnificent benevolent enterprises in the world. It was founded by private benefactors, and is to-day largely sustained by voluntary contributions, only slightly augmented by public funds. It is called "The Home for the Incurables." I wish it were possible to idealize the invisible and intangible thing we call moral hazard into a living reality in order that we might treat it as a disease from which we all suffer, and consign it forever to a "Home for Incurables," where it might repent and die, leaving no descendants. If, indeed, this moral hazard is a disease that at times seems to spread like an epidemic, and we can neither arrest, control, extirpate or punish it by process of law, and the underwriters must go on forever paying large sums for moral hazard losses, we then have only to fold our hands and wish for better things. It seems to be a product of dishonest natures, and there is no remedy for it. But we can at all events apply the advice given by Henry Ward Beecher when one of his parishioners asked him what he thought of the doctrine of total depravity, Mr. Beecher answered: "I advise you not to try it." And so with moral hazard. It is so costly and dangerous we must not relax our efforts to kill it. To those who come after us we may advise them to continue in these efforts, and to the scoundrels who threaten us with losses we may advise them "not to try it."

"The Leading Fire Insurance Company of America."



WM. B. CLARK, President.
W. H. KING, Vice-President.
HENRY E. REES, Secretary.

Assistant Secretaries,
A. N. WILLIAMS, E. S. ALLEN,
E. J. SLOAN, GUY E. BEARDSLEY,

New York Insurance Stocks

Casualty Companies.

	Capital.	Div.	Period.	Bid.	Ask.
		Annual			
Aetna Indemnity (\$25)....	\$350,000	V	V	...	200
Casualty Co. of America...	500,000	6	J&J	120	150
Fidelity & Casualty.....	1,000,000	18	"	450	500
Hartford Steam Boiler....	1,000,000	10	"	255	265
Metropolitan Casualty	200,000	10	"	185	...
N. Y. Plate Glass (\$50)....	200,000	16	"	500	...
United States Casualty....	500,000	10	Q	200	225

Fire Companies.

City of New York.....	\$500,000	10	Q	...	205
Commonwealth	500,000	10	J&J	326	...
Continental	2,000,000	40	"	1,025	1,075
Empire City	200,000	8	"	125	...
Fidelity-Phenix	2,500,000	V	V	300	310
German Alliance	400,000	15	J&J	275	300
German-American	1,500,000	30	"	550	560
Germania (\$50)	1,000,000	18	"	285	295
Glens Falls (\$10).....	200,000	30	"	1,525	...
Globe & Rutgers.....	400,000	40	Q	475	500

Hanover (\$50)	1,000,000	15	J&J	200	210
Home	3,000,000	30	"	640	650
Nassau (\$50)	200,000	10	"	165	175
Niagara (\$50)	1,000,000	20	"	300	305
North River (\$25).....	350,000	10	A&O	155	165
Pacific (\$25)	200,000	14	"	185	...
Peter Cooper (\$20)	150,000	6	"	90	105
Stuyvesant	400,000	10	"	155	160
United States (\$25).....	250,000	V	V	60	70
Westchester (\$10)	300,000	40	F&A	455	...
Williamsburg City (\$50)..	250,000	20	J&J	380	400

Life Companies.

Aetna Life	\$2,000,000	15	Q	650	660
Connecticut General	300,000	8	J&J	250	...
Equitable	100,000	7	A	...	4,000
Germania (\$50)	200,000	12	J&J	210	225
Hartford Life	500,000	10	"	150	...
Home	125,000	12	M&N	275	...
Manhattan Life	100,000	26	O&F	400	425
Metropolitan (\$25).....	2,000,000	7	M&N	155	175
Prudential (\$50)	2,000,000	10	Q	450	500
Travelers' Hartford.....	2,000,000	20	Q	900	...
United States Life.....	264,000	7	J&J	90	105

V—No information. Q—Quarterly.

The Prudential Report

THE report of Fackler & Fackler on the investigation of the Prudential Insurance Company, which covered a period of several months, has been submitted to the New Jersey Insurance Department, bringing forth strong commendation from the Insurance Commissioner for what is termed "the highly satisfactory and creditable showing it makes for the institution and those identified with its management." These experts were selected by the Insurance Department to examine into the affairs of the Prudential and to test the accuracy of the company's last annual statement.

The examination covered every phase of the company's business, and the progress made during the three years since the last investigation is best typified by the statement that the company's assets have advanced from \$127,000,000 to over \$200,000,000, or more than 57 per cent, while the insurance in force has increased from over \$1,200,000,000 to over \$1,700,000,000, this vast increase certainly justifying the examiner's statement that the company had shown a "remarkable growth in all respects."

The cash in the company's offices was counted at the close of business on December 31, 1909, and seals were placed upon the bonds and stocks owned or held as collateral by the company, the examination of these securities alone, which were all investigated carefully, requiring nearly a week. The proportion of government and municipal bonds owned by the company showed a marked increase, while the amount invested in stocks represents but 1½ per cent of the company's assets. These stock holdings consist of trust company and

national bank stocks exclusively. The examiners noted that the proportion of cash on hand and in banks was but little more than one-half of the amount shown in the examination made six years ago.

The Prudential owns and holds some of the most valuable property in Newark's business centre. This has increased materially in value since its purchase by the company, in some cases two or three times over the original cost. The appraisal of the incompleting addition to the North Home Office Building was a problem for the examiners. After thorough investigation, with the assistance of an architect of very large experience, the examiners allowed as an asset the book value, as stated by the company. It is interesting to know that the value of the real estate held by the company for office purposes has increased from about \$11,400,000 to \$13,000,000, which is mainly due to the above addition referred to, made necessary by the requirements of its office force. The company believes this will provide available office space for many years to come. A side light on the judgment displaced in the company's real estate investments was shown in the fact that the sales from the few foreclosures which the company was compelled to make on its real estate holdings during the last three years have realized an average of about 5 per cent more than the book values of the properties involved.

When the State examiners began to check up the policy section of the company's business they found that the Prudential had over 8,000,000 industrial policies in force, representing insurance in excess of \$1,000,000,000. Great numbers of these policies

were tested and the records found to be accurate in every respect. The Prudential carried at the end of 1909 over \$650,000,000 of ordinary insurance, and in order that the examiners might investigate this ordinary business without interfering with the daily routine of the company, it was necessary to write up 74,000 cards for their use. Daily reports of premium collections and the essential details of policy records were tested, covering several years of issue, without any material errors being discovered, and the fact that the company carried on its books all policies on which premiums are being collected was well shown.

The Prudential's assets, as reported by the company at the end of 1909, was over \$200,600,000, but the Insurance Department's examiners give the company credit for nearly \$1,000,000 additional assets, the increase being due principally to real estate holdings which are valued by the Insurance Department at about \$1,000,000 in excess of the amount for which the Prudential had taken credit.

In addition to this item the department examiners also allow the Prudential additional surplus amounting to over \$500,000, making the total surplus \$16,722,580.

RECTOR 2817

ESTABLISHED 1864

E. S. BAILEY

DEALER IN

INSURANCE STOCKS

A SPECIALTY

66 Broadway

NEW YORK

SURPLUS LINE INSURANCE

The Yorkshire Insurance Co., Ltd.

of York, England.

Established 1824.
Home Office Assets, \$12,191,000.

FRANK & DuBOIS,

United States Attorneys,
47 William St., New York.

Authority to adjust and pay all losses
and power of attorney to accept
service of legal process.

Funds held on deposit in New York
banks for protection of Amer-
ican policyholders.

The only Company in the World that



**"Insures Lives
and Guards
Them Against
Disease."**

AGENTS WANTED

E. E. RITTENHOUSE, President

Apply to

F. E. McMULLEN,
2d Vice-Pres. and Supt. of Agencies.

HOME OFFICE BUILDING,
35 Nassau Street, New York, N. Y.

WESTERN ASSURANCE Co.

HEAD OFFICE,

TORONTO, - - CANADA.

Incorporated 1851.

Hon. **GEORGE A. COX**.....President
W. R. BROCK and **JOHN**
HOSKIN, K. C. LL. D. Vice-Presidents
W. B. MEIKLE.....General Manager

United States Statement, Jan. 1, 1910.

Assets\$2,377,303.37
Surplus in United States..... 839,268.07

We Always Have Room for a Man with the Qualities



that make a successful
Life Insurance Sales-
man. And we will tell
him how to develop
them.

Write Us About an
Agency.

THE PRUDENTIAL
Insurance Company of America.

Incorporated as a Stock Company by the
State of New Jersey.

John F. DRYDEN,
President.

Home Office,
NEWARK, N. J.

Chronicle Paragraphs

WILLIAM LANAHAN, head of the firm of William Lanahan & Sons, of Baltimore, will become President of a new fire insurance company.

The Vice President will be Jacob A. Ulman and the Secretary and Treasurer John G. Binford. Directors for the company, who will be suggested at the meeting for organization, were decided upon Saturday. These are all subscribers to the stock and will be practically in control. They are: William Lanahan, Jacob A. Ulman, William A. Boykin, John G. Binford, Ferdinand Meyer, James H. Preston, John R. Bland, Henry F. Westheimer, David G. Rosenheim, H. P. Goldsborough, William P. Cummings, all of Baltimore; A. J. Sunstein, Pittsburg; Charles F. Brice, J. Hazelton Carstairs, H. J. Bissenger, all of Philadelphia; Harry Eising, of New York; J. Walter Freiberg, Cincinnati; Louis Rosenfield, Thomas C. Deneberg, of Chicago; Bernard Bernheim, Louisville. The capital stock will be \$500,000, with a paid in surplus of \$250,000. The new company will be known as the Merchants' Fire Insurance Co. of Baltimore. It is primarily intended to insure distillers, but will also do a general business.

* * *

"New York may have a fire as deadly as the one in Newark at any time," declared Edward F. Croker, chief of the New York Fire Department this week. "We may take every precaution, make every examination we can, but the best we can do is to hope that we will escape such a calamity. We have in New York the same diversified industries in the same building, and there in no way to prevent it. The fire rules prevent the storing of gasoline or any combustible material, but a fire started from any other cause would sweep through any one of the many buildings and probably cause a loss of life. But no one can say to the owner of a building that a tenant engaged in any line of business cannot occupy the top floor of a building because the stock carried is inflammable and there is risk to the persons working there. The insurance companies can increase the insurance rates, but they cannot do more than that."

* * *

Presumably in connection with the purchase of the Railway Passengers' Assurance Company, the Directors of the North British & Mercantile Insurance Company propose to offer £1,056,898 of 4 per cent preference stock at par to present shareholders, in proportion to their present holdings.

* * *

The cost of maintaining the Michigan Insurance Department for the

year ended June 30, 1910, was \$22,499, while the receipts amounted to \$515,583. Of this amount the primary school fund was enriched to the extent of \$483,119, while \$32,464, which includes retaliatory fees and receipts from assessment, life, accident and sick benefit associations, was turned into the general fund of the State.

* * *

An appeal will be taken in the case of the twenty officers and committeemen of the Southeastern Underwriters Association found guilty of increasing fire insurance rates in Newport News, and fined \$400 each, by a jury drawn from Southampton County, in the corporation court. Those convicted were: A. H. Harris, secretary of the Virginia committee of the association; L. R. Warren, chairman of the Virginia committee; William R. Robbins, E. H. Jones and A. M. Travers, of Richmond; B. A. Hamlin, of Danville; members of the Virginia committee; W. R. Prescott, president of the association; A. B. Andrews, manager; Daniel B. Harris, Guy Carpenter, George H. Collins, A. L. Brooks, R. N. Hughes, R. T. Caldwell, J. S. Middleton, and H. N. Tanner of Atlanta, Ga.; Dana Blackmar of Columbus, Ohio; H. C. Hare of Jacksonville, Fla.; and R. J. Smith of Charlotte, members of the executive committee.

* * *

The Columbian National Life Insurance Company of Boston announces the election of William C. Johnson as Vice-President and General Manager. Mr. Johnson has been for many years the manager of the Phoenix Mutual Life in New York. His services in safeguarding agency interests at the time the reform legislation was being considered in New York, and since in support of every movement for the betterment of the insurance business, have made him known to insurance men of all classes.

* * *

At a meeting of the Board of Directors of the Southwestern Life Insurance Company in Dallas, Texas, the following by-law was adopted for the government of the company: "It shall be the duty of the Finance Committee to so invest the funds of the company so that it shall have invested at all times in the securities of each State in which it is transacting business at least 75 per cent of the legal reserve on all its policies in force upon the lives of citizens of such State." By this action the Southwestern Life Insurance Company adopts the principle and thereby voluntarily subjects itself to the requirement that the investment of its funds shall be so distributed as to enable the citizens of any State in which the company may transact business to "keep home money at home" by insuring with it,

T H E

PROVIDENT

LIFE AND TRUST COMPANY
OF PHILADELPHIA

Insurance in Force, \$214,509,255.00
(Paid for Basis)

Assets \$70,514,350.45
(Market Value, Dec. 31, 1909)

Contingency Reserve . \$9,207,276.38
(Inclusive of Capital Stock, \$1,000,000.)

The Provident has been particularly distinguished for the development of a highly trained force of agents. The systematic instruction which its agents receive has resulted in their being recognized as representatives of exceptional knowledge of the business and of marked efficiency.

CLAIMS PAID OVER \$11,300,000. CASH CAPITAL \$500,000.00. RESERVE—SURPLUS—POLICY HOLDERS OVER \$3,200,000.

All forms of Accident, Sickness, Industrial and Liability Insurance

THE STANDARD

Accident Insurance Co.

Detroit, OF Michigan.

Lem W. Bowen, Pres. E. A. Leonard Sec.

Metropolitan Department,
C. A. TIMEWELL, Manager,
92 William St. New York City

HOME OFFICE OF THE Metropolitan Life Insurance Co.

(INCORPORATED BY THE STATE OF NEW YORK, STOCK COMPANY)
The Company OF the People, BY the People, FOR the People

PROOF OF PUBLIC CONFIDENCE

This company has more premium paying business in force in the United States than any other Company, and for each of the last 16 years has had more New Insurance accepted and issued in America than any other Company.

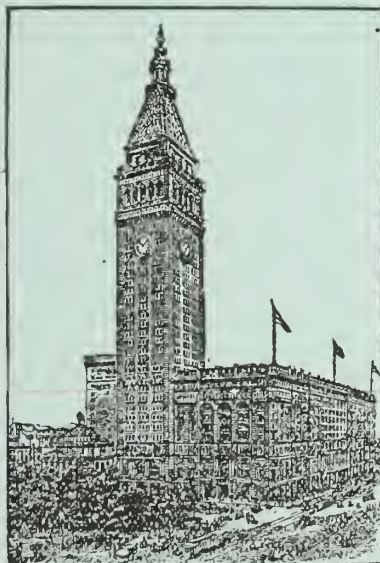
The number of Policies in force is greater than that of any other Company in America, greater than all the Regular Life Insurance Companies put together (less one), and can only be appreciated by comparison. It is a greater number than the Combined Population of Greater New York, Chicago, Philadelphia, Boston, St. Louis, Cleveland, Cincinnati, San Francisco, Pittsburg, Baltimore, New Orleans and Buffalo.

ASSETS.

Municipal and R. R. Bonds and Stocks	\$123,346,161.39
Bonds and Mortgages	105,183,172.02
Real Estate	23,311,215.72
Cash	5,420,643.42
Demand Loans on Collateral	172,930.00
Loans to Policyholders	11,193,245.61
Prem. deferred and in course of collection (net)	5,190,288.45
Accrued Int., Rents, etc.	3,290,211.85
Total	\$277,107,868.48

LIABILITIES.

Reinsurance Fund and Special Reserves	237,213,384.00
All other Liabilities	9,992,264.48
Capital and Surplus	29,902,219.98
Total	\$277,107,868.48



Largest Office Building in the World—Madison Avenue, Fourth Avenue, 23d Street and 24th Street, New York City.

THE DAILY AVERAGE OF THE COMPANY'S BUSINESS DURING 1909 WAS:
456 per day in number of Claims paid.
6,535 per day in number of Policies placed and paid for.
11,463,755 per day in New Insurance placed and paid for.
\$183,403.75 per day in Payments to Policyholders and addition to Reserve.
\$132,172.72 per day in Increase of Assets.

OFFICERS

JOHN R. HEGEMAN	President
HALEY FISKE	Vice-President
GEORGE H. GASTON	2d Vice President
GEORGE B. WOODWARD	3d Vice President
FRANK O. AYERS	4th Vice President
F. F. TAYLOR	5th Vice President
JAMES M. CRAIG	Actuary
STEWART L. WOODFORD	Counsel
WM. J. TULLY	General Solicitor
FRED'K. H. ECKER	Treasurer
WALTER STABLER	Comptroller
JAMES S. ROBERTS	Secretary
JOHN R. HEGEMAN, JR.	Asst. Secretary
J. T. THOMPSON	Asst. Secretary
T. R. RICHARDSON	Asst. Secretary
GEO. B. SCOTT	Asst. Secretary
FRED'K. A. BETTS	Asst. Secretary
GEORGE C. PENHALLOW	Asst. Secretary
THOMAS H. WILLARD	Med. Dir.
AUGUSTUS S. KNIGHT	Med. Dir.
E. M. HOLDEN	Asst. Med. Director
W. S. MANNERS	Asst. Med. Director
J. BERGEN OGDEN	Asst. Med. Director
D. M. GEDGE	Asst. Med. Director
I. J. CAHEN	Manager Ordinary Dept.
LEE H. FRANKEL	Ph. D. Mgr. Indus. Dep.
JACOB CHADEAYNE	Mgr. Intermediate Br.
CHAS. G. REITER	Asst. Actuary
JAMES C. BROWN	Asst. Actuary
JAMES D. CRAIG	Asst. Actuary
RAYMOND V. CARPENTER	Asst. Actuary

Paid to Policyholders since Organization, plus the Amount now Invested for their Security, \$537,223,523.83.
Number of Policies, 1 Force, December 31, 1909, \$10,621,679. Total Outstanding Insurance Placed and Paid for, December 31, 1909, \$2,041,951,700.00.

In its Ordinary Department policies are issued for from \$1,000 to \$1,000,000 on individual lives, premiums payable annually, semi-annually and quarterly. In its Industrial Department policies are issued on all the insurable members of the family for weekly premiums.

Full particulars regarding the plans of the Metropolitan may be obtained at its Home Office, 1 Madison Avenue, New York City, or its Agents in all the principal cities of the United States and Canada.

COMPARATIVE RESERVE TABLES

By MILES M. DAWSON,
Consulting Actuary.

Containing Mean and Terminal Reserves for the usual forms of policies and by the following standards—

American Experience, Select and Ultimate $3\frac{1}{2}$ per cent.
American Experience, Select and Ultimate 3 per cent.
American Experience, Modified Preliminary Term $3\frac{1}{2}$ per cent.
American Experience, Modified Preliminary Term 3 per cent.
American Experience, Select and Ultimate 4 per cent.
Actuaries', Modified Preliminary Term 4 per cent.
American Experience, Committee of Fifteen, $3\frac{1}{2}$ per cent.
American Experience, Illinois and Tennessee, $3\frac{1}{2}$ per cent.
American Experience, Michigan, $3\frac{1}{2}$ per cent.
American Experience, Wisconsin, $3\frac{1}{2}$ per cent.
American Experience, New Jersey, $3\frac{1}{2}$ per cent.
H^M, Canadian Life Officers' Association, $3\frac{1}{2}$ per cent.
O^M, Select and Ultimate, $3\frac{1}{2}$ per cent.

This covers all the standards, other* than the net level premiums, in this country. Tables showing the first year margins set free by each method of valuation are given.

EDITION ALMOST EXHAUSTED — SAVES TIME AND MONEY

VARIOUS DERIVED TABLES---American Experience 3 and 3 1-2 PER CENT.

By MILES M. DAWSON

Table of Contents.

Single Premiums, Pure Endowment.
Accumulations, Pure Endowment.
Forborne Immediate Annuities.
Accumulated Temporary Insurances.
Accumulated Increasing Insurance.
Single Premiums Endowment Insurance.
Single Premiums Temporary Insurance.
Immediate Temporary Annuities.
Valuation Columns.

SELECT AND ULTIMATE VALUES.

Single Premiums, Whole Life.
Life Annuities.
Terminal Reserves, Life, Limited Payment Endowment.
Mean Reserves, Life, Limited Payment, Endowment.

LOGARITHMS, SEVEN PLACES.

Forborne Immediate Annuities.
Curtate Summations of D Column.
Immediate Temporary Annuities.

Uses.

Computing Annual Term Insurance Premiums:
Divide endowment insurance values by immediate temporary annuities.
Computing Annual Endowment Insurance Premiums:
Divide endowment insurance values by immediate temporary annuities.
For these purposes the "select and ultimate" will be most useful.
Computing Annual Pure Endowment Premiums:
Divide pure endowment values by immediate temporary annuities or take reciprocals of forborne immediate annuities.
By these means, the net extra premium for a special guaranty can be quickly and accurately computed.
Computing Annual Semi or Double Endowment Premiums:
Add temporary insurance and pure endowment values for proper amounts and divide by immediate temporary annuity.
Computing Limited Premiums:
Divide the proper single premiums by immediate temporary annuity.
Computing Surrender Values:
Extended Insurance. Find the temporary insurance value next lower than the sum to purchase extension. This gives even number of years. Apply remainder to pay for additional days according to daily differences in the table.
Extended Insurance with Fractional Paid-up Endowment:
Deduct from purchase money, value of insurance for unexpired term; multiply remainder by accumulation, pure endowment, to get amount of endowment.
Computing Terminal Reserves:
Unvarying Benefits. Multiply net premiums by forborne immediate annuity and deduct accumulated temporary insurance.
Return Premium, Full Reserve. Multiply net premium by forborne immediate annuity and deduct accumulated temporary insurance and accumulated increasing insurance, multiplied by gross premiums to be reduced.
Return Premium, Extra Reserve. Multiply net extra premiums by forborne immediate annuity and deduct accumulated increasing insurance, multiplied by gross premiums to be returned.
Warranted Commissions for New Business.
Surrender Values.
Dividends.

SEND ALL ORDERS TO THE CHRONICLE CO. (Ltd.)

80 Wall Street,
New York

The Chronicle

1866

Published by THE CHRONICLE COMPANY (Ltd.), 80 Wall Street, New York City

1910

VOLUME LXXXVI.

NEW YORK, DECEMBER 8, 1910

NUMBER 23



Photo Copyright, Pach

J. PIERPONT MORGAN

COMPARATIVE RESERVE TABLES

BY
MILES M. DAWSON
Consulting Actuary.

Containing Mean and Terminal Reserves for the
usual forms of policies and by the
following standards:

American Experience, Select and Ultimate $3\frac{1}{2}$ per cent.
American Experience, Select and Ultimate 3 per cent.
American Experience, Modified Preliminary Term $3\frac{1}{2}$ per cent.
American Experience, Modified Preliminary Term 3 per cent.
American Experience, Select and Ultimate 4 per cent.
Actuaries', Modified Preliminary Term 4 per cent.
American Experience, Committee of Fifteen, $3\frac{1}{2}$ per cent.
American Experience, Illinois and Tennessee, $3\frac{1}{2}$ per cent.
American Experience, Michigan, $3\frac{1}{2}$ per cent.
American Experience, Wisconsin, $3\frac{1}{2}$ per cent.
American Experience, New Jersey, $3\frac{1}{2}$ per cent.
H^M, Canadian Life Officers' Association, $3\frac{1}{2}$ per cent.
O^[M], Select and Ultimate, $3\frac{1}{2}$ per cent.

THIS covers all the standards, other than the net level
premiums, in use in this country. Tables showing
the first year margins set free by each method of valu-
ation are given.

Send all orders to the Publishers,

The Chronicle Co., Ltd.

No. 80 Wall St. 

NEW YORK

The Chronicle

VOLUME LXXXVI.

NEW YORK, THURSDAY, DECEMBER 8, 1910

NUMBER 23

PUBLISHED EVERY THURSDAY BY
THE CHRONICLE COMPANY, Limited.
No. 80 Wall Street, New York.
Phone "567 John." Cable Address, "Chronogram," New York.

Subscription Price:
Three Dollars a Year. Single Copies, Twenty-five Cents.
Postage Prepaid in the United States and Canada.

MILES M. DAWSON, President.
R. B. Dawson, Treas. **A. L. Dern, Sec'y.**
Emil Schwab, Manager New England Department,
200 Devonshire Street, Boston, Mass.

All communications should be addressed to and remittances should be made to The Chronicle Company, Limited.
Entered at the Post Office, New York, N. Y., as Second Class Mail Matter.

Philadelphia Casualty Changes Hands



SYNDICATE composed of J. Arthur Nelson and William Hugh Harris, of Baltimore, and Herman Hoopes, of Philadelphia, has just purchased a controlling interest in the capital stock of the Philadelphia Casualty Company, of Philadelphia, from the Fidelity Mutual Life Insurance Company, of Philadelphia, and John Pitcairn, of Pittsburg. A similar offer has been made to the minority shareholders. Mr. Nelson is Vice-President and Mr. Harris is manager of the casualty department of the Fidelity and Deposit Company of Mary-

land, and Mr. Hoopes is the Resident Vice-President of the same company for Philadelphia. The purchase is made in the interest of the Fidelity and Deposit Company of Maryland, which company has recently begun writing casualty and liability insurance.

It is understood that the outstanding risks of the Philadelphia Casualty Company, with the exception of the credit business, will be reinsured by the Fidelity and Deposit Company after January 1 next, and it is the purpose of the Fidelity and Deposit Company to take over probably the entire agency field force of the Philadelphia Casualty Company, as well as the of-

fice force and the department managers in the home office and branch office of the Philadelphia Casualty Company. President Walter LeMar Talbot, of the Philadelphia Casualty, is Vice-President of the Fidelity Mutual Life, and it was impossible for him to give attention to both institutions, so it has been known for some time that something would be done by him in regard to the casualty institution.

The contract of the purchasers is guaranteed by the Fidelity and Deposit Company, and in a short time the stock will be transferred and representatives of the Fidelity and Deposit put on the Philadelphia Casualty's Board of Directors.

Robert J. Hillas Succeeds George F. Seward

AT A special meeting of the Board of Directors of the Fidelity and Casualty Company yesterday Robert J. Hillas, Vice-President and Secretary, was elected to the position of President of the company, made vacant by the death of George F. Seward last week. The Directors also elected Frank E. Law, at present Second Assistant Secretary, to be Vice-President of the company, succeeding to Mr. Hillas's position. The action of the Directors was unanimous and was

influenced by the high regard which both the men promoted held. The fact that the home office staff and the agency force both presented a memorial to the Directors urging such action had a very pleasing influence, but the course had already been decided upon by a committee of directors at a session held on Tuesday.

Robert J. Hillas has been with the Fidelity and Casualty all his business life, having entered the service of the company at the age of seventeen and steadily worked his way up.

Frank E. Law was graduated from the Stevens' Institute of Technology, receiving the degree of mechanical engineer in 1892. In 1891 and 1892 he was employed in the machine shops of W. D. Forbes & Co., in Hoboken, N. J., and from there he entered the service of the Fidelity and Casualty Company. He was connected with the steam boiler and elevator departments until 1889, when he was appointed Actuary of liability lines, and a year later was further promoted to the Assistant Secretaryship.

Old Trustees Vote Morgan Stock

AS J. P. Morgan is not yet ready to announce his plan for the disposition of the majority stock in the Equitable Life Assurance Society, which he bought from Thomas F. Ryan, the election of Directors of the society was held yesterday under the plan in force since the voting trust was formed after the Armstrong investigation. There was

the difference, however, that ex-Judge Morgan J. O'Brien and George Westinghouse, the remaining trustees, voted only the stock holdings of Mr. Morgan, and the policyholders themselves voted their own proxies.

It was learned yesterday that there have been frequent conferences recently between Superintendent Hotchkiss of the State Insurance Depart-

ment and representatives of Mr. Morgan, and the plan for the new disposition of the stock is nearly ready to be made public. George W. Perkins, of J. P. Morgan & Co., said yesterday:

"I don't think we will have to keep you waiting much longer."

The old Directors were re-elected and G. E. Tarbell and Alfonso de Narvarro were chosen to fill vacancies.

Workmen's Compensation Convention Between France and Great Britain

IN VIEW of the importance just now of the subject of workmen's compensation, the convention between France and Great Britain in regard to it has great interest here. The text of the convention which has just been ratified follows:

Article I.—British subjects who meet with accidents arising out of their employment as workmen in France, and persons entitled to claim through or having rights derivable from them, shall enjoy the benefits of the compensation and guarantees secured to French citizens by the legislation in force in France in regard to the liability of employers in respect of such accidents.

Reciprocally, French citizens who meet with accidents arising out of their employment as workmen in the United Kingdom of Great Britain and Ireland, and persons entitled to claim through or having rights derivable from them, shall enjoy the benefits of the compensation and guarantees secured to British subjects by the legislation in force in the United Kingdom of Great Britain and Ireland in regard to compensation for such accidents, supplemented as specified in Article V.

Article II.—Nevertheless, the present convention shall not apply to the case of a person engaged in a business having its headquarters in one of the two contracting States, but temporarily detached for employment in the other contracting State and meeting with an accident in the course of that employment, if at the time of the accident the said employment has lasted less than six months. In this case the persons interested shall only be entitled to the compensation and guarantees provided by the law of the former State.

The same rule shall apply in the case of persons engaged in transport service and employment at intervals, whether regular or not, in the country other than that in which the headquarters of the business are established.

Article III.—The British and French authorities will reciprocally lend their good offices to facilitate the administration of their respective laws as aforesaid.

Article IV.—The present convention shall be ratified, and the ratifications shall be exchanged at Paris as soon as possible.

It shall be applicable in France and in the United Kingdom of Great Britain and Ireland to all accidents happening after one month from the time of its publication in the two countries in the manner prescribed by their respective laws, and it shall remain binding until the expiration of one year from the date on which it shall have been denounced by one or other of the two contracting parties.

Article V.—Nevertheless, the ratification mentioned in the preceding article shall not take place till the legislation at present in force in the United Kingdom of Great Britain

and Ireland in regard to workmen's compensation has been supplemented, so far as concerns accidents to French citizens arising out of their employment as workmen, by arrangements to the following effect:

(a) That the compensation payable shall in every case be fixed by an award of the County Court.

(b) That in any case of redemption of weekly payments the total sum payable shall, provided it exceeds a sum equivalent to the capital value of an annuity of £4 (100 francs) be paid into court, to be employed in the purchase of an annuity for the benefit of the person entitled thereto.

(c) That in those cases in which a lump sum representing the compensation payable shall have been paid by the employer into the County Court, if the injured workman returns to reside in France, or if the dependents resided in France at the time of his death or subsequently return to reside in France the total sum due to the injured workman or to his dependents shall be paid over through the County Court to the "Caisse Nationale Française des Retraites pour la Vieillesse,"

who shall employ it in the purchase of an annuity according to its tariff at the time of the payment, and, further, that in the case in which a lump sum shall not have been paid into court, and the injured workman returns to reside in France, the compensation shall be remitted to him through the County Court at such intervals and in such way as may be agreed upon by the competent authorities of the two countries.

(d) That in respect of all the acts done by the County Court in pursuance of the legislation in regard to workmen's compensation, as well as in the execution of the present convention, French citizens shall be exempt from all expenses and fees.

(e) That at the beginning of each year His Majesty's Principal Secretary of State for the Home Department will send to the "Département du Travail et de la Prévoyance Sociale" a record of all judicial decisions given in the course of the preceding year under the legislation in regard to workmen's compensation in the case of French citizens injured by accident in the United Kingdom.

Eastern Union Plans

RECOMMENDATIONS of the Committee of Seven of the Eastern Union for the readjustment of brokerage and agency commissions in excepted and non-excepted territory were adopted at the meeting of the Union at the Waldorf-Astoria on December 1.

These recommendations were to the effect that on or before April 1, 1911, brokerages of 10, 15 and 20 per cent be established in what is now known as the excepted territory, and that when the brokerages are so fixed—or by April 1, 1911, at latest—the agency commissions paid by Union companies in such territory be limited to not exceeding 10 per cent overriding and 5 per cent contingent on the net profits, and that Union companies pledge themselves to immediately initiate action on the part of underwriting associations exercising jurisdiction in such territories providing for the prompt adoption of rules limiting brokerages to 10, 15 and 20 per cent in their respective districts, such limitation to be under a classification to be determined hereafter.

In ordinary or non-excepted territory it will be permissible, providing the pledges of the Union companies are carried out, to pay after January 1 next graded commissions of 15, 20 and 25 per cent on classes to be hereafter determined in Maine, New Hampshire, Vermont, Rhode Island, Connecticut and non-excepted portions of Massachusetts, New York,

New Jersey and Pennsylvania. In order to obtain such graded commissions agents desiring them will be required to enter into an approved form of contract against accepting from any company or companies any commission or allowances differing from or exceeding such graded commissions. Economy is thus provided for in the excepted territory where it is needed, while commissions are slightly increased in the non-excepted territory.

The plan will be elaborated on as to further details by the Committee of Seven. By obtaining membership in the Union of companies now operating outside, it is hoped that further good will be accomplished in restricting the evil of unlimited commissions.

The Southern managers will later make recommendations as to the field which is under the charge of the Southeastern Underwriters' Association.

C. S. COWLES DEAD.

C. S. Cowles, the former State agent for Minnesota and the Dakotas of the Royal, died last week of dropsy at Merriam Park, Minn. Mr. Cowles had been with the Royal twenty-seven years and retired on a pension last March.

No head of a family need look beyond the advertising columns of THE CHRONICLE for LIFE INSURANCE.

Examination of the Continental

EXAMINATION of the Continental Insurance Company, made by Isaac Fald of the State Department, to verify that company's increase of capital from \$1,000,000 to \$2,000,000 by a stock dividend made last March shows on the figures contained in the report that the company had even a larger net surplus than it claimed. The statement of liabilities and ledger and non-ledger assets is as follows:

LEDGER ASSETS.

Book value of real estate...	\$1,200,000.00
Mortgage loan	2,700.00
Book value of bonds and stocks	11,878,004.00
Cash in office.....	5,839.19
Cash in bank and trust companies	8,587,179.49
Agents' balances, representing business written within three months	892,254.21
Agents' balances, representing business written prior to three months.....	27,116.65
Bills receivable taken for premiums	201,042.19

Total\$22,794,135.73

NON-LEDGER ASSETS.

Interest accrued on bonds...	\$25,576.65
Interest accrued on bank deposits	1,729.67
Rent accrued	1,732.50
Due for reinsurance on paid losses	11,510.80
Market value of real estate over book value.....	381,250.00
Market value of bonds and stocks over book value....	978,306.50

Gross assets\$24,194,241.85

DEDUCT ASSETS NOT ADMITTED.

Agents' balances, representing business written prior to three months.....	\$27,116.65
--	-------------

Total admitted assets.....\$24,167,125.20

LIABILITIES.

Unpaid fire losses.....	\$394,383.36
Unearned premiums:	
On one year risks	\$1,925,833.70
On term risks..	5,871,145.51
Total unearned premiums...	\$7,796,979.21
Principal unpaid on scrip ordered redeemed	26,793.00
Interest due and accrued on scrip	6,068.40
Taxes on premiums accrued (estimated)	80,458.36
Federal tax accrued (estimated)	3,000.00
Due Bulgaria Insurance Company, on account of re-insurance contract	\$1,547.92
And Int. thereon..	20.10
	1,568.02
Due for other reinsurance...	24,397.07
Due for return premiums....	2,027.33
Sundry unpaid bills.....	26,581.92
Present amount payable to F. C. Moore under resolution of Board of Directors.	6,920.00

Liabilities except capital...	\$8,369,167.67
Capital	\$2,000,000.00
Special res. fund.	600,000.00
Guar. surp. fund.	600,000.00
Surplus	12,597,948.53
Surplus to policyholders.....	15,797,948.53

Total liabilities\$24,167,125.20

The Continental was organized in January, 1853, with a capital stock of \$500,000 and its charter was for thirty years. In 1883 the charter was extended for a like period. In 1872 the capital was increased to \$1,000,000 by the issue of 5,000 additional shares of a par value of \$100 each. In December, 1872, an assessment of 40 per cent was levied to make good an impairment of \$400,000 pursuant to a requi-

sition made by the Superintendent of Insurance of New York. In 1874 a special reserve and guaranty surplus fund was created to comply with a law passed that year. At the date of the examination there were three vacancies in the Board of Directors, which should under the charter have twenty-one members.

The annual dividends paid to stockholders varied from 10 per cent in 1853 to 55 per cent in 1909. In January, 1910, a semi-annual cash dividend of 35 per cent was declared, and in March the stock dividend of 100 per cent.

The report notes that in March of this year the company entered into a contract with the Fidelity-Phenix to issue joint policies under the title of Fidelity Underwriters. The company transacts business in practically every State in the Union and has a net premium income of over \$6,600,000 and an agency force of about 9,000 submitting daily reports to the home office. In addition it has about 2,500 agents writing farm business only, reporting to the office of the Western department in Chicago and under the supervision of C. R. Tuttle, a secretary.

Of the financial statement, it is noted that the item, "Bills Receivable Taken for Premiums," represents all notes taken for premiums on farm business not past due and on which an unearned premium liability was charged.

The report gives details of a settlement with F. C. Moore, the former President of the company for his contingent commissions. Mr. Moore received, in addition to his salary, a contingent of 5 per cent on the profits of the business. Upon his retirement in 1903 the amount due him was \$95,000 and the Board of Directors, in order not to swell the expense account unduly that year, resolved to pay him in instalments of \$1,000 a month for eight years. In 1905 the Directors resolved that in case Mr. Moore should be living at the end of the term, the monthly payments of \$1,000 should be continued during his life.

The examiners note the fact that while the company carried a contingent reserve in its annual statement, every year since the passage of the resolution, no mention was made of the liability for the sums payable to its former President under the contract covering his contingent commissions.

"Companies have been permitted to enter in their liabilities," says the report, "a contingent reserve for the purpose of covering unknown liabilities, but such reserve is not intended to cover any certain liability of which the company has knowledge." Consequently the company should have

carried as a separate liability the computed value of the monthly payments in question. At the date of the examination there were still seven monthly payments to be made and the present value of the aggregate amount, discounted at 3½ per cent, amounts to \$6,920, carried in the financial statement as a liability. It is noted also that no liability has been entered into for the payments of \$1,000 monthly after the expiration of the eight years if Mr. Moore is alive. The resolution was voluntary on the part of the directors, in the form of a pension, in consideration of former services and can be discontinued at any time.

With reference to the Fire Companies Building Corporation stock owned by the Continental, the report says:

"Among the securities owned as listed in the afore mentioned schedule 'A' attached hereto appear 2,640 shares stock of the Fire Companies' Building Corporation. This corporation was organized with a capital of \$1,500,000. On the date of this examination the total amount of stock subscribed and paid for was 5,280 shares, representing the sum of \$528,000, of which this company subscribed and paid for 2,640 shares and the Fidelity-Phenix Fire Insurance Company of New York 2,640 shares, these two companies being the only stockholders of the above-named corporation. The proceeds of the sale of such stock were used in purchasing two parcels of real estate at a total cost price of \$525,812.50.

"Subsequent to date of this examination the Fire Companies' Building Corporation purchased in the open market another parcel of real estate for \$207,500 and paid for same with the proceeds of 2,076 shares of stock sold in equal amounts to the above mentioned fire insurance companies. The Fire Companies' Building Corporation is a corporation whose business in so far as now appears consists in carrying on the business of real estate in its various branches. Its sole stockholders are the two corporations above mentioned. As provided in Section 16 of the Insurance law an insurance corporation may invest its surplus funds in the stocks, bonds or other evidences of indebtedness in any solvent institution incorporated under the laws of the United States or any State thereof, and such investment is, therefore, technically in compliance with such statutes."

It is to be observed, however, that Section 20 of the Insurance law has a particular bearing upon the purchase in question.

The salaries paid to officers are as follows:

Henry Evans, President, \$36,000, with 5 per cent contingent; George E. Kline, Vice-President, \$36,000; J. E.

Lopez, Second Vice-President and Secretary, \$7,500, with 1 per cent contingent; C. B. Tuttle, Secretary, \$6,000, with 1 per cent contingent; J. A. Swinnerton, Secretary, \$6,000; Hugh Rankin, Secretary, \$4,200; E.

W. T. Gray, Auditor, \$7,500.

The salary of Vice-President Kline was \$18,000, plus 2½ per cent contingent prior to March 1. The amounts of contingent paid for twelve months up to December 31, 1910, to various

officers were as follows:

Henry Evans, \$55,761.06; George E. Kline, \$10,258.41; J. E. Lopez, \$447.03; C. R. Tuttle, \$4,103.36.

The report also states the book and market value of the securities.

Workmen's Compensation in Ohio

TESTIMONY and argument before the Ohio commission which is studying the subject of employers' liability favored the German system of compensation to sick and disabled workmen and their families in case of death, in all cases except those due to the negligence or misconduct of the employer himself from an accident fund to which the workmen contribute 40 per cent, employers 45 per cent, the state 5½ per cent, with the remaining 9½ per cent made up from interest on a reserve fund.

Resolutions of the National Association of Manufacturers in favor of the German system with modifications have been followed by the Builders' and Traders' Exchange of Columbus and other Ohio exchanges.

At one of the sessions of the Ohio

commission James Connors, of Chicago, an officer of the International Order of Railroad Switchmen, advocated the enforcement of the jail penalty for employers who neglect the equipment of their machinery with safety devices. Fred C. Schwedtman, of St. Louis, and James A. Emery, of New York, who were sent to Europe by the National Association of Manufacturers to investigate European liability laws, championed the German system before the Ohio commission as against the English method of putting the entire burden on the employer favored at the Chicago conference of commissioners. Mr. Schwedtman favored the principle underlying the "relief departments" maintained by various railroads of the United States, though not outspoken in favor of compulsory relief contributions by employees unless enforced in all industries.

It developed before the Ohio commission that neither the Ohio Bureau

of Labor Statistics nor the State Department of Workshops and Factories could furnish information in aid of the inquiry, as they had no record of casualties other than volunteer reports from factories and a newspaper clipping service.

An attorney for the New York Central Railroad presented doubts as to the constitutionality either of compulsory compensation for injuries or compulsory contribution to an indemnity fund, and when asked for suggestions that would tend to avoid attack on constitutional grounds replied that no man to-day could do so in advance of a basis to work on. A representative of the Toledo Iron and Tool Company argued, on the other hand, that if a man can be compelled to contribute to the education of his children without violating his constitutional rights he can be made to contribute to a fund to indemnify him from the consequences of casualties in his vocation.

The
Columbian National Life
INSURANCE COMPANY
OF BOSTON, MASS.

**LIFE, ACCIDENT AND HEALTH
INSURANCE.**

The Only Massachusetts
Non-Participating Company

The New Columbian Policies are
Unexcelled in Clearness and Liberality.

Good Contracts and Territory for
Good Producers.

ARTHUR E. CHILDS, President.

**THE LEADING FIRE COMPANY
OF THE WORLD**



British Pension Schemes

PRESENT day pension schemes in Great Britain are the subject of the following comment in the "Financial News" of London:

The new scheme of superannuation allowance to civil servants is not without interest to insurance companies generally, as one of the benefits now granted takes the form of a cash payment of a year's salary to the representatives of those officials who die while still in the service. This is, of course, life assurance, though only of a temporary nature. It is an increasing term assurance extending in some instances, to forty years or more. Combined with this there is, under the new scheme a cash payment of not more than a year and a half's salary to be made to each official on his retirement. These two new benefits together form an endowment assurance of increasing amount, and, as such, constitute an important modification of the original Civil Service pension scheme.

The original method made provision for pensions only, and, however sound in theory, was open to certain practical objections. Under it no provision was made for a man's family in the event of his death either before or shortly after retirement—a problem which appears to be happily solved by the new act. The cost of the additional benefits is met by a reduction in the pensions, a scale of

half of the salary at retirement being substituted for the familiar two-thirds formerly allowed in all cases where the length of service was not less than forty years.

The effect of the new regulation is fairly obvious as regards life insurance. Henceforth civil servants will have less need to effect policies on their lives, and probably they will be content with assurances of smaller amount than hitherto. If we place the average amount of assurance at three times the individual salary, we see that policies to the amount of twice his salary will henceforth be sufficient for a Government official, and that, consequently, the amount of life business obtainable from this class may be expected to show a shrinkage of one-third. This, however, will affect one office only—the North British and Mercantile—which, by its rebate of 15 per cent off all premiums, has for many years past secured practically the whole of the life business of the civil service.

No institution employing men in positions of financial trust need look beyond the advertising columns of THE CHRONICLE for FIDELITY INSURANCE.

In New England

BOSTON, December 1.—To the old Boston firm of Field & Cowles, which so long has been identified with the New England management of the Royal, for fire insurance, authority has been given to represent in this section the marine department of that company as well. It is also expected that the affairs of the Royal Indemnity in New England will be put in charge of this firm. Furthermore, the General Fire of Paris, which was admitted to Massachusetts last Friday, has conferred its agency of the Boston and metropolitan district upon Field & Cowles. The General Fire will do a direct business in Massachusetts, and it is probably the first French company to do so since John C. Paige & Co. represented La Metropole and Reassurances Generales in days of yore.

Massachusetts Accident Company.

The Massachusetts Accident Company begins the celebration of its twenty-seventh anniversary to-day at the Hotel Bellevue, Boston. This afternoon there will be an agents' meeting with discussions of pertinent topics and the reading of papers germane to the business. President C. Leonard McNeill will deliver the address of welcome, all to be followed by dinner and a theatre party in the evening. To-morrow morning "anniversary applications" will be presented at the President's desk, followed by an afternoon session. For the evening a dinner and general good time beginning at seven o'clock sharp, is scheduled.

Aetna Manager Appointed.

Harry L. Hiscock has been appointed manager of the Aetna Insurance Company for Boston and vicinity. Mr. Hiscock has been in the employ of the Aetna since 1891, when he was appointed special agent of the company for the western New England field with headquarters at Hartford. When Mr. Adams, who had been in charge of the eastern field as special agent, was called to Hartford as assistant secretary in April, 1897, Mr. Hiscock was transferred to the Eastern division. He has always held a high rank among the field men of New England and has been active in the work of the exchange, where his co-operation and counsel are highly prized. He is a specialist on the Summer hotel hazards, but well acquainted also with fire underwriting conditions in general in this section. The new office conferred upon him is a fitting reward of long and faithful service.

Through a misprint in last week's issue the age of Mr. Hiscock's deceased predecessor, A. C. Adams, was given as "thirty-three," whereas sixty-

three should have been the age given.

Railroad Liable for Damages.

In an opinion handed down last week by the Massachusetts Supreme Court the exceptions of the defendant in the suit of John W. Dixon, of Fall River, against the New York, New Haven and Hartford Railroad were overruled and the plaintiff may recover damages. Dixon, who was employed as a teamster, was at the Fall River Railroad station loading goods on his wagon. An incoming freight train frightened the horses attached to a second wagon, causing them to run away. Dixon ran to the rescue of the second driver and in doing so was struck by the train and injured.

Committee Appointees.

A bulletin from the Secretary's office in Boston of the National Association of Local Fire Insurance Agents announces that Chairman J. H. Southgate, of the Grievance Committee, in accordance with the new rule adopted at the last convention, has selected these four associates: E. J. Tapping, Milwaukee, Wis.; F. W. Offenhauser, Texarkana, Tex.-Ark.; H. H. Hickok, Burlington, Vt.; John R. Weleh, Indianapolis, Ind. Chairman Markham, of the Committee on Legislation, has appointed the following members: A. F. Barbour, Yazoo City, Miss.; Horace M. Smith, Terre Haute, Ind.; W. F. Train, Savannah, Ga.; F. E. Alfred, Newport, Vt.; E. W. Beardsley, Hartford, Conn.; O. H. Millican, Austin, Texas; Knowles Hyer, Pensacola, Fla.; F. H. Wagner, Minneapolis, Minn.; B. F. Kauffman, Des Moines, Ia. President Heale has appointed the following to have charge of the programme for the annual convention in 1911: George D. Markham, St. Louis, Mo., Chairman; E. J. Tapping, Milwaukee, Wis.; Ed-

ward C. Roth, Buffalo, N. Y.

In regard to the proposed federation of the New England Association the "American Agency Bulletin" says: "It is not proposed to interfere in any way with the local efforts of the State organizations, nor with the larger work of the National Association, but to form a medium through which matters may be considered which concern the interests of all New England agents and bring about a degree of co-operation now lacking at times when it is most needed.

New England Brevities.

Fire Commissioner Daly, of Boston, favors the establishment of a fire prevention bureau under control of the Fire Department, and concentrating in that manner the fire preventive powers now distributed in various branches of the municipal service. This would undoubtedly improve the celerity, and thereby the efficiency, of such service.

* * *

The New Hampshire Association of Local Fire Insurance Agents is to hold its annual meeting at the Derryfield Club in Manchester on Wednesday next.

* * *

The John Hancock has appointed John R. Baird, of St. Louis, its general agent for Missouri, succeeding the late John J. Raleigh.

* * *

The Maine Fidelity Company has voted to increase its capital stock, now \$100,000, by the issue of \$900,000 additional, making a round million.

* * *

The Connecticut Mutual Life has opened a general agency at Atlanta, Ga., in charge of Oscar Palmer and H. G. Wells.

* * *

John R. Moody, heretofore identified with the Germania Life of New York, has accepted the position of Actuary with the Puritan Life of Providence. EMIL SCHWAB.

MILL MUTUALS HEARD.

The Legislative Committee, which is inquiring into the allegations of graft at Albany in connection with legislation devoted a great part of yesterday's sitting to hearing testimony given by officers of "mill mutual" fire insurance companies.

If conditions were not made to onerous, it was testified, the "mutuals" would be glad to begin doing business in New York, pursuing their established policy of charging minimum rates and employing no lobbyists or lawyers.

Roland W. Toppan, President of the Arkwright Mutual Fire Insurance Company and other similar organizations, engaged especially in the insuring of mills in New England, testified that a great reduction in rates by the stock companies had resulted from the competition of the mutual companies.

TAFT ON COMPENSATION.

President Taft, in his annual message to Congress on Tuesday made the following recommendation in regard to the need for a new system of employers' liability and workmen's compensation for industrial accidents in the United States:

"In view of the keen, widespread interest now felt in the United States in a system of compensation for industrial accidents to supplant our present thoroughly unsatisfactory system of employers' liability (a subject the importance of which Congress has already recognized by the appointment of a commission), I recommend that the International Congress on Industrial Insurance be invited to hold its meeting in 1913 in Washington and that an appropriation of \$10,000 be made to cover the necessary expenses of organizing and carrying on the meeting."

HARTFORD LIFE

**Wants You
If You Can Do Things.**

Write to
Hartford, Conn.

The Employers' Liability

Assurance Corporation, Ltd.

• LIABILITY, STEAM BOILER,
ACCIDENT, HEALTH, FIDELITY
and BURGLARY INSURANCE.

UNITED STATES BRANCH.

SAMUEL APPLETON, United States
Manager,

Employers' Liability Building,
33 BROAD STREET, BOSTON, MASS.

EDMUND DWIGHT,
Resident Manager for New York State,
66 MAIDEN LANE, NEW YORK.

AGENTS WANTED.

NOTEWORTHY ADVANCE.

The BERKSHIRE LIFE Insurance Company,

OF PITTSFIELD, MASSACHUSETTS,

takes an advanced step in the interest
of the policyholder by the adoption of
the following liberal features in its new
policy contract:

Low premium rates.

Large surrender values.

Dividends at the end of each policy
year.

Thirty-one days of grace in payment
of all premiums after the first year.

Paid-up insurance or cash surrender
value or extended insurance after two
years' premiums have been paid.

Loans for the full cash surrender
value.

Policy payable in one sum or in instal-
ments for terms of years.

Policy has no restrictions upon resi-
dence or travel and is incontestable after
the first policy year, except for non-pay-
ment of premiums.

Right of the insured to change the
beneficiary.

Liberal re-instatement privileges.

Every effort has been made to make
this new policy the very perfection in a
life insurance contract.

For further information apply to

JOHN H. ROBINSON, General Agent
FRANK ALLEN, Associate General Agent
For New York and New Jersey,
Postal Building,

253 Broadway, NEW YORK.

COMMERCIAL - UNION ASSURANCE CO., (LIMITED) OF LONDON.

OFFICE;

Cor. Pine & William Sts.

NEW YORK.

RIGHT NOW ——— WRITE NOW

LIVE ASSETS for LIVE AGENTS

Live, not Life Insurance, is the only ne-
cessity of life that has not increased in
cost.

It is a great asset for a Live Agent to
represent the largest health and accident
insurance company in the world, especially
at this time with compulsory workmen's
insurance imminent and employers' liabil-
ity insurance becoming costlier every day.
Up-to-the-second policies. Most liberal
contracts to agents.

CONTINENTAL CASUALTY CO..

H. G. B. ALEXANDER,
President.

1208 Michigan Ave., : : Chicago
"Often Copied: Never Equalled."

NATIONAL LIFE INSURANCE COMPANY of the United States of America



MORE THAN \$9,750,000.00 IN ASSETS
EXCESS SECURITY TO POLICYHOLDERS \$1,300,000.00

Chicago's Oldest and Strongest
Company

OUR NEW POLICIES ARE WORLD BEATERS

LOWEST RATES AND HIGHEST VALUES

YOU LOSE MONEY WHEN YOU NEGLECT YOUR CHANCE TO SELL THEM

Write to Robert D. Lay, Secretary, 159 La Salle St., Chicago.

THE FRANKFORT MARINE, ACCIDENT AND PLATE GLASS INSURANCE CO. OF FRANKFORT-ON-THE-MAIN GERMANY ESTABLISHED 1865.

United States Department, 100 William Street, New York, N. Y.

TRUSTEES:

RICHARD DELAFIELD, Pres. of National Park Bank
ERNST THALMANN, of Ladenburg, Thalmann & Co.
STUYVESANT FISH, 82 Wall Street, New York City.

C. H. FRANKLIN, U. S. Mgr. and Attorney JNO. M. SMITH, Sec. U. S. Branch

INSURANCES TRANSACTED
LIABILITY— Employers, General, Vessel Owners, Burglary
Public, Landlords, Contingent, Workmen's Collective
Teams, Elevator, Druggists & Physicians. Individual Accident & Health
Industrial Accident & Health

AGENTS WANTED FOR UNOCCUPIED TERRITORY

THE HOME LIFE INSURANCE COMPANY OF AMERICA

Incorporated 1899.



General Agents and District Managers who can
produce ordinary business can secure "Ground
Floor" contracts with **GUARANTEED RE-
NEWALS** and an assignment of territory limited
only by capacity to produce agency organization
and business. Send for Sample Policy. **IT IS
ONE YOU CAN SELL.** New business, \$3,500,-
000—January 1-Oct. 30, 1910.

Address

M. LALLY,
General Manager,

416-18-20 Walnut St., : PHILADELPHIA, PA.

JOHN LANGHAM, Jr., President.
JOSEPH L. DURKIN, Secretary.
EDWARD P. MADDEN, Treas.

Insurance Exchange Methods Explained

AT LAST Thursday's session of the New York Legislative Investigating Committee, the methods of the New York Insurance Exchange were explained at length and made a part of the record of the proceedings of the committee, upon which it intends to recommend legislation.

Albert W. Whitney, professor of insurance in the University of California and Actuary to the committee, presented statistics that he has compiled which tend to show the inequity of the coinsurance clause. His tables were based on fires in 10,000 frame mercantile buildings which he has investigated. The average amount of insurance was \$100. In 80 per cent the loss was less than 10 per cent; in only 5 per cent was it between 10 and 20 per cent. In less than 2 per cent of the buildings was the loss between 90 and 100 per cent, and in those it was practically 100 per cent. Professor Whitney's conclusion was that, although the co-insurance clause was equitable and just as between insurer and assured, it was not equitable and just that the loss payments should be fixed at an arbitrary 80 per cent, but that they should be graduated according to the amount of insurance. He pointed out that the coinsurance clause was a dangerous thing for those of the insured who did not understand it or who were not careful to keep their property insured up to 80 per cent as the value of the property rose.

Willis O. Robb, chairman of the New York Fire Insurance Exchange, was the next witness.

"What is the New York Fire Insurance Exchange, what does it do, and how does it do it?" asked Bruce.

In a preliminary statement Mr. Robb said:

"The New York Fire Insurance Exchange is a voluntary and unincorporated association formed pursuant to a permissive article in the by-laws of the New York Board of Fire Underwriters, allowing of the organization of tariff or rating associations by members of the board. It was organized in March, 1899, and comprises in its membership officers of local fire insurance companies and managers and head agents of out-of-town companies. Substantially every fire insurance company admitted to do business in the State and operating in New York City is represented in one or more of these ways in the exchange membership. There are about fifty-five 'company members'—i. e., companies represented by officers or general managers—and almost the same number of 'agency members'—i. e., head agents representing one or more companies in New York City.

"The exchange has two general spheres of activity—expenses and

rates. It exercises control over the compensation to be paid to brokers and certain classes of agents, and it fixes either specific or minimum rates for the writing of risks, separately or by classes. Strictly speaking, it does not do anything else. The exchange is as far as possible from exercising any control or influence over the division of premium income among its members or over the sharp and unceasing competition for business through their several and widely varying underwriting policies, methods of cultivation, preferences as to lines and classes. And it has no provision or machinery whatever for keeping in touch with or exercising any influence upon legislation, either municipal or State."

It was learned that the results of the ratemaking work of the exchange are embodied in printed rate cards, which are distributed in daily instalments to exchange members and filed in their rate cabinets for constant use. The expense of the exchange in printing and distributing cards alone is nearly \$60,000 a year. The membership of the exchange consists of about fifty-five companies, represented by officers or general managers, and a similar number of agency members, representing one or more companies in New York City.

The exchange rates are based on a stipulated ratio of insurance to value, says the statement submitted by Mr. Robb, and presuppose the attachment to every policy of either the 80 or the 100 per cent average co-insurance clause. The assertion is made that the exchange has done as much or more than any other agency, "both to improve the quality of so-called fireproof construction by charging for defects and to encourage by its very low fireproof building rates the multiplication of standard fireproof structures and the breaking up of great areas of conflagration breeders."

These conditions considered, it was argued that 'the exchange is doing, with intelligence, equity and an effectiveness that only its control over rates renders possible a work for the public good that no other public or quasi-public body can do in its stead.'

An effort was made by M. Linn Bruce, counsel for the committee, to draw from Mr. Robb the admission that the exchange exercises a monopoly of the fire insurance business. But the nearest Mr. Robb came to admitting that was to say:

"Practically all the business is done by members of our organization."

Mr. Robb said that when a fire insurance man became a member of the exchange he signed an agreement, but just how this agreement bound him was not made plain. He told Mr.

Bruce that there were no stock companies in the metropolitan district which are not members of the exchange.

The exchange was supported, partly by fees charged to fire insurance brokers entitling them to do business in the metropolitan district. Mr. Robb told the committee that he would be very glad to have them visit the exchange. The invitation was accepted.

Mr. Robb said in reply to questions that the National Board of Fire Underwriters has no control over tariffs and that the New York Fire Insurance Exchange is not subordinate to the New York Board of Fire Underwriters. There are rates as low as 5 cents and as high as 5 per cent on property in the metropolitan district, and some insurance men are inclined to believe that the highest rate prevailing now is not bearing its proper share of the fire losses and that the lowest rate is bearing more than its share. But Mr. Robb did not agree with such a view. He said that many attempts had been made to have the insurance companies adopt a uniform scale of classification.

"What effect does the competition of factory mutuals have upon your companies?" asked Mr. Bruce.

"It is not material in the congested districts of New York," said Mr. Robb.

Mr. Bruce wanted to know what has been done to cut down the number of small fire insurance brokers who have certificates from the exchange. Mr. Robb said that efforts had been made, but they did not seem feasible, "so long as political influence existed." Senator Wagner, of the committee, asked him what he meant.

"Most of the complaints against the exchange have come from brokers who have lost their certificates or have failed to obtain them," said Mr. Robb. He added that frequently the men making such complaints would get their district leaders or other pol-

The Connecticut Mutual

That means the best life insurance to have and the best to sell. If you can sell life insurance, you can sell more of it for the CONNECTICUT MUTUAL.

Men of Character and Ability are invited to apply.

Conn. Mutual Life Ins. Co.,
Hartford, Conn.

Please mention this paper.

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS is unsurpassed for net low cost and care of interests of all members.

THE PENN MUTUAL LIFE INSURANCE COMPANY OF PHILADELPHIA

On January 1, 1909, rates were reduced and values increased to full 3% reserve.

"The Leading Fire Insurance Company of America."



WM. B. CLARK, President.
W. H. KING, Vice-President.
HENRY E. REES, Secretary.
Assistant Secretaries,
A. N. WILLIAMS, E. S. ALLEN,
E. J. SLOAN, GUY E. BEARDSLEY.

NATIONAL LIFE Insurance Company, MONTPELIER, VERMONT.

Established in 1850.
Operating in 37 States.

JOSEPH A. DE BOER, President.
FRED A. HOWLAND, Vice-President
JAMES B. ESTEE, 2nd Vice-President
OSMAN D. CLARK, Secretary
H. M. CUTLER, Treasurer
A. B. BISBEE, Medical Director
C. E. MOULTON, Actuary

This Company held January 1, 1910,
and gained during the past decade:

ASSETS . . .	\$47,490,998.98
GAIN, 187 PER CENT.	
LIABILITIES . .	\$41,661,130.12
GAIN, 182 PER CENT.	
SURPLUS . . .	\$5,829,868.86
GAIN, 211 PER CENT.	
INSURANCE .	\$161,423,115.00
GAIN, 79 PER CENT.	

**Absolute Security and
Economy of
Management**

iticians to "make a loud and enduring noise" to get the exchange to issue the desired certificate.

"Does the 'loud and enduring noise' lead the exchange to issue the certificate?" asked Mr. Bruce.

"Not as a rule," he replied, "but the loud and enduring noises have their effect in the insurance business, as in almost every other sort of business."

Further knowledge of the actual operation of the 80 per cent co-insurance clause was extracted by the committee from this explanation contained in a pamphlet issued by the Hartford Fire Insurance Company:

"When the 80 per cent or reduced rate average clause is attached to a policy it means that the assured agrees to carry insurance equal to at least 80 per cent of the value of the

property involved. Failing so to do, he can recover only such proportion of any loss amounting to less than 80 per cent of the value of the property insured, as the amount of insurance he actually carried bears to 80 per cent of the value.

"Thus, if the value is \$10,000 and he carries \$5,000, he can recover but five-eighths of any loss that amounts to less than \$8,000—that is to say, of any loss which amounts to less than 80 per cent of \$10,000.

"On the other hand, however, when the assured carries insurance equal to 80 per cent of the value of the property insured the 80 per cent co-insurance or reduced rates average clause is of no effect, and the assured will recover the entire amount of his loss, be it large or small.

Rate Bill in Missouri

A NEW fire insurance rating bill drawn by Judge John Kenniser, former State Superintendent of Insurance for Missouri, has the support of the Missouri Association of Local Fire Insurance Agents. President Capen, of the association, claims that Governor Hadley vetoed the bill passed by the last Legislature at the request of the insurance companies, although the agents favored it because it allowed them to form rate administering associations, tended to cheaper rates because of publicity of schedules and was a benefit to property owners. The new measure provides for a State Insurance Commission of three members to be appointed by the Governor, with power to approve or to recommend changes in rates and general schedules, which must be submitted to the commission by fire companies doing business in Missouri. The bill also aims at the rebating evil with a provision penalizing departure by agents from rates filed with the Fire Insurance Commission.

Mr. Capen contends that similar measures providing for State regulation of fire insurance rates have proved beneficial in Kansas and Texas. An act passed in Louisiana is not yet in operation. Attorneys and underwriters believe, however, that any attempt at arbitrary regulation

of premium rates by the Legislature would come within the recent decision in the case of the American Surety Company against the State of Nebraska, regarding the power of a State Legislature to dictate rates.

In this case the right of a State board to make rates was disputed by the American Surety Company and Judge Thomas C. Munger, in the United States Circuit Court of Nebraska, held as follows:

"If the State may fix the amount of compensation for which an insurer may lawfully contract for furnishing such insurance, the State may dictate the price for which all other commodities shall be sold, including the price which may be paid for labor. This cannot be done. The Fourteenth Amendment to the Constitution protects the right of those engaged in purely private business to fix the price at which they will sell their service or commodities.

"It cannot be presumed that a Legislature intends any interference with a purely private business. It cannot ordinarily prescribe what an individual or corporation engaged in a purely private business shall charge for services."

It is argued from this decision that the surety or fidelity business is no more a purely private business than that of fire underwriting or plate glass or burglary insurance.

British Plans of Assurance

W A. BAIN, A. I. A., of the Manufacturers' Life Insurance Company, read a paper on "Plans of Assurance and Policy Writing" before the recent meeting of the Insurance Institute of Toronto, in the course of which he said:

Naturally the first question is,

What is a plan of assurance? Any plan of assurance is a contract under which one party called the insurer, usually the insurance company, agrees in consideration of a sum of money called the premium, to pay a larger sum of money to another party called the insured, on the happening of a designated contingency. In life insurance the contingencies provided

for are just two in number. First, the death of the insured within a certain specified period, and, second, the survival of the insured of a certain specified period.

A person desirous of insurance would, in the Canadian and American companies doing business in America to-day, have choice of some 200 or 300 so-called different plans of insurance. These are all simply modifications and combinations of the two contingencies above mentioned. From this the layman might infer that from an actuarial standpoint life insurance is very simple, but some of the combinations are very ingenious and quite complicated, as several benefits are provided for under the same policy.

To give an explanation of the particulars underlying the most common of our modern plans I would first ask your attention to two fundamental plans—namely, term insurance and pure endowment. First, then, term insurance. Under this plan the insurance is payable only if death occurs during a limited period of time. Taking the shortest term one year, we should arrive at the premium for a person aged, say twenty, as follows:

Entering the H^m mortality table, we find that between ages 20 and 21, out of 100,000 people living at age 10, there are 96,223 people living at age 20, and 95,614 at age 21; 609 die during the year, and if each of these 96,223, age 20, insured their lives for \$1 we should have to pay 609 claims, or \$609 during the year, and, leaving out all consideration of interest, each would have to contribute 609-96223 dollars. Now, if a company is able to make, say, 3½ per cent on this money and the sums assured are not paid until the end of the year the correct premium would be the present worth of 609-96223 dollars at 3½ per cent. This would give us \$.00611 as the net premium, to which a loading must be added for expenses, and we have the office premium for a one-year term policy for a person aged 20.

To get the premium for a two-year term the same reasoning holds good. Six hundred and forty-three of the 95,614 at age 21 die before reaching age 22, and, discounting 643-95614 for two years, and adding it to the single premium for our one-year term, we have the net premium for a two-year term insurance. Continuing this process, we get the net single premium for term insurance for any number of years. From the single premium the annual premium can at once be obtained by dividing by the correct temporary annuity due.

Second, endowments: By this I mean pure endowments, not endowments insurance—that is, a person aged 20 takes an endowment for, say, 20 years, for \$1. If he should die within the 20 years his heirs would get nothing, but would receive the \$1 only upon consideration of having arrived at age 40. To determine the single premium in this case of the 96,223 people living at age 20, 82,284 are alive at age 40, and an office insuring these 96,223 at age 20 would have to pay 82,284 claims in 20 years, and would have to charge each the present worth of 82284 divided by 96223 as a single premium for a pure endowment.

Having now explained these two fundamental plans, I will attempt to

show that other plans are merely a compilation of these in some form. First, take an endowment assurance rate: For example, a 20-year endowment for \$1,000. This consists of the 20-year term rate, which would return the insured his \$1,000 should death occur within the 20 years, together with the rate for a pure endowment for \$1,000, which will provide for the repayment of \$1,000 to the insured should he survive the 20 years. Second, Whole Life Policy: According to the H^m mortality table the insured will not reach a higher age than 98 years. The rates are calculated that he will die by that time. Should he survive this age the company would theoretically have no right to charge him any further premiums, as his policy should be, according to the table upon which his rates are calculated, paid to his heirs by that time. Hence, the Whole Life Policy consists of a term rate for 98 years, less the age of the insured, say 20, giving a term rate for 78 years plus a pure endowment payable at the age of 98.

Third, Limited Payment Life. Here the benefit is that of a Whole Life Policy, the premium being spread over a limited number of years, instead of the whole duration of life.

On some forms of the plans already touched upon—namely, Life, Limited Payment Life, Term or Endowment Assurance—probably 75 per cent of all life insurance is written. However, besides these, an applicant may secure protection in a great number of other ways. Whether a large variety of insurance plans is helpful in securing business or harmful, is a debatable question, but a wide choice should stimulate applicants, as there are various objects for which insurance is desired. One principle will, however, govern. The prospect should be impressed with the necessity of taking one on as short a term of payment as the circumstances will permit. Life is uncertain, and for this reason insurance is taken, but financial prosperity is more uncertain, and a larger proportion would meet with reverses than would die during, say, a period of 20 years. Hence from this point of view a Limited Payment Life Policy is preferable to an Ordinary Life with continuous premiums, and the shorter the payment term the greater the certainty of completing it and the larger are the guaranteed provisions of the policy to assist one in a case of emergency. I will only attempt to touch on a few of the most common special plans, usually found in the present-day rate book. In a general way all policies will divide themselves into two classes: First, those under which protection or pure insurance predominates. Second, those plans which combine the investment feature with protection. Under the first class I have already cited Life, Limited Payment, Life, and Term plans. To these may be added the Return Premium plan. This feature is added to several of the ordinary forms of policies, and offsets to some extent the objection to the loss of the accumulated profits on policies written under deferred dividend plans, should death occur during the accumulation period.

A person purchasing a return premium policy will receive something more than the bare face of his policy,

as the following analysis will show. For example, a 20-year endowment policy for \$1,000 with the return premium feature would consist of: First—A 20-year term insurance of \$1,000. Second—An increasing term insurance starting at the amount of the premium, and increasing by this amount each year until during the 20th year the term insurance would be \$1,000, plus 20 times the premium. Third—Pure endowment at the end of 20 years for \$1,000, to which must be added the profits payable. Hence it will be seen that whether the insured lives or dies something more than the \$1,000 is payable.

Another form of return premium policy provided to meet the loss of profits at death during the accumulation period and sold under various titles as a Compound Investment Plan, a Guaranteed Investment Plan, etc., is largely sold at the present time. Here all premiums paid usually after the 10th and before the completion of the accumulation period are returned along with the sum insured, should death occur during that period. The extra premium for this additional benefit is small at most ages and the plan has proved very popular. It has often occurred to me that probably this class of policies now so largely purchased by the insuring public will in the long run prove unsatisfactory. Insurance companies are well aware that it is hard enough for them to make settlements at the end of the accumulation period with which the insured is entirely satisfied.

The profits earned are usually somewhat below his expectation. Now the extra benefit under this class of insurance is an increasing term benefit. At the end of the term—that is, on the completion of the accumulation period—it has expired and has no value. The insured is prone to compare the amount of premiums paid with the cash returns offered in settlement. Hence it is going to be just that much more difficult for a company to satisfy a policyholder under one of these policies than under the straight plan without the additional return premium benefit.

Occasionally a person is thought to be of such value to a firm that an insurance is placed on his life payable to the firm, or, again, a joint policy is is-

(Continued on Page 13.)

Life Ins. Co. of Virginia

Home Office, Richmond, Virginia.

J. G. WALKER, President.
T. W. PEMBERTON, 1st Vice-President.
W. L. T. ROGERSON, 2d Vice-President.
E. D. HARRIS, Secretary.

The OLDEST Southern Life Insurance Company.

The LARGEST and STRONGEST Southern Life Insurance Company.

The PIONEER Southern Industrial Life Insurance Company.

Its policies are clear and definite in their provisions and their values are absolutely guaranteed.

Assets Dec. 31, 1909.....\$5,372,691.99
Liabilities Dec. 31, 1909.....4,312,405.32
Insurance in Force Dec. 31, 1909.....68,337,613.00
Total Payments to Policyholders since Organization 9,820,412.40

To Agents and Brokers!

Are you familiar enough with the new Liability Laws to advise and protect your clients' interests? We will gladly send any information on request.

THE

Philadelphia Casualty Co.

Walter Le Mar Talbot, President

Personal Accident, Health, Liability,
Automobile, Plate Glass and
Credit Insurance.

Ideas Help an Agent Sell
Policies

SECURITY MUTUAL LIFE INSURANCE COMPANY

Binghamton, N. Y.

Furnishes Ideas Through an
Educational System

For particulars address

HOME OFFICE

INCORPORATED 1823.

British America Assurance Company

HEAD OFFICE, TORONTO, CANADA

UNITED STATES BRANCH.

JANUARY 1, 1910.

Assets	\$1,556,740.94
Liabilities	902,438.61
Surplus	\$ 654,302.33

Hon. GEORGE A. COX, President.
JOHN HOSKIN } Vice-Presidents.
W. R. BROCK }
W. B. MEIKLE, General Mgr.

1860

50th YEAR

1910

HOME LIFE Insurance Company of New York.

GEORGE E. IDE, President.

Assets	\$23,626,018.63
Liabilities	21,858,691.52
(Including Deferred Dividend Fund)	
Dividend Endowment Fund	
(Deferred Dividends)	2,119,044.00
Net Surplus	1,767,327.09
Insurance in Force	92,532,583.80

The record for 1909 shows the following
GAINS:

Insurance in Force	\$4,164,239.00
Assets	1,917,117.00
Deferred Dividend Reserve...	148,581.00
Contingency Reserve (Surplus)	655,149.17

The year of 1910 is rapidly drawing to a close, this being the last quarter of the year.

The amount of money earned by the agents of the Philadelphia Life from now until the end of the year will more than equal the total earnings of agents of other companies for the year 1910.

If you are in a position to contract with the Philadelphia Life at this time, it would be to your interest; or, if you contemplate making a change at the close of the year, let us hear from you now, as perhaps the territory that you would prefer would be closed at that time.

Write Perry To-Day.



CAPITAL. \$500,000

THE "EMPIRE"

Stands for AGGRESSIVENESS
PROMPT PAYMENT OF LOSSES
and CLEAN METHODS.

Agents wanted who are unattached and can produce business.

Address Agency Department,
THE EMPIRE STATE SURETY CO.,
84 William Street, New York

PROSPEROUSLY BUSY!

Our agencies are steadily increasing this year's lead over the figures of our high record in 1909.

Our agents are prosperously busy. With Business Life Insurance and our unequalled Continuous Monthly Income policy they are reaching and satisfying the public and liberally rewarding themselves.

Inquiries invited from delivering producers.

GEORGE D. LANG,

Superintendent of Agencies,

Massachusetts Mutual Life Insurance Company,

Incorporated 1851.

Springfield, Massachusetts

BONDS OF SURETYSHIP.

The Guarantee Company of North America HEAD OFFICE, MONTREAL

Edward Rawlings, President.

H. E. Rawlings, Asst. Mgr.

Richard B. Scott, Secretary & Treasurer.

It is the Pioneer Company, was established in 1872, and is conducted under a conservative management of over 55 years experience.

It has recouped to employers over \$2,190,000 for losses sustained by the infidelity of employees and has a surplus of \$1,041,423.23 to credit of shareholders and total resources of \$1,919,892.38 for the security of insured.

Branch Offices:

NEW YORK: 111 Broadway,
D. J. Tompkins, Secretary.
BOSTON: 114 Milk Street,
W. A. Hamilton, Agent and Attorney.
CHICAGO: Room 400, The Temple,
J. R. Pruyn, Resident Sec. and Atty.
PHILADELPHIA: 500 Arcade Bldg.,
W. H. Jackson, Res. Secretary.
PITTSBURG: 1120 Farmers Bank Bldg.,
E. R. Munro, Resident Secretary.
LOUISVILLE: 316 Columbia Bldg.,
P. N. Clarke & Co., Agents.

Insurance News in the West

CHICAGO, Dec. 7.—It is understood that the Western Insurance Bureau companies have found it necessary to consider some sort of a separation movement. While the word "separation" has not been used by the bureau and at an earlier stage some of its officers were particular to say that that question had not been considered, the companies are now said to be beginning to feel the need of some measure to protect their classifications. They find themselves in much the same position as union companies used to be when they had a flat commission and the non-union companies in the agencies, which paid graded commissions, got the cream of the business. So the excess commission companies in agencies with bureau companies now are beginning to get preferred business which the bureau companies had before they adopted their present commission scale.

It already has been strongly intimated from a prominent bureau manager that the companies in that organization would find ways of dealing with companies that would not do business along approved lines—in other words, with excess commission companies in bureau agencies. While he did not specify what course was pursued, he left the impression that in flagrant cases the bureau companies were likely to give the agent the choice of representing them or the excess commission companies, but not both. It goes without saying that no strong, important class of companies will allow choice business to be pirated from the books of those companies without at least putting up strong measures to prevent it.

The old question of fire insurance titles, which has been discussed from time to time in the West, is up again because of the action of the Jefferson Fire in giving Edward Bliven the title of "Western Manager." Mr. Bliven until recently was special agent for several Western States. When Montgomery & Funkhouser resigned their general agency the States they had handled were turned over to Mr. Bliven's supervision and an assistant was given to him. It was then the company changed his title.

In other days the title "general agent" was used only by one in charge of a department, to which agents in the territory in which the underwriting was done reported their business. Then some companies which had a special agent in charge of several States, who had one or more assistants, gave the supervising field man the title of general agent in order to distinguish him from his assistants. This was confusing, as many agents supposed he managed a department, but so many companies

followed this course that the title "general agent" came to have no fixed meaning. Although many general agents in charge of large departments continued to hold their old titles, there has been a tendency among insurance men to call them "managers," to distinguish them from the so-called "saddle general agents," who do not have departments. Now that the title of manager has been given to a supervising field man, there apparently is no way left of distinguishing by title alone those who manage departments from those who do not.

Announcement last week of the appointment of Charles R. Street to succeed J. H. Lenahan in the management of the Western department of the Fidelity-Phenix caused considerable interest in the West, although there was no expectation that anybody else would be appointed. It was noticeable that Mr. Street was not made general agent, as Mr. Lenahan had been, but secretary of the company, thus following the Continental's system of having an executive officer in charge of the Western department. That the department will continue to make fine progress nobody doubts. Mr. Street has so thorough a knowledge of every detail of the company's Western business that nothing but a successful administration can reasonably be expected.

The Life Underwriters' Association of Chicago last week elected eighteen new members at one meeting and had the most profitable programme it has enjoyed in years. The news that Pittsburg recently took in thirty new members seems to worry Chicago somewhat; not that it would have Pittsburg do less, but that it would do more. The January meeting will be "ladies' night" in the Chicago association. Shop talk will be barred, but the members hope to make a gallant show before the ladies by adding at least thirty new members to the list.

This coming winter will probably see the enactment of numerous workmen's compensation laws in the West. Recently Commissioners from the various states conferred in Chicago and decided that if possible the laws on this subject should be uniform, but the signs do not point strongly to uniformity. The Wisconsin commission has drafted one tentative bill after another and held hearings upon each, endeavoring to get all views. In Washington, on the other hand, if newspaper reports be correct, the whole bill except the details, was agreed upon offhand. It provides for a state system, with no provision for the use of insurance corporations. In Ohio there appears to be a con-

siderable sentiment in favor of the principle of the German system, with the employer, the employes and the state all contributing to a fund from which to compensate injured workmen.

Latest reports from Iowa are to the effect that sentiment among members of the legislature elect favors the separation of the banking department from the office of the Auditor of State rather than the creation of a separate insurance department. Under the present law the Auditor performs the duties usual to that office and has supervision of banks and insurance also. Two years ago an effort was made to take both the banking and the insurance departments out of the Auditor's office and make them separate departments. This was understood to be a movement unfriendly to the present Auditor and it came to naught. In Iowa, however, with a Legislature composed of some Democrats and two varieties of Republicans, at war with each other, it is hard to tell what the law makers will do.

Reports published last week to the effect that ex-Commissioner Barry of Michigan already had "yumped his job" as head of the casualty publicity bureau were disquieting. It was a relief later in the week, when it was reported that he had reconsidered his acceptance of the assistant secretaryship of the Metropolitan Life. With the legislative sessions only a month away and with the probability of no end of bills affecting various branches of the casualty business, the companies would have been in a plight if Mr. Barry had failed them.

Several of the Chicago burglary insurance managers are giving some serious thought to the question of "mysterious disappearance" claims. These are a serious factor in running

GOOD AGENTS FIND
The Union Central
Life Insurance Company
 Of Cincinnati, O.,
A GOOD COMPANY

Address: JESSE R. CLARK,
 President, or ALLAN WATERS,
 Superintendent of Agents.

up the loss ratios of some offices and one manager has expressed his intention of holding off on the payment of such claims, even though it does cause protests to be made by the brokers. Another manager says that within the last few weeks he has received a large number of claims for stolen wearing

apparel. In many cases people looked for their winter wraps or furs, and, being unable to find them, made claims on the burglary company. In several of these cases the assured reported later that they had found the missing property.

LA SALLE.

Travelers in Canada

IN ITS issue of December 1 the "Hartford Courant" publishes the following editorial in regard to the Travelers in Canada:

The Travelers Insurance Company has been doing business in Canada ever since 1865. It has more than \$3,000,000 invested there. Its Canadian life risks total more than \$11,000,000 and its accident risks about \$76,000,000. "The Travelers" is a name to conjure with in the intelligent portions of the Dominion.

That's why certain persons procured (year before last) the passage by the Dominion Parliament of a special act incorporating them as the "Travelers Life Assurance Company of Canada," and have begun to solicit business under that name. Our Hartford company applied to the Superior Court at Montreal for an interlocutory order restraining those piratical persons from making any use of the name until the question of their right to use it should be judicially determined. The application being denied, an appeal was taken to the Court of King's Bench. The "Montreal Gazette" in a recent issue contains the text of the appellate tribunal's decision and of the written and filed opinions.

The decision is that the judge of the court below (his name is Lafontaine) was right in refusing to issue the temporary injunction; the appeal is dismissed with costs. It's Mr. Justice Laverne who delivers the opin-

ion, Mr. Justice Archambault and Mr. Justice Trenholme concurring. They base their decision upon the supremacy of Parliament when acting *infra vires*. "The respondent bears the name which was granted to it by the Parliament of Canada, after opposition on the part of the appellant," says Mr. Justice Laverne. "The courts cannot interfere to prevent the use by respondent of the name thus given to it."

The Chief Justice (Sir Louis A. Jette) and Mr. Justice Cross dissent. The former says:

The name was selected so that the new company could benefit by the reputation earned by the old company. The charter was granted by Parliament, after the appellant had contested respondent's right to incorporation under the name it now bears, but by so doing Parliament could not intend and did not intend that the respondent should injure the appellant. That such injury has been suffered, and is liable to continue, is abundantly proved by the evidence of record.

Mr. Justice Cross says:

"There is practically no controversy as to the facts. The question has been reduced into a mere question of statutory construction. The injury is clear. The time to grant relief is now and not after the mischief will have been done. At present the old established company has everything to lose. The infant company has everything to gain and nothing to lose. The inconvenience to be suf-

fered because of the new order of things ought to be borne by the disturbing party. In such circumstances an injunction can be appropriately granted by a court of appeal."

They were outvoted and overruled for the time being, but they had common sense and the self-evident equities on their side. We confidently expect a reversal of this Montreal decision.

HERE AND THERE.

In conjunction with his present duties as Secretary of the Assurance Company of America, Charles S. Conklin has received the appointment of superintendent of the agency department for Edward E. Hall & Co., succeeding C. B. G. Gaillard, who has resigned. Mr. Conklin entered the Hall office on December 1 and made it his headquarters. It is understood that there will be co-operation between this office and that of the Assurance Company of America.

* * *

A committee authorized on the initiative of a representative of the Department of Commerce and Labor at the Chicago conference of the Employers' Liability Commissioners of eight States to compile for the labor bulletins of the United States Government the data obtained at hearings held by the Commissioners of the various States has been made up. The members are Hollis R. Bailey and James A. Lowell, of Boston, and W. J. Rohr, of Cincinnati.

* * *

From officers and managers of the plate glass insurance companies come gloomy reports as to settlement of losses, owing to the continued strike of glaziers. As something like 50,000 lights of plate glass are placed annually, the strike has caused commensurate harm and annoyance.

"THE COMPANY WITH THE PYRAMID"

40 CONSECUTIVE YEARS OF PYRAMIDAL PROGRESS

1865	1866	1867	1868	1869	1870	1871	1872	1873	1874	1875	1876	1877	1878	1879	1880	1881	1882	1883	1884	1885	1886	1887	1888	1889	1890	1891	1892	1893	1894	1895	1896	1897	1898	1899	1900
2,937,319.76	3,163,880.05	3,400,940.17	3,646,783.34	3,902,626.51	4,168,469.68	4,444,312.85	4,730,156.02	5,026,000.19	5,331,844.36	5,647,688.53	5,973,532.70	6,309,376.87	6,655,221.04	7,011,065.21	7,376,909.38	7,752,753.55	8,138,597.72	8,534,441.89	8,940,286.06	9,356,130.23	9,781,974.40	10,217,818.57	10,663,662.74	11,119,506.91	11,585,351.08	12,061,195.25	12,547,039.42	13,042,883.59	13,548,727.76	14,064,571.93	14,590,416.10	15,126,260.27	15,672,104.44	16,227,948.61	16,793,792.78

NEW HAMPSHIRE FIRE INSURANCE CO.

1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916	1917	1918	1919	1920
1,505,101.00	1,588,816.66	1,679,157.79	1,775,900.00	1,878,041.12	1,985,582.24	2,098,623.36	2,217,164.48	2,341,205.60	2,470,746.72	2,605,787.84	2,746,328.96	2,892,370.08	3,043,911.20	3,200,952.32	3,363,493.44	3,531,534.56	3,705,075.68	3,884,116.80	4,068,657.92

TOTAL LIABILITIES \$2,585,953.23
POLICY-HOLDERS' SURPLUS \$2,610,064.23

OLDEST
IN
AMERICA

STRONGEST
IN THE
WORLD

THE MUTUAL LIFE Insurance Company of New York

Mutual Life Agents Make Most Money
Because Mutual Life Policies Sell Most Freely

For terms to producing agents, address

GEORGE T. DEXTER

2nd Vice-President

34 Nassau Street

New York, N. Y.

BRITISH ASSURANCE PLANS.

(Continued from Page 9.)

sued covering the lives of all the firm payable upon the death of the first. But since the premiums in most cases approach too closely to the sum total of the premiums for like amounts upon the lives of all the members separately, this plan has never become very popular. Then there is the feeling that if insurance is a good thing it should not cease upon the lives of the surviving members of the firm, because the life of one member has failed. A more popular and better way is for each member to take separate insurance in favor of the firm, the premium to be paid out of the firm's profits.

In all the foregoing plans, a person taking insurance stipulates to pay a level premium from the beginning until the maturity of his policy. There is still another class of insurance where the premiums increase year by year. It is merely term insurance with the option to continue it from year to year without medical examination at the correct one-year term rate for his then attained age. Under this plan he pays year by year the exact premium to carry his risk for his attained age. Frequently the renewable term plan is applied to insurance at fixed rates for longer periods, 5, 10 or 20 years. In the long run this class of insurance is not satisfactory, one objection being that it is exceedingly difficult to prove to any dissatisfied person who has paid premiums for 10 or 20 years, that he has already obtained value in protection for the premium that he has paid and that no surrender value attaches to the policy. The insured gets the largest amount of protection possible for the premiums paid, but there is no accumulation of personal savings and the premium ultimately becomes unbearably high.

Special contracts involving the combination of some form of insurance with the savings bank principle are frequently met with. Mention will be made of three, namely: Instalment policies, continuous instalment policies and gold bond or debenture bonds.

The instalment feature may be attached to any form of policy and is devised in order to furnish the protection of income for a stipulated number of years after the decease of the insured or the maturity of the policy. Here the sum assured, instead of being payable in one sum, is payable in a fixed number of instalments. The face value of the policy is the present worth of this annuity certain, and, of course, the premium is lower than for a policy of a similar amount, where the insurance is payable in one sum.

The instalment policy has the objection that the payments might cease before the beneficiary ceased to need the protection. To provide against this, the continuous instalment policy has been devised. Here a certain beneficiary may be named during whose lifetime the company will pay a fixed income with the further provision that in the event of this beneficiary dying before the twenty payments have been made, the payments

will continue for the full period of twenty years. Hence, the plan consists of a combination of the survivorship annuity with an annuity certain for twenty years. The same feature may be applied to endowment insurance, the instalments being paid to the assured himself, or to the last survivor of himself and a beneficiary.

Gold bond or debenture bond: This policy, instead of being payable to the beneficiary when the policy becomes a claim, is retained by the company and a fixed per cent of the face of the policy (often 5 per cent) is paid for a certain term of years, at the end of which the principal sum is payable. Any rate of interest may be granted, the premium payable under the assurance contract being adjusted to provide for interest at rate stipulated.

Children's endowments have never been as popular in Canada as in some other countries. Many schemes have been evolved for insurance on the lives of children. In most instances, however, it is difficult for a parent to establish an insurable interest in the life of his child, and for this reason the maximum amount of insurance depending on the age of the child has

been fixed by law. However, several endowment schemes depending on the life of the parent to provide a dowry for a daughter or a cash payment for a son to assist him at the start of his business career might be mentioned.

The benefit of a few are as follows:

First—An endowment payable at some fixed date, often when the child arrives at age 21, the premiums to cease if the death of the parent, who is the person insured, occurs during the endowment period. If the child should die before attaining age 21, the proceeds of the policy would be payable to the insured's estate at the anniversary of the policy during the year the child would have attained his 21st birthday had he lived.

Second—Policy providing similar benefits to those above, with the extra conditions that if the child predeceases the parent all premiums paid will be returned the parent and the contract terminated.

Third—Policy providing similar benefits to (2), the premiums, however, being returned with either simple or compound interest at some fixed rate.

Holiday Hazards

WARNING to policyholders as to extra hazards attendant upon the holiday season has been issued by the Survey Bureau of the New York Board of Fire Underwriters in the form of the following circular:

Your attention is hereby respectfully called to the fact that the introduction about premises of Christmas greens, harvest specimens and other inflammable materials, such as cotton to represent snow, and the like, the use of moving picture machines, introduces an additional hazard not contemplated by the underwriters in issuing policies of indemnity covering the usual fire hazard, and in this connection we refer you to one of the conditions of the standard form of fire insurance policy, wherein it is stipulated that "this entire policy, unless otherwise provided by agreement, indorsed hereon or added hereto, shall be void, etc., etc., if the hazard be increased by any means within the control or knowledge of the insured."

So many disastrous fires have occurred not only in mercantile establishments, but in churches, public buildings, etc., caused by the introduction of such decorations and exhibitions, and the danger to life and property is so great, that the practical prohibition of this class of display is deemed necessary by the New York Board of Fire Underwriters.

The installation of electric wiring for display or advertising purposes often introduces a serious fire hazard, unless the work is carefully done by men who are thoroughly competent and familiar with the necessary safeguards for this class of hazard.

We desire to call your attention to the fact that fire insurance contracts require that all additions, changes or

alterations made in electric equipments be reported to and approved by this board.

MEN OF ENERGY ARE OFFERED WORK OF MOMENT

In desirable localities representing a sixty-year old institution, with modern, liberal, law-conforming policies, and helpful Home office co-operation. Much good territory available. Many opportunities for advantageous positions. Inquire NOW.

UNION MUTUAL LIFE INSURANCE COMPANY PORTLAND, MAINE

FRED E. RICHARDS, President.

Address either: **ALBERT E. AWDE,**
Supt., 396 Congress St.,
Portland, Maine.
THORNTON CHASE,
Supt., 405 Exch. Bldg.,
Los Angeles, Cal.

201ST YEAR.

SUN Insurance Office OF LONDON.

FOUNDED 1710.

UNITED STATES BRANCH:

54 PINE STREET, NEW YORK.

WESTERN DEPARTMENT:

171 LA SALLE ST., CHICAGO.

PACIFIC DEPARTMENT:

Sansome & Sacramento Sts.,
SAN FRANCISCO, CAL.

AGENTS WANTED
AT UNREPRESENTED POINTS.

Fraternalist Harmony Imminent

FRATERNALISTS have come to an agreement as to the details of a uniform bill to be introduced in the Legislatures of all the States at the coming sessions regarding enlarged supervision of fraternal orders by State insurance departments, periodic valuation of membership certificates and adequacy of rates. At the September, 1909, convention of the Insurance Commissioners, held at Colorado Springs, resolutions were adopted in favor of legislation providing for valuation of all membership certificates promising death benefits on a mortality table not lower than the National Fraternal Congress table, at 4 per cent interest; that new members be admitted on a basis no lower than the National Fraternal Congress table, for terms as well as for whole life certificates; that death benefits be limited to \$3,000; for safeguarding investments; for separation of expense funds, and for total and permanent disability benefits in lieu of death benefits.

A committee of the Commissioners met in the following December in conference with representatives of the Associated Fraternities of America and the National Fraternal Congress, and in April of this year the committee submitted a tentative bill to the representatives of the orders containing thirty-two sections.

At a meeting in June representatives of the Fraternal Congress contended for a minimum rate of contribution applicable to all members and all societies after a fixed date, but minimum rate legislation was opposed by officers of the Associated Fraternities. An agreement on a substitute was reached, however, and as a result the committee of the Insurance Commissioners put out a revised tentative draft. The revision omitted a provision that valuation should not be a test of solvency and failed to define solvency to the satisfaction of the Associated Fraternities representatives.

Further conferences followed between the two organizations, their differences were adjusted and the result of their agreement was embodied in a redraft of Sections 23 and 23A of the draft, which was accepted by the convention of the Insurance Commissioners.

The text of these sections, embodying the settlement of the points at issue between the two camps of fraternalists is as follows:

Section 23. (Annual Reports.) Every society transacting business in this State shall annually on or before the first day of March file with the Superintendent of Insurance, in such form as he may require, a statement under oath of its President and Secretary or corresponding officers, of its condition and standing on the thirty-first day of December next preceding, and of its transactions for the year

ending on that date, and also shall furnish such other information as the Superintendent may deem necessary to a proper exhibit of its business and plan of working. The Superintendent may at other times require any further statement he may deem necessary to be made relating to such society.

In addition to the annual report herein required, each society shall annually report to the Superintendent a valuation of its certificates in force on December 31 last preceding, excluding those issued within the year for which the report is filed, in cases where the contributions for the first year in whole or in part are used for current mortality and expenses, provided the first report of valuation shall be made as of December 31, 1912. Such report of valuation shall show, as contingent liabilities, the present mid-year value of the promised benefits then subject to valuation; and, as contingent assets, the present mid-year value of the future net contributions provided in the constitution and laws as the same are in practice actually collected. At the option of any society, in lieu of the above, the valuation may show the net value of the certificates subject to valuation hereinbefore provided and said net value, when computed in case of monthly contributions, may be the mean of the terminal values for the

end of the preceding and of the current insurance years.

Such valuation shall be certified by a competent accountant or actuary, or, at the request and expense of the society, verified by the actuary of the Department of Insurance of the home State of the society, and shall be filed with the Superintendent within ninety days after the submission of the last preceding annual report. The legal minimum standard of valuation for certificates, except for disability benefits, shall be the National Fraternal Congress Table of Mortality, as adopted by the National Fraternal Congress on August 23, 1899, or, at the option of the society, any higher table, or, at its option, it may use a table based upon the society's own experience of at least twenty years and covering not less than 4 per centum per annum. Each such valuation report shall set forth clearly and fully the mortality and interest basis and the method of valuation. Any society providing for disability benefits shall keep the net contributions for such benefits in a fund separate and apart from all other benefit and expense funds and the valuation of all other business of the society; provided that where a combined contribution table is used by a society for both death and permanent total disability benefits, the valuation shall be according to

JANUARY 1st, 1911

The Pittsburgh Life and Trust Company

WILL OPEN SEVERAL STATES

Do You Want a General Agency?

Assets more than - - - - \$23,000,000

Insurance in force more than - - 75,000,000

Income more than - - - - 4,000,000

W. C. BALDWIN, President

Address Home Office, Pittsburgh, Pa.

New York Insurance Stocks

Casualty Companies.

	Capital.	Approx. Annual	Div.	Period.	Bid.	Ask.
Aetna Indemnity (\$25)....	\$350,000	V	V	...	200	
Casualty Co. of America...	500,000	6	J&J	120	150	
Fidelity & Casualty.....	1,000,000	18	"	450	590	
Hartford Steam Boiler....	1,000,000	10	"	255	265	
Metropolitan Casualty	200,000	10	"	185	...	
N. Y. Plate Glass (\$50)....	200,000	16	"	500	...	
United States Casualty....	500,000	10	Q	200	225	

Fire Companies.

City of New York.....	\$500,000	10	Q	...	205	
Commonwealth	500,000	10	J&J	326	...	
Continental	2,000,000	40	"	1,025	1,075	
Empire City	200,000	8	"	125	...	
Fidelity-Phenix	2,500,000	V	V	310	315	
German Alliance	400,000	15	J&J	275	300	
German-American	1,500,000	30	"	550	560	
Germania (\$50)	1,000,000	18	"	285	295	
Glens Falls (\$10).....	200,000	30	"	1,525	...	
Globe & Rutgers.....	400,000	40	Q	475	500	

Hanover (\$50)	1,000,000	15	J&J	200	210	
Home	3,000,000	30	"	640	650	
Nassau (\$50)	200,000	10	"	165	175	
Niagara (\$50)	1,000,000	20	"	300	305	
North River (\$25).....	350,000	10	A&O	155	165	
Pacific (\$25)	200,000	14	"	185	...	
Peter Cooper (\$20)	150,000	6	"	90	105	
Stuyvesant	400,000	10	"	155	160	
United States (\$25).....	250,000	V	V	60	70	
Westchester (\$10)	300,000	40	F&A	455	...	
Williamsburg City (\$50)..	250,000	20	J&J	380	400	

Life Companies.

Aetna Life	\$2,000,000	15	Q	650	660	
Connecticut General	300,000	8	J&J	250	...	
Equitable	100,000	7	A	300	...	
Germania (\$50)	200,000	12	J&J	210	225	
Hartford Life	500,000	10	"	150	...	
Home	125,000	12	M&N	275	...	
Manhattan Life	100,000	26	O&F	400	425	
Metropolitan (\$25).....	2,000,000	7	M&N	155	175	
Prudential (\$50)	2,000,000	10	Q	450	500	
Travelers' Hartford.....	2,000,000	20	Q	900	...	
United States Life.....	264,000	7	J&J	90	105	

V—No information. Q—Quarterly.

tables of reliable experience and in such case a separation of the funds shall not be required.

The valuation herein provided for shall not be considered or regarded as a test of the financial solvency of the society, but each society shall be held to be legally solvent so long as the funds in its possession are equal to or in excess of its matured liabilities.

Beginning with the year 1914 a report of such valuation and an explanation of the facts concerning the condition of the society thereby disclosed shall be printed and mailed to each beneficiary member of the society not later than June 1 of each year, or, in lieu thereof, such report of valuation and showing of the society's condition as thereby disclosed may be published in the society's official paper and the issue containing the same mailed to each beneficiary member of the society. The laws of such society shall provide that if the stated periodical contributions of the members are insufficient to pay all matured death and disability claims in full and to provide for the creation and maintenance of the funds required by its laws additional, increased or extra rates of contribution shall be collected from the members to meet such deficiency; and such laws may provide that upon the written application or consent of the member his certificate may be charged with its proportion of any deficiency disclosed by valuation, with interest not exceeding 5 per centum per annum.

Section 23A. (Provisions to Insure Future Security.) If the valuation of the certificates, as hereinbefore provided, on December 31, 1917, shall show that the present value of future net contributions, together with the admitted assets, is less than 90 per centum of the present value of the promised benefits and accrued liabilities, such society shall be required thereafter to reduce such deficiency not less than 5 per centum of the total deficiency on said December 31, 1917, at each succeeding triennial valuation. If at any succeeding triennial valuation such society does not show such percentage of improvement the Superintendent shall direct that it thereafter

comply with the requirements herein specified. If the next succeeding triennial valuation after the receipt of such notice shall show that the society has not made the percentage of improvement required herein, the Superintendent may, in the absence of good cause shown for such failure, institute proceedings for the dissolution of such society, in accordance with the provision of Section 24 of this act, or, in the case of a foreign society, he may cancel its license to transact business in this State.

Any such society, shown by any triennial valuation, subsequent to December 31, 1917, not to have made the improvement herein required shall,

within a year thereafter, complete such deficient improvement, or thereafter as to all new members admitted be subject, so far as stated rates of contribution are concerned, to the provisions of Sections 12 of this act, applicable in the organization of new societies; provided that the contributions and funds of such new members shall be kept separate and apart from the other funds of the society until the required improvement shall be shown by valuation. If such required improvement is not shown by the succeeding triennial valuation then the said new members may be placed in a separate class and their certificates cancel its license to transact business.

Oregon's Employers' Liability Law

OREGON'S recent law regarding the protection for persons in hazardous employment, defining and extending the liability of employers and providing that contributory negligence shall not be a defence, was indorsed by the Oregon State Federation of Labor, and in the argument advanced in its favor it is stated that "this is a call of the plain people to the plain people for relief." As a result the liability companies doing business in that State have instructed their agents to submit business only upon the rates advised in the 1904 Manual, without the differential. This doubles the rates formerly in use.

"The relief for the plain people in this case will be that they will have to pay the excess charges," says the "Pacific Underwriter." "Under present conditions it is impossible for the liability companies to calculate an adequate premium for which to accept the liability and relieve the employer.

"Oregon has gone further in this law than any other State, inasmuch as it fails to fix a maximum amount of damage and has also removed the fel-

low servant defence. Whether it will stand the test of the courts remains to be seen. The liability now is chargeable solely to the employer in a far greater amount than under the old statutes. He is practically unable to calculate his liability, and this is borne out by the fact that the insurance companies, whose business it is to estimate such liability are entirely at sea. The burden ultimately will not have to be borne by the employer."

RECTOR 2817

ESTABLISHED 1864

E. S. BAILEY

DEALER IN

INSURANCE STOCKS

A SPECIALTY

66 Broadway

NEW YORK

The Insurance Salesman Equipped With



Prudential Policies is well on the way to success. Their liberal features, high guarantees and low cost help to sell them.

Write Us About an
Agency.

THE PRUDENTIAL
Insurance Company of America.

Incorporated as a Stock Company by the
State of New Jersey.

John F. DRYDEN, President. Home Office,
NEWARK, N. J.

WESTERN ASSURANCE CO.

HEAD OFFICE,
TORONTO, - - CANADA.

Incorporated 1851.

Hon. GEORGE A. COX.....President
W. R. BROCK and JOHN
HOSKIN, K. C. LL. D., Vice-Presidents
W. B. MEIKLE.....General Manager

United States Statement, Jan. 1, 1910.

Assets\$2,377,303.37
Surplus in United States..... 839,268.07

SPECIAL OPPORTUNITIES offered now in Southern States to
Representatives of

CITIZENS NATIONAL LIFE INSURANCE CO.

W. H. GREGORY,
President.

Germania Fire INSURANCE CO.,

NEW YORK.

ORGANIZED 1850.

Cash Capital.....\$1,000,000.00
Assets\$6,562,329.14
Net Surplus.....\$2,008,419.02
Surplus for Policyholders,\$3,008,419.02

HEAD OFFICE:

Cor. William and Cedar Streets.

Chronicle Paragraphs

ON THE 1st of January important and somewhat radical features will become operative as to the issuance of policies in this State (both fire and liability), by reason of department decisions and newly enacted laws which take effect on that day. Two notable items are those relating to the new typewriter form of policy (without change of standard conditions) and the requirement, under the Superintendent's ruling, that all applications for accident, disability and health insurance must be signed by the applicant. Also, no beneficiary benefits will be permitted on accident policies after the first of next year.

Regarding the first-named innovation, local underwriters do not seem to think that the typewriter form of policy, which has been accepted for optional use only, will be popular in New York City, on account of the varied large or small forms submitted by brokers and the numerous clauses used in accordance with Exchange rules. The size of the new policy will not permit of a broad gauge space for rubber stamp clauses and indorsements. For the agency field, however, it may be of service, enabling the making of three copies at once, including the copying of two daily reports.

The decision of an Ohio Circuit judge that under an Ohio statute passed last year a tax of 2½ per cent is collectible on life insurance premiums mailed in Ohio by the assured to home offices outside the State has been reversed in the Ohio Supreme Court on the appeal of the Mutual Life. The company contended that enforcement of the statute was interference with interstate commerce and taxing its property without due process of law.

John M. Talbot & Co. succeed Talbot, Wallace & Co. as city and suburban managers of the fire insurance departments of the two Philadelphia companies, the Insurance Company of North America and the Alliance Insurance Company. George G. Hooper, who was long associated with the Insurance Company of North America, of Philadelphia, has been taken into the firm.

Surplus lines in the United States of the Gresham Fire and Accident Insurance Society (Ltd.) have been put in the hands of Fred S. James & Co. Only legitimate lines at tariff rates will be handled. The Gresham has a subscribed capital of \$2,500,000, of which \$1,000,000 is paid, and will work in connection with the old Gresham Life Assurance Society. James H. Scott is general manager and Thomas Brand Miller fire manager.

The Gresham directors are: Charles Augustin Hanson (Alderman), Chairman; F. W. Butterworth, Deputy Chairman; C. H. Beadwell, of Shepherds Bank, Sussex; Lawrence Currie, J. P., of Glyn, Mills, Currie & Co., London; Courtenay C. S. Fooks, barrister-at-law, chairman of the South Sussex Waterworks Company; Henry Hoare, banker; Sir Reginald McLeod, K. C. B., late Under Secretary for Scotland; Charles Colin McCrea, J. P., chairman of the Railway Debenture and General Trust Company (Ltd.), and director of the London, Brighton and South Coast Railway; Right Hon. Lord Monk Britton, C. B.

The Hartford Fire Insurance Company has obtained a lease of No. 58 Maiden Lane, just west of William Street, and the owner will raze the structure and put up a new five-story building for the exclusive use of the Hartford.

The American Lloyds Underwriters have been licensed by the Quebec Insurance Department and William A. Ralston, of G. Ross Robertson & Sons, Montreal, has been appointed as the underwriters' agent for the Province of Quebec.

Suburban agents and New York brokers have received a circular from the promoters of the New Jersey Fire Insurance Company, with headquarters to be at Newark, and a proposed capital of \$200,000 and surplus of a like amount (later to be increased to \$500,000 each). It is expected that the company will apply for a charter about December 15. The managing underwriter chosen is William G. Whilden, who is also chairman of the Organization Committee.

The corporation of Douglas Brothers, of 1 Liberty Street, has been appointed United States managers for two surplus line writing companies, in addition to those now represented in that office. The new ones are the East India Marine and Fire Insurance Company, of Amsterdam, Holland, and the Lloyd Sabando, of Turin, Italy. The East India is quoted as having total cash assets of more than \$1,250,000, with a special deposit in New York in the Mercantile Trust Company of over \$50,000 for the protection of policyholders.

The Empire State Surety Company has sent out to brokers a notice of reduced rates, with more insurance, for burglary and theft policies on contents of safes. The company offers to write insurance in the amount of \$500 for a \$4 premium. This applies to both old and new burglary and theft insurance business.

The Northwestern Mutual Life Insurance Co. of Milwaukee

GEO. C. MARKHAM, President
A. S. HATHAWAY, Secretary



New Business Paid-For

1905	.	.	.	.	.	\$ 90,334,038
1906	.	.	.	.	.	93,563,452
1907	.	.	.	.	.	102,233,634
1908	.	.	.	.	.	109,685,428
1909	.	.	.	.	.	113,716,188

Each year larger than any in the previous
history of the Company:

Commenced Business 1858

INSURANCE MEN will note the significant in-
crease in The Northwestern's new business dur-
ing the past five years.

IMPORTANT FACTS relating to this business
are shown by the following percentages:

	Expenses	Mortality	Interest
1905	12.15	67	4.73
1906	11.76	59	4.72
1907	11.81	58	4.76
1908	10.76	59	4.84
1909	10.63	54	4.85

It is capable of easy demonstration that The North-
western is the best Company to insure in.

See The Northwestern's new (1910) policy con-
tract with its Dividend Options, Paid-up and Endow-
ment Options, Options of Settlement and the Premium
Loan Features.

Issues Partnership and Corporation Insurance.

For further information or an Agency, address

H. F. NORRIS,
Superintendent of Agencies.



SUPERIOR POLICIES

KIMBALL C. ATWOOD, President
290-292 Broadway, New York.

New England Mutual Life

Insurance Company

BOSTON, : : : : MASS.
chartered 1835

Assets, January 1, 1910..	\$51,316,543.00
Liabilities	47,050,672.15
Surplus	\$4,265,870.85

Sixty-six years of honorable dealing
with its policyholders has placed the
**NEW ENGLAND MUTUAL LIFE
INSURANCE COMPANY** in the
front rank of Life Insurance Compa-
nies of the Country.

ALFRED D. FOSTER, President.
D. F. APPEL, Vice-President.
J. A. BARBEY, Secretary.
WM. F. DAVIS, Assistant Sec'y.
J. G. WILDMAN, Assist. Sec'y.

EDWARD W. ALLEN, Manager.
220 Broadway, New York.
LATHROPE, BALDWIN, Manager.
141 Broadway, New York.
CHARLES H. STRAUSS, Gen. Ag't.
200 Fifth Ave., New York.

FOUNDED 1792

118th ANNUAL STATEMENT INSURANCE COMPANY OF NORTH AMERICA, OF PHILADELPHIA, PA.

ASSETS.

Real Estate	January 1, 1910. \$ 364,410.00
First Mortgages on Real Es- tate	373,803.43
Philadelphia, New York, Bos- ton and other City and State Loans	1,134,390.00
Pennsylvania, Philadelphia and Erie, Lehigh Valley and other Companies' Bonds and Stocks	8,909,150.32
Cash in Bank and Bankers' hands	1,134,635.88
Notes Receivable and Unset- tled Marine Premiums....	347,440.69
Net Cash Fire Premiums in course of Transmission....	1,069,510.62
Accrued Interest, and all other property	52,160.57
Total Assets	\$13,385,501.56

LIABILITIES.

Capital Stock	\$ 3,000,000.00
Reserve for Re-Insurance ..	6,813,862.47
Reserve for Losses	877,250.00
All other Liabilities	104,982.45
Surplus over all Liabilities..	2,589,406.64
	\$13,085,501.56

Surplus to Policyholders.....	\$5,589,406.64
Increase in Reinsurance Re- serve	349,934.71
Increase in Net Surplus.....	838,500.92
Increase in Assets.....	1,371,455.93

Eugene L. Ellison.....President
Benjamin Rush.....Vice-President
T. Houder Wright.....Secretary
Henry W. Farnum.....Assistant Secretary
John O. Platt.....Assistant Secretary

Agencies in all Prominent Cities & Towns.

T H E PROVIDENT LIFE AND TRUST COMPANY OF PHILADELPHIA

Insurance in Force, \$214,509,255.00
(Paid for Basis)

Assets \$70,514,350.45
(Market Value, Dec. 31, 1909)

Contingency Reserve . \$9,207,276.38
(Inclusive of Capital Stock, \$1,000,000.)

The Provident has been par-
ticularly distinguished for the
development of a highly trained
force of agents. The systematic
instruction which its agents re-
ceive has resulted in their being
recognized as representatives of
exceptional knowledge of the
business and of marked effi-
ency.

Survivorship Annuity Tables

Net Premiums, Mean and Terminal Reserves

American Experience Table,
LIFE OF NOMINATOR

Danish Survivorship Annuitants' Table,
LIFE OF ANNUITANT

And $3\frac{1}{2}$ Per Cent. Interest

BY
MILES M. DAWSON,
Consulting Actuary

SEND ALL ORDERS TO

The Chronicle Co. (Ltd.)

No. 80 Wall St.

NEW YORK

The Chronicle

1866

Published by THE CHRONICLE COMPANY (Ltd.), 80 Wall Street, New York City

1910

VOLUME LXXXVI.

NEW YORK, DECEMBER 15, 1910

NUMBER 24



COMPARATIVE RESERVE TABLES

By **MILES M. DAWSON,**
Consulting Actuary.

Containing Mean and Terminal Reserves for the usual forms of policies and by the following standards—

American Experience, Select and Ultimate $3\frac{1}{2}$ per cent.
American Experience, Select and Ultimate 3 per cent.
American Experience, Modified Preliminary Term $3\frac{1}{2}$ per cent.
American Experience, Modified Preliminary Term 3 per cent.
American Experience, Select and Ultimate 4 per cent.
Actuaries', Modified Preliminary Term 4 per cent.
American Experience, Committee of Fifteen, $3\frac{1}{2}$ per cent.
American Experience, Illinois and Tennessee, $3\frac{1}{2}$ per cent.
American Experience, Michigan, $3\frac{1}{2}$ per cent.
American Experience, Wisconsin, $3\frac{1}{2}$ per cent.
American Experience, New Jersey, $3\frac{1}{2}$ per cent.
H^M, Canadian Life Officers' Association, $3\frac{1}{2}$ per cent.
O^[M], Select and Ultimate, $3\frac{1}{2}$ per cent.

This covers all the standards, other than the net level premiums, in this country. Tables showing the first year margins set free by each method of valuation are given.

EDITION ALMOST EXHAUSTED ————— SAVES TIME AND MONEY

VARIOUS DERIVED TABLES---American Experience 3 and 3 1-2 PER CENT.

By **MILES M. DAWSON**

Table of Contents.

Single Premiums, Pure Endowment.
Accumulations, Pure Endowment.
Forborne Immediate Annuities.
Accumulated Temporary Insurances.
Accumulated Increasing Insurances.
Single Premiums Endowment Insurance.
Single Premiums Temporary Insurance.
Immediate Temporary Annuities.
Valuation Columns.

SELECT AND ULTIMATE VALUES.

Single Premiums, Whole Life.
Life Annuities.
Terminal Reserves, Life, Limited Payment Endowment.

Mean Reserves, Life, Limited Payment, Endowment.

LOGARITHMS, SEVEN PLACES.

Forborne Immediate Annuities.
Curtate Summations of D Column.
Immediate Temporary Annuities.

Uses.

Computing Annual Term Insurance Premiums:
Divide endowment insurance values by immediate temporary annuities.

Computing Annual Endowment Insurance Premiums:
Divide endowment insurance values by immediate temporary annuities.
For these purposes the "select and ultimate" will be most useful.

Computing Annual Pure Endowment Premiums:
Divide pure endowment values by immediate temporary annuities or take reciprocals of forborne immediate annuities.
By these means, the net extra premium for a special guaranty can be quickly and accurately computed.

Computing Annual Semi or Double Endowment Premiums:
Add temporary insurance and pure endowment values for proper amounts and divide by immediate temporary annuity.

Computing Limited Premiums:
Divide the proper single premiums by immediate temporary annuity.

Computing Surrender Values:
Extended Insurance. Find the temporary insurance value next lower than the sum to purchase extension. This gives even number of years. Apply remainder to pay for additional days according to daily differences in the table.

Extended Insurance with Fractional Paid-up Endowment:
Deduct from purchase money, value of insurance for unexpired term; multiply remainder by accumulation, pure endowment, to get amount of endowment.

Computing Terminal Reserves:
Unvarying Benefits. Multiply net premiums by forborne immediate annuity and deduct accumulated temporary insurance.
Return Premium, Full Reserve. Multiply net premium by forborne immediate annuity and deduct accumulated temporary insurance and accumulated increasing insurance, multiplied by gross premiums to be reduced.
Return Premium, Extra Reserve. Multiply net extra premiums by forborne immediate annuity and deduct accumulated increasing insurance, multiplied by gross premiums to be returned.

Warranted Commissions for New Business.
Surrender Values.
Dividends.

SEND ALL ORDERS TO **THE CHRONICLE CO. (Ltd.)**

80 Wall Street,
New York

The Chronicle

VOLUME LXXXVI.

NEW YORK, THURSDAY, DECEMBER 15, 1910

NUMBER 24

PUBLISHED EVERY THURSDAY BY
THE CHRONICLE COMPANY (Limited)
No. 80 Wall Street, New York.
Phone "367 John." Cable Address, "Chronogram," New York.

Subscription Price:
Three Dollars a Year. Single Copies, Twenty-five Cents.
Postage Prepaid in the United States and Canada.

MILES M. DAWSON, President.
W. B. CASS, Secretary. A. R. MARSH, Treasurer.
Emil Schwab, Manager New England Department,
610 John Hancock Building, Boston, Mass.

WILLIAM BARRETT CASS, Managing Editor.
All communications should be addressed and remittances
made to THE CHRONICLE COMPANY (Limited).
Entered at the Post Office, New York, N. Y., as Second Class
Mail Matter.

New York Exchange Removes Penalty Imposed After San Francisco Disaster

THE New York Fire Insurance Exchange reduced rates yesterday by rescinding the penalty which followed the San Francisco fire. The Eastern Union, which has jurisdiction in the Eastern States outside of the large cities, added 14 new members and decided to advance commissions to agents and the members of the National Association of Local Agents talked to the Legislative Investigating Committee.

The base rate on theatres is reduced from \$1 to 90 cents on fireproof and

from \$2 to \$1.75 on non-fireproof buildings. The base rate on piers is advanced from \$1.25 to \$1.60, except as to semi-fireproof construction. In the high pressure district, bounded by Twenty-third Street, Broadway, Fourteenth Street, Third Avenue, Bowery, Oliver Street, James Slip, New Chambers Street, Chambers Street and the Hudson River, there is a percentage reduction on buildings and contents respectively as follows: Breweries, 15 and 5; churches, 10 and 10; livery and private business stables, 10 and 10;

theatres, after applying new base rate, 10 and 10; listed storage stores, except sprinklered risks receiving an allowance as such, 5 and 5; private warehouses, 5 and 5, and sprinklered risks, 15 and 15.

All except sprinklered risks are to be rerated where the cards show an excess of manufacturing and are not marked fireproof and those in the high pressure district are to be advanced 10 per cent on contents only. Mr. Robb said the Merritt committee had nothing to do with the reduction.

Life Waste in the United States

A BROCHURE of thirty-six pages has been prepared by President Rittenhouse of the Provident Savings Life Assurance Society on the subject of public unconcern in disease prevention. He says:

"Every fifty seconds a life is lost from preventable cause. Every day this loss equals the crews of two battleships. Every year it exceeds the lives lost in all American wars since 1776. At the present death rate from preventable cause over 6,000,000 lives will be needlessly lost in the United States during the next ten years.

"Since 1880 the general death rate has decreased up to age 40, while above 40 it has steadily increased. From age 40 to 50 it has increased 13 per cent; from 50 to 60, 29 per cent; 60 and over, 26 per cent. This is almost wholly due to the heavy increase in loss of life from degenerative diseases.

"Cancer has increased 104 per cent since 1880. Increase by age periods: Under 20, 10 per cent; 20 to 30, 46 per cent; 30 to 40, 50 per cent; 40 to 50, 67 per cent; 50 to 60, 94 per cent, and above 60, 90 per cent.

"Virtually this same appalling rate of increase is found in the mortality

from diseases of the heart, arteries and kidneys. The death rate from these causes has increased since 1880 104 per cent (registration States), and by age periods as follows: Below 20, 17 per cent; 20 to 30, 33 per cent; 30 to 40, 32 per cent; 40 to 50, 60 per cent; 50 to 60, 94 per cent; above 60, 93 per cent. These figures show clearly that maladies properly belonging to old age are reaching to and increasing in the younger ages.

"The reduction in the death rate below age 40 is almost wholly due to the saving of lives from communicable diseases. Tuberculosis has decreased since 1880 48 per cent; typhoid, 42 per cent; diphtheria and croup, 80 per cent, and some others have been almost entirely eliminated. Pneumonia has decreased but 10 per cent since 1880 and has increased in some cities. Fifty per cent of the deaths from pneumonia come after age 40. The death rate from accidents has increased 48 per cent since 1880.

"To check this enormous loss of life a large proportion of which is preventable by the use of ordinary measures, the National Government can spare but 1.3 per cent of its total expenditures; Greater New York, but 1.7 per cent, and 149 American cities

but 1.8 per cent.

"The State of New York spends for the protection of game, fish and forests about four times more than it does for the State Health Department."

PHILA. CASUALTY ELECTS.

At a meeting held on Tuesday new officers were elected to assume control of the affairs of the Philadelphia Casualty Company, which was recently purchased by the Fidelity and Deposit Company of Maryland.

J. Arthur Nelson, who is Vice-President of the Fidelity and Deposit, and William Hugh Harris, manager of the casualty department of that company, were elected President and Vice-President.

The Board of Directors is composed of J. Arthur Nelson, W. H. Harris, B. L. Henderson, all of Baltimore; Herman Hoopes, Edward Hoopes, W. L. Talbot, Robert G. Hazeldine, C. J. R. Sproule, Raymond Pitcairn, F. X. Quinn, Clarence M. Brown, all of Philadelphia, and Kennedy R. Owen, of New York.

Robert G. Hazeldine has been chosen as Secretary, while C. J. R. Sproule has been elected Treasurer.

New Fire Insurance Capital Sought

NEW YORK credit men have taken the initiative in obtaining more fire insurance facilities for the metropolis by inducing high class companies not now represented here to establish agencies. The opinion has been expressed that a sweeping conflagration would bankrupt the companies now doing business here, and William H. Hotchkiss, State Superintendent of Insurance, recently said that the need for more reliable fire insurance by the people of New York City is more serious than that for more bread.

The Fire Insurance Committee of the Credit Men's Association has addressed communications to the Governor of the State of New York, the Mayor of the City of New York, the President of the Chamber of Commerce of the City of New York, the President of the Merchants' Association of the City of New York and the President of the New York State Bankers' Association, asking them to appoint a committee, preferably of one person from each association, to meet with the Fire Insurance Committee of the New York Credit Men's Association, to consider ways and means for securing additional fire insurance companies with which to meet the present situation.

The committee has particularly in mind to bring to the attention of many American and other companies not now represented in New York State and city, the fact that the city has grown and developed very rapidly in recent years beyond the capacity of its present insurance interests to properly protect it, and has been improved by the new fireproof, highly protected buildings, so that the probable opportunities for profit on the part of additional companies are excellent. Many foreign companies, which the committee believe of good reputation, are not represented here. Invitations to them, extended by a joint committee of State and city authorities and mercantile associations, with somebody whose business it is to receive their representatives and help locate them satisfactorily, would, in the opinion of the Credit Men's Association, go a long ways toward solving the problem.

Such companies coming to New York State and operating under the supervision of the Insurance Department, the committee contends, would furnish indemnity in most excellent companies, long established, possessed of large assets, and also would bring considerable funds to America for investment in American securities; new tenants for the office buildings and give employment to a large number of people. The New York Credit Men's Association, the leaders in this movement, now has a membership of nearly 1,100 commission, jobbing and

manufacturing houses, banks and bankers located in Greater New York, representing 298 lines of business. Its Fire Insurance Committee is composed of five members, of which George W. Hayes is the chairman. In discussing the general situation and the plans of the Credit Men's Association Mr. Hayes said:

"In a way the fire insurance companies have suffered in the minds of the public from the fact that the Investigating committee has, on the one hand, very properly been investigating fraud and dishonest practices, and that subsequently the high class and most reputable witnesses have been called and asked questions about insurance matters in a way to confuse matters, and if only by inference to cast unfair imputation and reflection on the business of fire insurance generally. As a matter of fact the New York Board of Fire Underwriters does most excellent work in the City of New York. Constantly looking into the matter of 'unsafe' conditions, and explaining how they can be corrected, substituting excellent devices, such as approved fire doors, instead of the old-fashioned iron door which buckles and does not hold the fire in check, etc.

"The New York Fire Insurance Exchange aims to make rates upon an equitable basis under scientific schedules, conditions of which are known in advance, so that merchants, manufacturers and others interested can construct buildings, knowing in advance what rates will be secured if they conform to the consistent requirements of the Exchange. Whatever real or unjust complaint may be made against the Exchange, it cannot be denied that they are doing business upon a most sensible and businesslike plan of operations.

"Another thing which has not been touched upon in the investigation is that the subject of 'graft' and dishonest practices in connection with the work of those two associations is always stamped out promptly and is almost an unknown quantity. Both associations, the New York Board of Fire Underwriters and the New York Fire Insurance Exchange, make a prerequisite of absolute integrity of all employes who make inspections or have work to do, and this feature is managed in a way that commands the admiration of all who know anything about the matter. Under present conditions if fire pails are not properly installed they are not credited in the rate. If the automatic alarm, automatic sprinklers, or other automatic service does not stand critical test, it is not approved, and the method of rating has been gone into with such care that there are several hundred classifications of property with burning hazards estimated

by actual experience to the extent that reliable data were available, rates being made in accordance with the hazard as found.

"As to the question of erroneous legislation by committees of the New York Fire Insurance Exchange, or New York Board of Fire Underwriters, the committees are rotating—different officers occupy different positions, with constant changes, so that inequality or errors in judgment on the part of the others are constantly being reviewed; further than that, any managing underwriter of a high class company coming to New York to look the ground over would be impressed with the very high class men who have charge of all these various matters.

"There are several points in favor of more companies coming into the State. In the first place the growth of the city has been so great that any thinking person realizes that a twenty story building full of merchandise on all floors amounts to very great value, and a number of these buildings in the same territory makes an enormous amount of value concentrated at this point. We will suppose that a merchant takes a policy for \$100,000 in a leading company. He is told that the company 'reinsures it down'—that is, apportions part of the risk to other companies who, for part of the premium received, take over a certain proportion of the whole, just as a banker accepts a merchant's notes to the amount of \$100,000, which are, in turn, purchased by smaller banks on their own account.

"The disadvantage in this situation, as to a very large policy is, that in case of conflagration, the company which issues the policy might be made bankrupt, and all of the reinsurance on this certain policy would go into the general fund and assets of the company and not for the benefit of the party holding the large policy. The insurance investigation, and, in fact, all investigations, may or may not make changes in present conditions, but it can be said and proven that under existing conditions it is both a safe and excellent business proposition for any high class fire insurance company to come to New York City to transact business here. The more companies that are legally establish in New York State under supervision of the Insurance Department the more equitable will be the regulation of the business and the more advantageous will be the facilities afforded to the insuring public."

No New York employer need look beyond the advertising columns of THE CHRONICLE for LIABILITY INSURANCE.

Insurance News in the West

THE letting of space in the Insurance Exchange Building, as the new headquarters of the underwriters is to be known, has progressed with admirable speed and good spirit. It is no small task to apportion satisfactorily the space on ten floors of a large area office building so as to meet needs varying from large Western departments to small local agencies, but this has been practically accomplished, and with comparatively little friction or dissatisfaction. A list of the tenants shows that the National Life Building will contain scarcely any insurance offices after May 1, 1912, except the National Life, U. S. A., itself. The New York Life Building will lose several of its large tenants. There will be scarcely any insurance interests left in the Rector Building, and all the insurance offices now in the old Otis Block will go to the new building. The Temple, Manhattan, American Trust, Association and Roanoke buildings also will be drawn upon. All the floors of the new building, from the twenty-first down to and including the twelfth, are rented, with the possible exception of a little space, and already there is an overflow to the eleventh.

* * *

Minnesota has swung into line with a State Fire Prevention Association. The time was opportune. Following the St. Paul Conservation Congress by only a couple of months and almost simultaneous with the conference on the reduction of forest fire waste, the new association enters the field with the people of Minnesota waked upon the subject of fire waste through the extensive newspaper accounts of these meetings. The Governor has come out in favor of making the State Fire Marshal law more effective. Heretofore the Fire Marshal has been hampered by want of funds. In States like Ohio and Wisconsin the Fire Prevention Association and the State Fire Marshal co-operate with fine results. The proposed change in the Minnesota law would make the work of the new association much more effective than it could be otherwise.

* * *

The announced programme of legislation for which Iowa agents will work this Winter includes bills providing for anti-discrimination, anti-rebate, a State Fire Marshal, the computing of fire insurance companies' reinsurance reserves on the basis of 50 per cent on annual business and pro rata on term business and permitting the use of co-insurance on buildings worth \$10,000 or more. It is a good programme, but it will meet with much opposition. Unless Governor Carroll has changed his views,

which is not likely, co-insurance is anathema to him. Yet co-insurance is what Iowa especially needs. In the opinion of some well-informed underwriters the advisory rates in the State are too high. Otherwise, they ask, how could loss ratios be about normal year after year, with rates cut to pieces in many parts of the State. Yet they admit that rates have to be made higher than they should be because many of the large risks are so greatly underinsured that companies must look for total losses on what should be only partial ones. If co-insurance could be used on these large risks, forcing the owners to carry a reasonable amount of insurance, lower advisory rates would be adequate.

If an anti-discrimination law means getting advisory rates all over the State because they are secured in a few cities, there will come a howl from assured in nearly every section of the State. If co-insurance could be used the companies could afford to state that they would urge the publishers of the advisory rates to reduce them in consideration of the enactment of an anti-discrimination law, and it is pretty certain such urging would be effective. The real trouble in Iowa does not appear to be the collection each year of too small a volume of premiums considering the losses, but a thoroughly inequitable laying of the fire tax. The farm rates are too low, considering the increased farm hazard. The cut rates in many cities are too low. The advisory rates, where they are secured, are in many cases too high. What is needed is an equalization of rates according to the hazard.

The present arson laws of Iowa are an abomination. Conviction under them is almost impossible, and to bring an arson charge, even where the evidence is strong, is dangerous. If these laws were amended and a Fire Marshal law enacted it would in a few years reduce losses enough to entitle the people of the State to lower rates.

If the whole programme as outlined could be put through together, it looks as if it would be a fine thing for the business and for the people of the State.

* * *

The change in control of the Philadelphia Casualty will make little, if any, difference in Illinois. Conkling, Price & Webb, of Chicago, have one of the best general agencies of the Fidelity and Deposit's bonding department, but they have no need of its casualty department, as they already have splendid casualty facilities in the London Guarantee and Accident. Shipman & Wayne have the Chicago general agency of the Philadelphia Casualty. Luckily the two

firms are on the best of terms, and it is agreeable all around for Shipman & Wayne to take the general agency of the Fidelity and Deposit's casualty department. Outside of a few cities, the Fidelity and Deposit has not a very active surety plant down the State, and it will probably be able to save much of the Philadelphia Casualty's plant without interference with its present agents.

LA SALLE.

PHOENIX MUTUAL LIFE.

Orra S. Rogers has been appointed New York City general agent of the Phoenix Mutual Life in succession to William C. Johnson, who becomes Vice-President of the Columbian National on January 1. Mr. Rogers started in the insurance business as soliciting agent for the Phoenix in Northern New York State; some twelve years ago he came to New York City, continuing as agent of the Phoenix in the agency of which he now takes charge.

PART V. NEW YORK REPORT.

Superintendent of Insurance Hotchkiss has issued Part V, the last volume, of the annual report of the Insurance Department. The book in question comprises nearly 1,400 pages, covering full reports of all examinations of insurance companies made by the department during the year ending July 15, 1910, including in several instances supplemental memoranda of the Superintendent; all amendments to the insurance laws passed at the last session of the Legislature, Court of Appeals decisions, abstracts of all rulings of the Superintendent of Insurance and opinions of the Attorney General on the amendments of 1906 to the Insurance law affecting life insurance, arranged under the section numbers of the law; special reports on town and county co-operative fire associations, insurance supervision in Europe, excise reinsurance agreement; matter relating to amortization of securities having a fixed term of maturity owned by domestic insurance companies, and detailed schedules of fees and taxes charged New York insurance companies by insurance departments of other States. The report shows that sixty-eight insurance corporations were examined during the year, other than town and county co-operative associations, classified as follows: Fire and marine, 27; life, 7; casualty, etc., 7; assessment associations, 13; fraternal beneficiary orders or societies, 14. This volume is prefaced by an account of insurance supervision in New York prior to and after the organization of the department, furnished by William Barnes, the first Superintendent, who served ten years.

It Pays Best to Sell Life Insurance



for a company such as The Prudential. Its size, its strength, its reputation for promptness and fair dealing and its great system of advertising are immeasurably helpful.

Write Us About an Agency.

THE PRUDENTIAL
Insurance Company of America.

Incorporated as a Stock Company by the State of New Jersey.

John F. DRYDEN, Home Office,
President. NEWARK, N. J.

WESTERN ASSURANCE CO.

HEAD OFFICE,

TORONTO, - - CANADA.

Incorporated 1851.

Hon. GEORGE A. COX.....President
W. R. BROCK and JOHN
HOSKIN, K. C. LL. D., Vice-Presidents
W. B. MEIKLE.....General Manager

United States Statement, Jan. 1, 1910.

Assets\$2,377,303.37
Surplus in United States..... 839,268.07

A General Agency is open
in the State of

PENNSYLVANIA

For one of the best Old Line
Companies in America

Write "B," care of this paper

Germania Fire INSURANCE CO.,

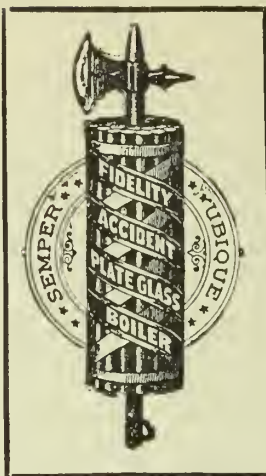
NEW YORK.

ORGANIZED 1880.

Cash Capital.....\$1,000,000.00
Assets\$6,562,329.14
Net Surplus.....\$2,008,419.02
Surplus for Policyholders,\$3,008,419.02

HEAD OFFICE:

Cor. William and Cedar Streets.



THE FIDELITY & CASUALTY COMPANY

97 TO 103 CEDAR ST., NEW YORK CITY.

Assets - - \$9,607,864.46

Cap. & Surp. - \$3,378,053.64

Losses Paid - \$33,065,866.09

to June 30, 1910.

This Company grants insurances as follows:

Bonds of Suretyship for Persons in Positions of Trust, Fidelity Bonds, Burglary, Plate Glass, Steam Boiler, Fly Wheel, Employers, Public Teams, Workmen's Collective, Elevator, and General Liability; Personal Accident, Health and Physicians' Liability.

OFFICERS:

ROBERT J. HILLAS, President

FRANK E. LAW, Vice-President

Personal and Family Insurance Combined

No trouble to get a hearing with this policy

It's something more than life insurance

Write for booklet and agency terms

Address

ALEXANDER McKNIGHT

Vice-President

THE FIDELITY MUTUAL LIFE INSURANCE CO.

L. G. FOUSE, President

OF PHILADELPHIA



CAPITAL. \$500,000

THE "EMPIRE"

Stands for AGGRESSIVENESS
PROMPT PAYMENT OF LOSSES
and CLEAN METHODS.

Agents wanted who are unattached and can produce business.

Address Agency Department,

THE EMPIRE STATE SURETY CO.,
84 William Street, New York

THE HOME LIFE INSURANCE COMPANY OF AMERICA

Incorporated 1899.



General Agents and District Managers who can produce ordinary business can secure "Ground Floor" contracts with GUARANTEED RENEWALS and an assignment of territory limited only by capacity to produce agency organization and business. Send for Sample Policy. IT IS ONE YOU CAN SELL. New business, \$3,500,000—January 1-Oct. 30, 1910.

Address

M. LALLY,

General Manager,

416-18-20 Walnut St., : PHILADELPHIA, PA.

JOHN LANGHAM, Jr., President.
JOSEPH L. DURKIN, Secretary.
EDWARD P. MADDEN, Treas.

LIFE PRESIDENTS IN CHICAGO

Movement of the Life Insurance Centre Toward the Mississippi Valley, Insurance Education in Europe, Systematic Training of Agents and Insurance Taxation Reform Among the Subjects Discussed by the Association.



CHICAGO, Dec. 14.—The annual meeting of the Association of Life Insurance Presidents, at the Hotel La Salle, in this city, last Friday and Saturday, created considerable interest. It was an excellent plan to come West. It gave the Western members a better opportunity to attend, and it also gave officers of a number of Western companies who are not members a chance to learn more about the organization. To some people the chief interest lay in meeting or even seeing some of the big men in the business of whom they have heard for years, but never before have seen.

The programme of this meeting came under four general heads. There were eight papers on various phases of "Educational Forces in Life Insurance." Two were by college presidents and the other six by a lawyer, an actuary, a general agent, two company agency men and a company president. They ranged from life insurance instruction in colleges to the systematic training of agents.

Two ladies discussed women's work in life insurance; two college professors, both well-known economists, discussed investments and taxation, while three doctors discussed phases of life extension work.

The severest criticism that could be made of the programme was that it was too crowded, and, considering that there were so many papers, some of them were too long. However, several of the speakers availed themselves of the "leave to print" and omitted portions of their addresses in reading, which will appear in the printed proceedings. Considerable matter of permanent value for reference, such as statistics, was presented and the proceedings will be well worth study and preservation.

At the opening session there were present perhaps 150 men and half a dozen ladies. It was interesting to study the make-up of the audience. On a rough guess I would say that the various classes of men should be placed numerically in the following order: (1) Chicago local men (largely general agents), (2) Western company executives, (3) Eastern company executives, (4) insurance journalists, (5) consulting actuaries, (6) present and past insurance commissioners and their assistants. The actual members of the association constituted but a small minority of those present.

The value of such a meeting lies largely in what transpires outside of the meeting hall—the exchange of ideas, the making of new acquaintances and renewing of old ones, the meetings of men who have business to transact with each other, and, in this case, a better understanding of each other by representatives of the old companies of the East and the young companies of the South and West, who at times are in danger of overlooking what they have in common by dwelling too much on the points where their interests clash or seem to clash.

At the executive session on Friday evening the following Executive Committee was chosen: Jesse R. Clark, President of the Union Central; John F. Dryden, President of the Prudential; S. C. Dunham, President of the Travelers; Haley Fiske, Vice-President of the Metropolitan; Alfred D. Foster, President of the New England Mutual; L. G. Fouse, President of the Fidelity Mutual; George E. Ide, President of the Home Life; Paul Morton, President of the Equitable; Charles A. Peabody, President of the Mutual; Robert Lynn Cox, who was re-elected general counsel and manager. The Executive Committee will elect officers and choose the next meeting place. Chattanooga and San Francisco extended invitations for the next meeting.

The resolutions, after congratulating the manager on the successful arrangements for the meeting and thanking the speakers, direct the Ex-

ecutive Committee to "consider a plan by which the House of Governors or a group of Governors of prominent States may be persuaded to join in the appointment of a commission to consider and report to the various States upon the general subject of State taxation with suggestions as to a general scheme embracing the taxation of the various forms of property and of corporations and businesses which is common to most of the States."

The resolutions also recite that opportunity for the study of the principles of life insurance from a vocational standpoint is not generally offered in the institutions of higher learning and declare in favor of the association's devoting its energies toward the adoption by such institutions of suitable courses of study which will best prepare men and women to make life insurance their life work and instruct the Executive Committee to call to the attention of such institutions the advantages to be derived from such courses of study.

* * *

Space is given in this week's issue of THE CHRONICLE to "Insurance Moving West" by Paul Morton, "The Training of Agents" by Sylvester C. Dunham, "College and Life Insurance" by George T. Dexter, "Insurance Education Abroad" by Henry Moir, and the report of the Life Extension Committee by George E. Ide. Attention will be given to the other addresses in next week's issue.

INSURANCE MOVING WEST

By Paul Morton,
President Equitable Life.

IT IS hardly necessary to reiterate the aim and object of the Association of Life Insurance Presidents, but in order to briefly inform those who never before attended one of our annual meetings I will say that this association is four years old, and has steadily increased since its creation in prestige, dignity and utility, and has for its sole purpose the promotion of that which is good and the prevention of that which is bad in life insurance.

The work of the association is educational, and in every sense it looks after the general welfare of its policy-

holders. The headquarters of the association are in New York, and usually the annual meetings are held there.

There are many reasons why we are holding this meeting in Chicago. First, the natural drift of all good things, especially in the convention line, seems to be toward Chicago. Again, the centre of life insurance, like the star of empire, is rapidly moving westward in this country, and to-day we find it coquetting with the centre of population somewhere not far from Springfield in this State. This meeting is also being held in

Chicago out of respect to the wonderful valley of the Mississippi, which, as I view it, is bounded on the east by the Allegheny Mountains, on the south by the Gulf of Mexico, on the west by the Rockies and on the north by British America. This valley, agriculturally, commercially, industrially, financially and prospectively, is greater than all the far-famed valleys of history, and yet it is only in the vestibule of its infancy, so far as production and wealth are concerned; and in my opinion is destined to have more political power, more prosperity, more happiness and greater influence in the affairs of the world than any other similar area on the face of globe.

These are some of the reasons why we are here to pay homage to the people of this great valley.

We are also here because of the very heavy investments that life insurance companies have made in the Middle West. We want those who live here to understand that while the estimated reserve held for policyholders residing in the Mississippi Valley amounts to about \$583,000,000, the life insurance companies have invested in this same territory over \$726,000,000; in other words, we are not, as many are led to believe, draining this section of the country of its money in life insurance premiums and taking it East to invest, but, on the contrary, we have actually invested over \$143,000,000 more in this territory than the total reserves for this same territory amount to, and when I speak of the Mississippi Valley in this connection I mean only the Middle States.

Another reason why we meet in Chicago is because Chicago has a larger number of life insurance companies domiciled within its borders than any other city in the United States. There are 231 life insurance companies organized, licensed and doing business in the United States. These companies are located in 116 different cities. New York City to-day has only eleven of these 231 companies.

I consider that the territory immediately tributary to Chicago, and in a general way I mean the corn belt and the Winter and Spring wheat districts, is the very best territory in the world in which to insure the lives of men and women. I believe the people in this great agricultural section are better physical risks than those of any other part of the world, and that mentally, morally and financially they have no superiors anywhere, and as I view the matter there is to be the greatest headway in this part of the country in life insurance expansion. There is sure to be an increasing demand for life insurance in the Mississippi Valley.

Fifty years ago life insurance in the United States averaged \$5.25 per capita. Ten years ago it had risen to

\$99 per capita, and to-day it is estimated as amounting to about \$150 per capita. The average per capita in the Mississippi Valley is said to be only about \$100, or about two-thirds of the per capita average of the country taken as a whole.

Fifty years ago the total outstanding life insurance carried by all old-line life insurance companies doing business in the United States was less than that now carried by Illinois companies alone. Within fifty years the volume of life insurance business has increased from \$165,000,000 to \$13,700,000,000, almost one hundred-fold, though in that time the population of the United States has increased less than three-fold. These figures, which in themselves may seem dry and uninteresting, indicate why we at this time deem it proper to hold a life insurance convention in Chicago.

Western people will be glad to know that as a general proposition the Eastern life insurance companies are making an effort to invest their reserve funds in those sections of the country which produce the premiums. I know of one large life insurance company which five years ago had real estate mortgages in only eleven different States, but which to-day has them in thirty-one different States. I know of one company which has \$6,000,000 less in mortgage loans in New York City than it had five years ago, and which during that time has increased its mortgage loans in other States about \$18,000,000.

American life insurance never stood so well, never was so safe or sur-

rounded by so many safeguards and never offered the public so much for its money as it does to-day.

The expense management is being curtailed. Economies of all kinds have been introduced, and dividends to policyholders are being increased.

The chief ambition of the Association of Life Insurance Presidents is to emphasize the fact that these great life insurance companies belong to the people, and that nothing in the way of regulation, taxation or legislation can be done to injure them which the policyholders will not have to pay.

Recurring to our investments in the Middle and Western States, I wish to say that most of these investments are in underlying railroad securities. I believe that the life insurance companies of the United States own nearly one-tenth of the total amount of money invested in American railways, and personally I know of no better or fairer way to invest insurance reserves, and no way calculated to give more general satisfaction or to be of greater and wider utility than to assist the people of this country in securing and maintaining adequate transportation facilities; and it is the aim of life insurance officials in distributing their investments generally to consider the greatest good to the greatest number.

We are more than pleased to have with us at this meeting such distinguished guests, and consider it a great honor to have so many men here who are so keenly alive to the benefits of life insurance. I take this occasion to thank them for their presence.

INSURANCE EDUCATION ABROAD

By Henry Moir,

Associate Actuary Home Life of New York.

THE subject of insurance education in Europe is a broad and general one, and, as I have been asked to deal with it briefly, it is not possible to enter into a detailed account of the varying phases of such education in each one of the different countries of Europe. We

must consider rather main principles and general questions, and, being familiar with conditions in Great Britain, I have dealt at some length with various forms of education in that country, and have tried to direct attention to any peculiar or interesting features of the subject in the other

Liability
Boiler
Plate Glass
Automobile Liability and Defence
Employers' Compensation
Insurance



Accident
Disability
Fly Wheel

**Casualty Company
of America**

HOME OFFICE KUHN-LOEB BUILDING
52-54 WILLIAM STREET NEW YORK

European countries. In general it may be said that the technical training is good in all the more liberal countries of Europe.

University training has been introduced in one or two centres, but apparently with the object not of furnishing a desirable addition to the knowledge of a well-educated man, but of supplementing or leading up to some technical course. Throughout the Continent of Europe popular knowledge of the subject is inadequate and poor, and the people generally are probably less well educated on the average than those of the United States.

Technical Training.

The subject of life insurance is that to which I propose to devote most attention. It is the branch with which the Presidents' Association is directly connected. But it is unnecessary on this account to minimize the importance of other forms of insurance or to forget the broad general principle which defines insurance in any form as "a device to minimize so far as may be the consequences of an existing hazard," so that many hazards in addition to the risk of death may be made the subject of insurance.

Actuaries.

The highest form of technical training in life insurance in Europe is undoubtedly obtained through the various bodies of actuaries which exist in nearly all European countries similar to the Actuarial Society of America. Those that are especially prominent are located in Paris, in Amsterdam and in London, and we may perhaps deal principally with the Institute of Actuaries of London, and the Faculty of Actuaries in Scotland as illustrative types of such bodies. The Institute of Actuaries was established in 1848, and obtained a royal charter in 1884, making it a corporate body.

The Faculty of Actuaries in Scotland was constituted in 1856, and was incorporated by royal charter in 1868—that is, eighteen years before the charter was granted to the Institute of Actuaries.

The curriculum of the examinations which entitle students to become Fellows of either body covers a wide range of subjects, and the examinations are conducted so strictly that those who attain the Fellowship degree have a good foundation in each subject, although they may not have specialized in any.

The Institute of Actuaries may be cited as typical, and the students have in the first place to give evidence of a good general education.

It will be observed that less than 40 per cent of the candidates succeed in passing the examinations of either body, and as a similar experience attends those who aspire to be actuaries in America it would appear as if this class of mentality has, like a poet, to be born.

On March 31, 1910, there were 259 Fellows of the Institute of Actuaries, 335 Associates, 348 students and 21 corresponding members. In August, 1910, there were 205 Fellows of the Faculty of Actuaries, 4 Honorary Fellows and 1 Associate, making 210 in all.

Insurance Institutes.

In Great Britain nearly all the large towns have an insurance institute, this being a society formed by those interested in insurance questions and intended to diffuse knowledge of the subject as well as conduct research work.

In 1897 there was formed a federation of the various insurance institutes, and this central body is now called "The Insurance Institute of Great Britain and Ireland." A charter has been applied for, and it is probable that this official recognition will be rendered to the institute at an early date.

Instruction in Universities.

Most universities deal with some problems in the doctrine of probabilities in their mathematical courses, but it is seldom that in the prescribed textbooks illustrations of the subject are taken from insurance problems, yet this doctrine of probabilities in its practical application is doubtless used more in our particular business than it is in any other branch of commerce or of science.

Then again, although life and other forms of insurance have grown to be a most important part of the economic system and have become a necessity in commercial transactions, as well as in social life, yet the subject is inade-

quately treated in textbooks of Political Economy and it is frequently forgotten altogether by students of the so-called Social Science.

In the study of political economy the subject of insurance has a very small place—much smaller than the magnitude of the business would seem to warrant, and out of all proportion to the time devoted by economists to bills and banking. Even in mathematics the average university course is scarcely sufficient to enable a graduate to pass the first examination required by the Institute or the Faculty of Actuaries, or, in America, the examination of the Actuarial Society.

Diffusion of General Knowledge.

The diffusion of general knowledge on the subject of insurance is exemplified perhaps more in the acts of the Legislature than in any other way.

The Workmen's Compensation laws give perhaps one of the best indications of the spread of insurance education in its relationship to social science.

Then again the same scientific principles are disseminated and discussed in connection with the old age pension plans now in vogue in several European countries.

In France there is not much general education which can be considered as dealing with insurance in any form. The University of Paris has recently established a chair in social insurance and there is a progressive and vigorous Institute of Actuaries.

Probably the most intelligent knowledge of life insurance is exhibited in one or two of the Swiss Cantons.

THE TRAINING of AGENTS

By Sylvester C. Dunham,
President Travelers of Hartford.

IN ONE of his visits to Hartford the manager of our association observed the method employed by the Travelers Insurance Company for preparing men for insurance work, and he has asked me to briefly outline the plan and some of its results, believing it will be of interest to others.

Within a generation life has become exceedingly complex. The professional man of fifty years ago worked successfully in every branch of his profession, but his successor is known as a patent lawyer or a corporation lawyer, and corporation lawyers are now further classified as railroad lawyers, insurance lawyers and many others. The modern invalid has almost as many doctors as he has vital organs, and it may be that the present encouraging movement for church unity is the only influence that will avert the necessity in the next generation for as many confessors as there are phases to a man's moral and spiritual nature. Many business enterprises embrace such a diversity of affairs that men of exceptional ability

are needed for department work which they specialize and have subordinates who specialize still more closely.

The business of insurance is by no means exempt from this tendency, and as it grows in magnitude, diversity and usefulness, every year witnesses the greater specialization of work in its various branches.

Many men still active in life insurance can recall the time when contracts were simple, when there was no cash, paid-up, loan or other value than that which accrued to the heirs of the policyholder, when one company was founded on homeopathy and another on total abstinence, and many good people maintained that to insure one's life was evidence of total depravity; when reserves were less mysterious than the precession of the equinoxes, and when successful agents, or nearly so, were made of men who had failed at everything else.

The progress of life insurance has been rapid and its adjustment to the circumstances of those who need it has presented many questions. Experience has shown many ways in

Hanover Fire

INSURANCE
COMPANY
of New York



Agencies
in all the Principal Places
in the United States.

OUR

Course of Insurance Education.

Department for Furnishing
Prospects.

New "Model Policy"

Will Plough the Field and Assure
the Harvest for Good Agents.

Phoenix Mutual Life

INSURANCE COMPANY,
Hartford, Conn.

Write Home Office.

COMMERCIAL - UNION

ASSURANCE CO.,
(LIMITED)

OF LONDON.

OFFICE;

Cor. Pine & William Sts.

NEW YORK.

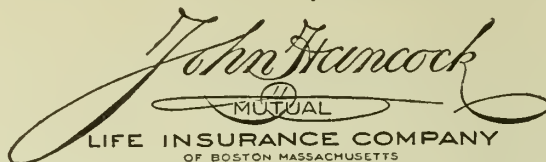
THE BANKERS LIFE ASSOCIATION

DES MOINES, IOWA.

ERNEST E. CLARK, President

Exceptional Record Dur-
ing twenty-nine years for
LOW RATE OF MORTALITY
ECONOMY OF MANAGEMENT
PROMPT PAYMENT OF CLAIMS
SECURITY OF ITS FUNDS
and satisfactory results
for its policyholders.

The Best, Safest, Most Liberal and Most Equitable Forms of Policy Contracts
are issued by the



ROLAND G. LAMB, President.

WALTON L. CROCKER, Secretary.

Issues the Most Perfect Forms of Life, Endowment, Instalment
and Term Policies. Greatest Sellers in the Market.

LIBERAL CONTRACTS TO THE RIGHT MEN.
ROBERT K. EATON, Supt. of Agencies, Boston.

WILLIAM N. COMPTON, General Agent, Metropolitan District.
St. Paul Building, 220 Broadway, New York.

"WILL SIGN YOUR BOND"

The Bankers Surety Co. of Cleveland, Ohio,

"EXECUTES SURETY BONDS OF EVERY DESCRIPTION"

DOLAN, EIBLER & MCGINTY,
General Eastern Agents,

56 Maiden Lane, - - - - - New York City
Phone 1281-2 John

CHICAGO'S GREATEST COMPANY

ILLINOIS LIFE INSURANCE CO.

OLDEST IN CHICAGO **CHICAGO** LARGEST IN ILLINOIS
JAMES W. STEVENS, PRESIDENT

We Guarantee where others Promise

The year 1909 was the most successful in this com-
pany's already splendid record of successful years.

INSURANCE IN FORCE
FIFTY MILLION DOLLARS

LOANS OF SURETYSHIP.

The Guarantee Company of North America

HEAD OFFICE, MONTREAL

Edward Rawlings, President.

H. E. Rawlings, Asst. Mgr.

Richard B. Scott, Secretary & Treasurer.

It is the Pioneer Company, was estab-
lished in 1872, and is conducted under a
conservative management of over 55 years
experience.

It has recouped to employers over \$2,-
190,000 for losses sustained by the infidel-
ity of employees and has a surplus of \$1,-
041,423.23 to credit of shareholders and
total resources of \$1,919,892.38 for the se-
curity of insured.

Branch Offices:

NEW YORK: 111 Broadway,
D. J. Tompkins, Secretary.
BOSTON: 114 Milk Street,
W. A. Hamilton, Agent and Attorney.
CHICAGO: Room 400, The Temple,
J. R. Pruyn, Resident Sec. and Atty.
PHILADELPHIA: 500 Arcade Bldg.
W. H. Jackson, Res. Secretary.
PITTSBURG: 1120 Farmers Bank Bldg.
E. R. Munro, Resident Secretary.
LOUISVILLE: 316 Columbia Bldg.
P. N. Clarke & Co., Agents.

which it could be made more helpful, by which forfeitures could be waived, by which the interests of the policyholder could be made more secure and the confidence of the public established. Executives of insurance companies have been so much engaged in the solution of these problems that the systematic training of the men who represent the company in the field and with whom the policyholders are in direct relations has been somewhat neglected.

That the usefulness of life insurance and the purpose of life insurance companies have been misunderstood by many is the penalty for this neglect. In too many cases the agent, while a truthful and conscientious man of sufficient ability, has lacked training, and what he has told his clients about his company and about things in the policy and things not there has been inexact, and it takes little of that to give a good company a reputation it does not deserve.

It has been estimated that a company that gets a good field man out of five experiments is doing pretty well. Four who do not succeed do a vast amount of mischief for the one good man to repair, and it seems material to inquire if there is not a better way than to accept all who come—good, bad and indifferent—and find out by errors that are always charged by the public to the account of the company the one in five worth keeping. The only apology to be offered for this method is that it is inexpensive, because such experiments are made on a commission basis, but it would be a far better answer to show that the ratio has been turned the other way about and that four good agents are found among every five candidates.

It is not the purpose of this paper to show that a plan has been devised whereby a six weeks' course of instruction will completely remedy this evil and completely educate a man in the principles and practice of life insurance and in the art of salesmanship, nor is great originality claimed in opening a department for the systematic training of men for insurance work. That method was rather forced upon the company by the rapid growth of its liability business, which is a complex and recent form of insurance for which not many men have qualified themselves. Men were needed and because they could not be found they had to be made. The plan of training men without previous insurance experience worked so well in the branch of the business for which it was devised that it was extended almost in the first year to others, and satisfactory results have been achieved in all.

For this work some business experience is the best preliminary training. Among the recruits are many salesmen, not a few who have been engaged in manufacturing or banking, an occasional lawyer or teacher, and others of various employments, all under thirty-five years of age. No

candidates are accepted who have been unsuccessful. After six or eight weeks' instruction these men are ready to begin work in the field as branch office managers, cashiers, adjusters, auditors and as solicitors. Six years of observation has shown that the home office training is most beneficial. If rudimentary, it is thorough and accurate as far as it goes, and provides a foundation of principles upon which can be built development and success.

The instructor is a man of experience in all the branches of the company's business, who between terms refreshes himself by practical home office and field work. The conversational method is employed in the classroom, and there and outside pupils read textbooks and analyze contracts and rates and otherwise study the subject of insurance and the art of salesmanship. Officials of the company and visiting representatives from the field sometimes participate in the work of instruction.

An acceptable candidate enters the service of the company when he enters the classroom and receives compensation from the beginning. Exceptions to this practice are made when agents of several years' experience want to spend a few weeks at the home office training school to improve their knowledge of principles and methods and to add to the accuracy and comprehensiveness of what they already know.

The beginner devotes the first three or four days or more to the study of the history, organization and practices of the company. He is then assigned to the division in which he is expected to work. If in the life department, which is the one of most interest to us, a week is spent in the study of life insurance history and its fundamental principles and practices. An understanding of the elements prepares the student to discuss, analyze and compare contracts. Considerable memory work is required in order that the advocate may accurately and with little hesitation explain the provisions of the policies. During this period the best methods for interesting men who need it in the subject of insurance are explained and illustrated. Much time is given to consideration of the forms of insurance appropriate to the circumstances of men who have special needs to be supplied. During the following week demonstrations are practiced, the effect of which is that the pupils and instructor review and criticize among themselves the knowledge that has thus far been acquired and apply it as it must be applied in actual work in the field. These exercises develop the keenest interest among those who engage in them and who are called upon to match their wits, readiness, memory and persuasiveness against the like talent and knowledge of the other men. What is lacking is discovered and the man whose deficiency is shown is diligent in supplying it.

The same instruction is continued during the fourth week, to which is added information of the company's branch office and agency system, the rules and practices under which agents account for the work they do and by which relations are maintained by the home office with the branch offices and the individual workers.

The training and discipline of the home office school is continued from four to six weeks and in some cases longer, depending upon the aptness of the pupil and the work, sometimes a specific position, for which he is training. When a man is ready for practical field work he is assigned to a branch office district and begins under the supervision of an experienced manager.

The number of men thus far trained is 267, of which 132 are now in the company's service and concerning whose permanent success there seems to be little doubt. Several who received training and thereafter did good work have resigned and have accepted positions as department managers in general insurance agencies. The service of these men is not lost, because in placing business of the agencies with which they are connected they very naturally and properly favor the company in whose service they were trained. Some have been persuaded to enter the employment of other companies that recognize the value of their training as cashiers, managers and solicitors. If we add this considerable but unwilling contribution to the general welfare to the number of men who remain with the company we find that the ratio of successful insurance men who came to the training school without previous insurance experience is raised to something like 75 or 80 per cent.

Many men trained for cashier's work are selected when employed with the expectation that they will develop into producers or agency managers. They are given appropriate instruction in the training school which is supplemented by a term of service in the accounting department of the company's home office. They are generally under twenty-five years of age at the time of their employment and are expected to work in the cashier's division of a branch office at least two years, unless by reason of exceptional merit they are sooner advanced to more responsible duties.

The same method is employed respecting young men who are employed to act as payroll examiners in the liability department, in the discharge of which duty more than the average amount of tact may be displayed. In this branch of the business the premium paid by a manufacturer or other employer depends upon the wages expended during the policy year. His accounts are reviewed for the purpose of adjusting the premium, and the young man who is able to do this work and take away

SURPLUS LINE INSURANCE

The Yorkshire Insurance Co., Ltd.

of York, England.

Established 1824.
Home Office Assets, \$12,191,000.

FRANK & DuBOIS,

United States Attorneys,
47 William St., New York.

Authority to adjust and pay all losses
and power of attorney to accept
service of legal process.

Funds held on deposit in New York
banks for protection of Amer-
ican policyholders.

A PENN MUTUAL PREMIUM, less a
PENN MUTUAL DIVIDEND, pur-
chasing a PENN MUTUAL POLICY,
containing PENN MUTUAL VALUES,
make an INSURANCE PROPOSITION
which in the sum of ALL ITS BENEFITS
is unsurpassed for net low cost and care
of interests of all members.

THE PENN MUTUAL LIFE INSURANCE COMPANY OF PHILADELPHIA

On January 1, 1909, rates were reduced
and values increased to full 3% reserve.

OUR BOND—YOUR SECURITY.

T. J. FALVEY, JOHN T. BURNETT,
President. Sec'y & Treasurer.



Massachusetts Bonding and Insurance Co.

Organized under
the Laws of the
Commonwealth of
Massachusetts.

Home Office, 77-81 State Street, Boston.

Capital\$500,000.00
Surplus\$250,000.00

SURETY BONDS and BURGLARY and
THEFT INSURANCE.

HARTFORD LIFE

Wants You

If You Can Do Things.

Write to

Hartford, Conn.

GOOD AGENTS FIND The Union Central Life Insurance Company

Of Cincinnati, O.,

A GOOD COMPANY

Address: JESSE R. CLARK,
President, or ALLAN WATERS,
Superintendent of Agents.

JOHN C. PAIGE & CO.

INSURANCE

65 KILBY STREET

BOSTON

The

Columbian National Life INSURANCE COMPANY OF BOSTON, MASS.

LIFE, ACCIDENT AND HEALTH
INSURANCE.

The Only Massachusetts
Non-Participating Company

The New Columbian Policies are
Unexcelled in Clearness and Liberality.

Good Contracts and Territory for
Good Producers.

ARTHUR E. CHILDS, President.

"The Leading Fire Insurance Company
of America."



WM. B. CLARK, President.

W. H. KING, Vice-President.

HENRY E. REES, Secretary.

Assistant Secretaries,

A. N. WILLIAMS, E. S. ALLEN,
E. J. SLOAN, GUY E. BEARDSLEY.

SAFETY FUND INSURANCE

NIAGARA

Fire Insurance Company

—OF—

NEW YORK

OFFICE:

46 CEDAR STREET, CITY.

SPECIAL OPPORTUNITIES of-
fered now in Southern States to
Representatives of

CITIZENS NATIONAL LIFE INSURANCE CO.

W. H. GREGORY,
President.

201st YEAR.

SUN Insurance Office OF LONDON.

FOUNDED 1710.

UNITED STATES BRANCH:

54 PINE STREET, NEW YORK.

WESTERN DEPARTMENT:

171 LA SALLE ST., CHICAGO.

PACIFIC DEPARTMENT:

Sansome & Sacramento Sts.,
SAN FRANCISCO, CAL.

AGENTS WANTED
AT UNREPRESENTED POINTS

Life Ins. Co. of Virginia

Home Office, Richmond, Virginia.

J. G. WALKER, President.
T. W. PEMBERTON, 1st Vice-President.
W. L. T. ROGERSON, 2d Vice-President.
E. D. HARRIS, Secretary.

The OLDEST Southern Life Insurance
Company.

The LARGEST and STRONGEST South-
ern Life Insurance Company.

The PIONEER Southern Industrial Life
Insurance Company.

Its policies are clear and definite in
their provisions and their values are ab-
solutely guaranteed.

Assets Dec. 31, 1909..... \$5,372,691.99
Liabilities Dec. 31, 1909..... 4,312,405.32
Insurance In Force Dec. 31,
1909 68,337,613.00
Total Payments to Policy-
holders since Organization 9,820,412.40

with him an additional sum of money and leave in its place a favorable impression is possessed of qualifications that can be well employed in soliciting business. The well-instructed and well-disciplined cashiers and their subordinates and the payroll examiners, of which there are no less than 125 in the company's service, constitute a considerable part of the field from which the company supplies vacancies in its agency organization.

The best men are those caught young and taught insurance as practised by the company they are to serve. Good recruits have been obtained who have been employed by other companies. Some of them have for a while been more inclined to give instruction than to receive it, and, while it is charged against the modern man of affairs that his business is his religion, they have not always at first displayed the zeal usually attributed to the recent convert.

A good education is essential to success. Mental discipline and a thoughtful habit are part of the necessary equipment for obtaining an adequate understanding of the relation of insurance to other great social and economic influences. It is a subject that demands much accurate and orderly thinking and an appreciation of

the nature and progress and purpose of civilization. But the college man does not always meet with the most immediate success. In assuming the responsibilities of life in many employments he has to readjust his attitude, and that it is not always an easy process may mean that the relation of college training to practical affairs is the most important problem the modern educator has to solve. Instead of taking up insurance he seems to descend to its level. When it finally engages his interest he can turn to good account all the resources of a disciplined mind.

In many of the activities of life men are still obtaining their training in the old-fashioned and hardest way, learning how to avoid errors only by making them and how to achieve success through the bitterness of repeated failures. Many thus trained in the school of adversity become pretty sure of what they know, but the waste involved in the process is large and unnecessary. Those who finally succeed, succeed admirably, but the number who do so is disproportionate in comparison with those who yield to discouragement. The new and better way is to prepare men with knowledge to meet difficulties which to the uninstructed seem insurmountable.

THE PART OF THE COLLEGE

By George T. Dexter,

Second Vice-President Mutual Life.

THE college is one of the important factors in the civilization of the race. As an agency for the betterment of humanity it is second only to the Christian religion. Into its hands is largely committed the training of those who, at a later stage, will take the leading part in directing the affairs of the world. That training, to be broad and comprehensive, as it must be, should include a study of at least the essential principles of life insurance.

Life insurance also is a most important factor in civilization. As a system of saving, a provision for dependents and for one's own declining years, it concerns directly more people than any other investment. Yet it is safe to say that there is no other one subject of which investors in so great proportion are totally and contentedly ignorant; and, because of their ignorance, the people have always been the easy victims of sharpers who swindle in the name of life insurance, and of the well-meaning promoters of unsound systems—the plausible but delusive schemes which are still widely flourishing.

It is fitting that an influence so potent as the college should be enlisted in behalf of an economic institution so essential to human happiness and progress as life insurance.

Public enlightenment on the subject may well begin in the common school. Although life insurance in its broadest

scope is a complicated subject, its essential principles, such as would enable the average man to distinguish between the good and bad, the safe and the unsafe, are extremely simple. To this extent, instruction on the subject is as appropriate as calculations of interest and the rudiments of physics. This essential knowledge, such as every man, and woman too, should have, can be conveyed with the aid of blackboard and charts, in a few simple lessons, chiefly or wholly oral, but supplemented perhaps by a few printed pages of instruction expressed in simple, ordinary language, for those who desire to pursue the subject a little further. To this extent at least, instruction in life insurance should be available to all students of preparatory and high schools. It should not be altogether postponed to advanced economics or limited to special classes.

This elementary instruction is with reference to the student's future position as an insurant. Some day he will buy insurance. Let him be taught how to buy it wisely. Let him learn its value, as he learns weights and measures and foreign coinage. He will then better decide when some day in the purchase of insurance he not simply expends money but performs a civic duty.

Now, if for his own guidance and protection, it is important for the purchasing layman to have some ac-

quaintance with the principles of life insurance, it is even more necessary for the life insurance agent or salesman, who is to instruct and advise the layman, to have a comprehensive knowledge of the subject. The college can successfully qualify him to advise the prospective applicant as to the form of policy that is best suited to the latter's needs; it can equip him with the knowledge necessary to enable him to expose the fallacies of false systems, and the errors of misrepresentations of disingenuous competitors; it can qualify him to understand at once the peculiarities of the new contracts and new propositions which are bound to confront him daily in the pursuit of his calling. All this would make him stronger as a solicitor, because it would enable him to speak with the confidence of the man who knows that he is right.

The college or university can go further. It can give at least a preliminary training in actuarial science. In its medical school it can give some inkling of the principles of the selection of risks. It can broaden the view by suggestions of the great questions of finance, such as securities and interest rates, which underlie and guarantee the perpetuity of the system of insurance.

So much as to theory. When we come to consider whether any educational system can train agents for the practical work of soliciting, we confront a condition. Proficiency in this line is attained only in the school of actual practice. The acquisition of mere technical knowledge, such as callow youth can gain in college or special school, does not raise even a presumption of future success in life insurance salesmanship. To attain this, peculiar native talents, a broad knowledge of men and affairs, a deep insight into human nature, are essential. These are acquired, if at all, only with age and experience.

The young lawyer or doctor is first entrusted with the simplest problems of the profession, from which he gradually advances to matters of greater moment. For the young life insurance solicitor there are no such opportunities. He starts in at once a full-fledged agent. He is met at the very threshold of his career by the same problems that puzzle the older and ablest solicitor. His general agent or preceptor cannot assign him the simple cases at the start, for these can not be selected in advance.

The college course cannot make up for the inexperience and immature judgment of youth. As a solicitor, whatever his special training may have been, the new agent must commence at the bottom, with fewer chances of success than are enjoyed by the older man, who, in mingling with men, has acquired some knowledge of general business, some experience of the world, some insight into human nature. The college graduate is

handicapped by his immature age and his ignorance of the ways of the business world. He is a novice pitted against experts. He must learn as do other novices in the professions.

The new graduate of a law school, though he may have some general knowledge of the doctrine laid down in the books and a considerable fund of undigested ideas on the subject, is not yet qualified to advise experienced men of business regarding their complicated affairs. He, therefore, associates himself with an old lawyer, and thus gains an acquaintance with the theory and practice of his profession which no school can give.

The young physician may proudly decorate his office wall with the newly framed medical diploma, but without that confidence of the public which age and successful experience give he will wait for substantial patrons in vain. On the other hand, associated with an older practitioner, he gains a practical knowledge of the physician's work, and in time acquires a remunerative practice.

Can the college meet these practical requirements? So far it has not attempted to do so. Its effort has until now been generally limited to popular courses of lectures, remarkable as an innovation and for the interest they have aroused both among students and lecturers. Insurance has thus received high recognition as an important branch of economics, grouped with railroading and banking. Naturally the business of insurance as a dignified calling has thus been presented in a new and favorable light before many young men; and consequently numbers have taken it up after graduation. It will be interesting to learn, after a proper length of time for experiment, what degree of success is attained by these gradu-

ates and whether the percentage is higher than among other classes of agents. It is in a spirit not of criticism but of suggestion that the opinion is advanced that beyond awakening an interest in insurance, the present college courses do not aim to accomplish much and that they fall far short of creating and equipping agents. For one thing, the majority of students who take the insurance lectures are influenced in no negligible degree by the desire for an easy optional in senior year. The elements of life insurance are so simple, and the classroom is so sheltered from the storms of competition in the outer world, that the student is apt to find many shocks when, leaving theory, he attempts to sell policies. It is like hearing a lecture on swimming and then being thrown from a cliff into the sea.

Popular courses of insurance are therefore to be regarded, as training schools for agents, in somewhat the same light as senior year courses in Constitutional Law—information that a gentleman ought to have, but purely introductory to any real knowledge of the subject; and to be followed, in the case of those entering the profession, by hard work in special technical classes. My judgment, therefore, is, that in addition to the present courses, we need postgraduate courses, affording instruction in all branches of life insurance, and giving a degree or diploma. A summer school might be conducted upon the practical lines of forestry schools, which after courses in botany, take the students to live among the trees.

But after all the lectures and the books the final course should be the actual selling of policies in company with real insurance men, for the college can do more than instruct him merely the science of life insurance.

With experienced solicitors as instructors, may it not afford him at least some training in the practical work of canvassing? Soliciting life insurance is, first and last, salesmanship. It has been demonstrated that—given a certain aptitude for the work—the art of salesmanship can be taught. There are so-called "natural salesmen," just as there are natural mechanics. Either may succeed without special instruction, but both will become more efficient or will advance more rapidly, under competent tuition. Any really successful canvasser in any other line of business ought to succeed as a life insurance solicitor. The man who can sell a cash register or an automobile can sell life insurance, though it may be conceded that in some respects the latter vocation is fraught with the greater difficulties. Nevertheless, the same rules apply in each case, the same principles govern. The manner of approach, the presentation of the case, the art of persuasion, numberless effective arguments such as the experienced solicitor can suggest, will constitute a feature of the course in salesmanship.

Instruction in psychology will be an important branch of the life insurance course. Every efficient salesman is a psychologist, whether he knows it or not. He is an adept in moving the minds of others. He says and does the right thing at the right time, because, intuitively, he perceives what line of argument will be effective in the particular case, and knows precisely when to close the argument and get the name upon the dotted line. He recognizes the "psychological moment" on the instant, though he may not call it by that name. This faculty of saying and doing the right thing we

**OLDEST
IN
AMERICA**

**STRONGEST
IN THE
WORLD**

THE MUTUAL LIFE Insurance Company of New York

**Mutual Life Agents Make Most Money
Because Mutual Life Policies Sell Most Freely**

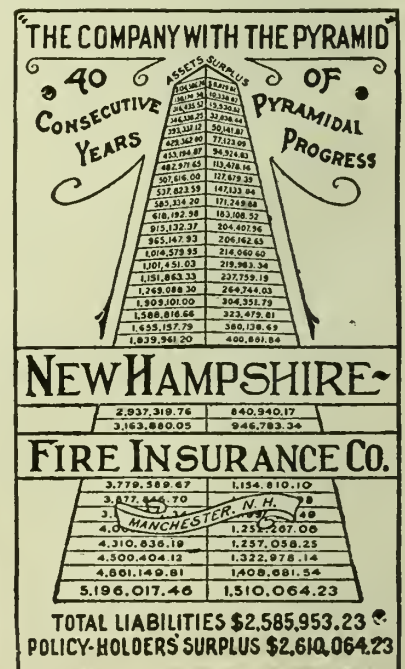
For terms to producing agents, address

GEORGE T. DEXTER

2nd Vice-President

34 Nassau Street

New York, N. Y.



designate "tact," which, after all, is only a shorter term for the "instinctive application of psychological principles."

The science of the mind—in other words, the perception of cause and effect in their relation to mental phenomena—intuitive knowledge of which marks the natural salesman, can be acquired, and once acquired will be applied unconsciously, instinctively.

Theories, however, do not always hold good in practice. Precept is well enough, but example is far better. Can the special school or course offer a substitute for practical experience in the field? The law school has its moot-court to familiarize the student with methods employed in the trial of a case—the selection of the jury, the examination of witnesses, the arguments of the lawyers, the charge of the judge to the jury.

The medical school has its hospital practice, and it has its clinic for the examination and treatment of patients in the presence of the students, affording instruction and practice in the science of medicine and surgery.

Cannot a special or post-graduate course in life insurance offer similar facilities for putting into practice the theories of the lecture room? Students may be appointed to solicit one another, coached and criticised by instructors; or the latter may themselves, as canvasser and canvassed, present illustrations of the demeanor, the objections and the protests of the prospective applicant under the ordeal of solicitation, with the arguments and answers of the expert solicitor.

These made-to-order methods may be helpful to a degree, but they are not the real thing. The student, in canvassing a fellow student, feels none of the deadly timidity, embarrassment and hesitation which assail him when in actual practice he approaches the busy, brusque, perhaps uncivil, prospective applicant, to whom, for the moment at least, he is persona non grata. In the fictitious canvass he may be cool and self-possessed. He is at least in no fear of the prospective applicant—a fear that is far more depressing than the natural shyness which he may feel in the presence of his class.

Why may not the life insurance course include actual solicitation in the field, under the direction of, perhaps at times in actual co-operation with, the expert instructor? The student may be sent out in search of available material—to obtain the names and addresses of eligible persons, their ages, the insurance they carry, and any miscellaneous data that may be useful or convenient in a subsequent canvass. Having made his report, with a statement of his experience, he is duly coached as to the canvass of such case or cases as seem most promising. When expedient and practicable, an instructor or more

experienced solicitor leads or assists in the canvass. Always there is the subsequent review of the case, with a study of the errors made, and the remedies and improvements that the circumstances suggest.

There is nothing new in the plan here briefly outlined, unless in its suggestion as a feature of the special or post-graduate college course, for it is the method long used by managers and general agents in the training of new men as solicitors.

To sum up, I suggest the incorporation in the regular college course of a minimum amount of instruction in life insurance for all, and in the special or post-graduate school with its more comprehensive curriculum for a selected few, the general instruction for all to be of the simplest character, chiefly or wholly oral, and limited to a dissemination of such knowledge of essential principles as every man and woman should possess. The post-graduate or special course, perhaps the course of a Summer school, should include a more extended study of the subject, a preliminary training in actuarial science, and, for

prospective agents, in addition to instruction in general principles, a training in the theory and practice of soliciting.

It is not to be supposed that in the discussion of these questions I have in mind anything beyond the general rule, or that I fail to admit the exceptions to all rules. Very young men, with little or no technical knowledge of life insurance but endowed with peculiar natural gifts—great persuasive powers, abundant self-confidence and innate knowledge of human nature—have sometimes succeeded as life insurance solicitors from the very first, in spite of their youth and inexperience. Likewise, men of older years, who have not found congenial or profitable employment in other lines, and who were also without a scientific knowledge of the business, have been large producers from the beginning. These are the exceptions, and even these would have done better if not a larger work if possessed of broader knowledge of the principles of the business, for they would have been wiser counselors of the insured.

LIFE EXTENSION REPORT

By George E. Ide,
President Home Life of New York.

IT IS always a pleasure to enter upon new and untried lines of activity, and in that respect the work of your Life Extension Committee has been most agreeable. It is, however, necessary for pioneers to move with extreme caution.

The problem before us has been to decide in what direction activity can be best exercised and to what extent managers of life companies would be justified in expending the policyholders' money in the work of improving general health conditions and in the education of the general public on the subject of hygiene and sanitation.

By some the subject of life extension has been regarded as too visionary to receive serious attention by this association and the benefits of any movement in this direction as too uncertain to warrant either the companies or the association in spending any money in its development. The contrary is true. The lengthening of human life is a plain business proposition of the greatest economic value to the country at large and of especial value to life insurance interests. As our general counsel has aptly said in his paper read before the Senate Committee on Public Health and National Quarantine at Washington in advocacy of the bill to establish a Federal Department of Health:

"The conservation of material resources is of great importance, but the conservation of human life is of greater importance. It will save as many dollars, and by saving also sorrow and suffering will contribute more

to the happiness and contentment of the American people than water powers and coal fields. To conserve the health of America is to conserve its greatest and most important natural resource."

In our staff of agents scattered all over the United States; in our army of medical examiners numbering at least 80,000, and distributed throughout the cities and villages of our country; in the vast number of policyholders amounting to about one-fifth of our total population, we have the material for the dissemination of truth on this all-important subject and for the institution of an aggressive and successful campaign.

Up to this time your committee has been unable to formulate any definite plan by which our association could directly approach the policyholders of the country upon the subject of life extension, and it has been compelled to reject, as impracticable or too expensive, certain suggestions which have been made. Its work, however, has not been without result. The matter has been brought prominently before the executives of many companies and public attention has been turned toward this most important work.

Professor Fisher, in a recent paper before the International Association of Accident Underwriters, mentioned what is already being done by several companies. He called attention to the new sanitarium of the Metropolitan Life and to the fact that this company had engaged visiting nurses in certain cities to care for its invalid

policyholders; to its establishment of a health magazine to distribute health literature among its policyholders, and to its indorsement in various ways of the movement for a national Department of Health.

He spoke of the fact that the Provident Savings Life Assurance Society had established a health bureau for the issuance of bulletins of health information among its policyholders, and for the granting of free medical examinations to those of its policyholders who desire to avail themselves of this privilege.

He said a certain group of companies in our association had gone beyond the body of their own policyholders; that they were giving free advice to impaired applicants for insurance and suggestions for their benefit; that several other companies were publishing suggestions as to health reform in their magazines to agents, and that certain fraternal societies had also entered the campaign. It seems to us, however, that the most important and far-reaching work of all is that described by our counsel, who says that "practically all of the companies represented in our association are giving their moral support to the movement for the prolongation of human life."

I have heard it stated that this movement has up to the present time only appealed to the executives of a few life insurance companies. Out of a total of 28,000,000 policies in force in American companies our members carry 78 per cent, or 22,000,000. Of this 22,000,000 93 per cent, or 20,500,000, are in companies which are now engaged in individual work along health improvement lines. The activity of these companies is in various lines, as already described.

Therefore, although the association has not as a body undertaken any definite campaign, we can rightly assert that the subject of life extension is now receiving more attention than ever in the past, and that it is a live and active issue in the minds of most life insurance managers.

It appears to your committee that, in addition to what has already been done, there is a certain field of activity which the companies can enter with little or no expense and with the prospect of accomplishing great general good. Throughout our country in all branches of our government we have during the last fifty years made great advances in the matter of perfecting and extending the work of our departments of health. Every well regulated community now has its Department of Health, and these are conducted with greater or less efficiency and under a system which is more or less effective. In many of the newer States and more sparsely settled communities little attention is paid to this important subject. In co-operation with the various boards of health and other kindred departments the insurance companies, through their medical examiners and

agents, can accomplish an immense amount of good.

Your committee would, therefore, recommend that a Bureau of Health and Sanitation be instituted within our association, this bureau to undertake at once the collection of statistical information regarding registration laws, health departments and other agencies showing the extent to which the people in their organized capacity have undertaken to improve health conditions. The companies would doubtless co-operate in the work of such a bureau.

It might be well also to instruct the officers of the association to give their active support whenever possible to the enactment and enforcement of laws having for their purpose the prevention of disease, whether prohibitive in character or in the nature of extending the field and efficiency of health departments.

Our counsel assures me that this work can be done with no expense other than the employment of a little clerical help. When this preliminary step has been taken the association may find it proper in the future to employ one or more experts in sanitation to investigate on behalf of life companies the conditions existing in various localities and to suggest, when requested, methods of improving these conditions. In other words, our first step should be to inform ourselves accurately as to existing conditions, and to lend our hearty support to the general movement in so far as it can be done without material increase in the expense of maintaining the association, and later on to follow up this preliminary work by an initiative of our own.

1860 50th YEAR 1910

HOME LIFE

Insurance Company of New York.

GEORGE E. IDE, President.

Assets	\$23,626,018.63
Liabilities	21,858,691.52
(Including Deferred Dividend Fund)	
Dividend Endowment Fund	
(Deferred Dividends)	2,119,044.00
Net Surplus	1,767,327.00
Insurance in Force	92,532,583.00

The record for 1909 shows the following GAINS:

Insurance in Force	\$4,164,239.00
Assets	1,917,117.00
Deferred Dividend Reserve	148,581.00
Contingency Reserve (Surplus)	655,149.17

THE LEADING FIRE COMPANY
OF THE WORLD



[of Liverpool, England.]

In New England

BOSTON, Dec. 14.—It is intimated that the reduced scale of commissions proposed by the Eastern Union is causing considerable discontent among the local agents of Massachusetts and New England generally, and there are those who see in that proposition, if consummated, the potency of much apathy on the part of the agents in regard to resulting legislation of a character detrimental to insurance interests that may be proposed this Winter. The agents represent that hitherto they have acted as a buffer between legislative oppression and the companies, and they do not view with relish the prospect of being sacrificed when the pinch comes. As far as New England is concerned, it is stated that it has been the least costly of any section as regards the running expenses of the fire insurance business.

Massachusetts agents are not very enthusiastic over the law adopted last

year making non-payment of premiums by agents or brokers prima facie evidence of larceny. The trouble with the law is that it makes no provision to compel payment by the assured, whose delay is usually the primal cause of delinquency in payments. Thus it happens that many times a broker uses the money contributed by a paying client to eke out the deficiency caused by the laggard, thereby doing great injustice to the former. Furthermore, cancellation without return premium "does not go" in Massachusetts, even if the assured has not paid, and the adoption of the law in force in New York, or the substance thereof, permitting cancellation of non-paid policies after five days' notice, would be a desirable measure for the Great and General Court to consider this Winter.

The Exchange Slate.

At last Saturday's meeting of the New England Insurance Exchange

New York Insurance Stocks

Casualty Companies.

	Capital.	Approx. Annual	Div.	Period.	Bid.	Ask.
Aetna Indemnity (\$25)....	\$350,000	V	V	...	200	
Casualty Co. of America...	500,000	6	J&J	120	150	
Fidelity & Casualty.....	1,000,000	18	"	450	500	
Hartford Steam Boiler....	1,000,000	10	"	255	265	
Metropolitan Casualty	200,000	10	"	185	...	
N. Y. Plate Glass (\$50)...	200,000	16	"	300	325	
United States Casualty....	500,000	10	Q	200	225	

Fire Companies.

City of New York.....	\$500,000	10	Q	...	205	
Commonwealth	500,000	10	J&J	326	...	
Continental	2,000,000	40	"	1,025	1,075	
Empire City	200,000	8	"	125	...	
Fidelity-Phoenix	2,500,000	V	V	310	315	
German Alliance	400,000	15	J&J	275	300	
German-American	1,500,000	30	"	550	560	
Germania (\$50)	1,000,000	18	"	285	295	
Glens Falls (\$10).....	200,000	30	"	1,525	...	
Globe & Rutgers.....	400,000	40	Q	475	500	

Hanover (\$50)	1,000,000	15	J&J	200	210	
Home	3,000,000	30	"	640	650	
Nassau (\$50)	200,000	10	"	165	175	
Niagara (\$50)	1,000,000	20	"	300	305	
North River (\$25).....	350,000	10	A&O	155	165	
Pacific (\$25)	200,000	14	"	185	...	
Peter Cooper (\$20)	150,000	6	"	90	105	
Stuyvesant	400,000	10	"	155	160	
United States (\$25).....	250,000	V	V	60	70	
Westchester (\$10)	300,000	40	F&A	455	...	
Williamsburg City (\$50)..	250,000	20	J&J	380	400	

Life Companies.

Aetna Life	\$2,000,000	15	Q	650	660	
Connecticut General	300,000	8	J&J	250	...	
Equitable	100,000	7	A	300	...	
Germania (\$50)	200,000	12	J&J	210	225	
Hartford Life	500,000	10	"	150	...	
Home	125,000	12	M&N	275	...	
Manhattan Life	100,000	26	O&F	400	425	
Metropolitan (\$25).....	2,000,000	7	M&N	155	175	
Prudential (\$50)	2,000,000	10	Q	450	500	
Travelers' Hartford.....	2,000,000	20	Q	900	...	
United States Life.....	264,000	7	J&J	90	105	

V—No information. Q—Quarterly.

the Nominating Committee reported officers for the year 1911 as follows: President, J. W. Grover; First Vice-President, A. K. Slade, Jr.; Second Vice-President, W. H. Lewis. Executive Committee—R. B. Ives (Chairman), H. A. Wiley, G. G. Bulkley, J. H. Mills, A. L. Bliss and H. B. Sly.

The recommendation as to moving picture machines was adopted and is soon to be promulgated. It will reduce somewhat the charges for approved equipment, and arranges for a thirty-day permit to be used any time during the year, instead of thirty days consecutive.

The following committee chairmen were appointed: E. S. Anderson, Penobscot County, Me.; J. W. Grover, Cambridge, Mass.; W. F. Dearborn, Cumberland County, Me.; C. H. Wilkins, Summer Hotels. Frank L. Owens, special agent of the County Fire, was elected an active member of the Exchange.

Massachusetts Accident.

The celebration of the twenty-seventh anniversary of the Massachusetts Accident Company on Wednesday and Thursday of last week went off according to schedule and was entirely successful. President McNeill set forth the enviable condition of the company and the bright prospects ahead. He attributed its success to the underlying principle upon which it was established by its founder, the late George E. McNeill, whose idea of a successful business was one based upon the Golden Rule. An interesting feature of the dinner with which the celebration came to an end was the presentation of souvenirs of the agents' esteem to Mr. Adams, agency manager; to his assistant, Mr. Roe, and to Mr. Bacon, claim manager.

Out West the Massachusetts Accident has recently been admitted to Missouri and Ohio, in addition to Illinois and Michigan, which States it

had entered earlier in the season.

New England Brevities.

At a meeting of the Stamford (Conn.) Board of Fire Underwriters last Thursday Secretary Putnam, of the National Association, addressed the local men in regard to the work of that body, and W. H. Squire, of Meriden, described the work and object of the State Association.

* * *

Following the transfer of Special Agent H. M. Fenton to territory radiating from Boston, J. B. Knox, Jr., has been appointed special agent of the Liverpool and London and Globe for Connecticut, Western Massachusetts and Vermont, with headquarters at Hartford. Mr. Knox, who is a son of Secretary Knox, of the Phoenix of Hartford, is at present special agent of the Reliance of Pennsylvania, and will assume his new duties early in 1911.

* * *

At the December meeting of the New Hampshire Life Underwriters' Association, held at Manchester last week, interesting addresses were made by A. J. Birdseye, general agent at Hartford of the Mutual Benefit, and Charles E. Fish, general agent at Boston of the Phoenix Mutual.

* * *

F. W. Matthews has been appointed special agent of the Aetna for Eastern Massachusetts and Rhode Island. This is part of the territory heretofore in charge of Mr. Hiscock, now manager of the Aetna's Boston office. The announcement of the appointment of a special agent for Maine and New Hampshire is expected soon.

* * *

President A. W. Neale, of the National Association of Local Fire Insurance Agents has been invited to testify before the Investigating Committee of the New York Legislature, together with Chairman C. N. Woodworth, of the Joint Conference Com-

mitted; Chairman George D. Markham, of the Committee on Legislation, and Chairman Lyman M. Drake, of the Agency Qualification Committee. E. J. Tapping, of Milwaukee, and Charles W. Cool, of Glens Falls, New York, will also appear at the same time. The date set to hear the testimony is December 13 and 14.

* * *

The Standard Fire Insurance Company of Hartford, of which M. Lewin Hewes is President, and R. P. Anthony Secretary, has been admitted to the co-operating list of the National Association of Local Fire Insurance Agents.

* * *

The slot-machine policy of the Great Eastern Casualty—premium six cents and duration of contract twenty-four hours—has been approved by the Massachusetts Insurance Department, and will be issued in that State after the first of the year.

EMIL SCHWAB.

No institution employing men in positions of financial trust need look beyond the advertising columns of THE CHRONICLE for FIDELITY INSURANCE.

RECTOR 2817

ESTABLISHED 1864

E. S. BAILEY

DEALER IN

INSURANCE STOCKS

A SPECIALTY

66 Broadway NEW YORK

The Connecticut Mutual

That means the best life insurance to have and the best to sell. If you can sell life insurance, you can sell more of it for the CONNECTICUT MUTUAL.

Men of Character and Ability are invited to apply.

Conn. Mutual Life Ins. Co.
Hartford, Conn.

Please mention this paper.

INCORPORATED 1833.

British America
Assurance Company
HEAD OFFICE, TORONTO, CANADA

UNITED STATES BRANCH.
JANUARY 1, 1910.

Assets	\$1,556,740.94
Liabilities	902,438.61
Surplus	\$ 654,302.33

Hon. GEORGE A. COX, President.
JOHN HOSKIN } Vice-Presidents.
W. R. BROCK }
W. B. MEIKLE, General Mgr.

T H E

PROVIDENT

LIFE AND TRUST COMPANY
OF PHILADELPHIA

Insurance in Force, \$214,509,255.00
(Paid for Basis)

Assets \$70,514,350.45
(Market Value, Dec. 31, 1909)

Contingency Reserve . \$9,207,276.38
(Inclusive of Capital Stock, \$1,000,000.)

The Provident has been particularly distinguished for the development of a highly trained force of agents. The systematic instruction which its agents receive has resulted in their being recognized as representatives of exceptional knowledge of the business and of marked efficiency.

Chronicle Paragraphs

DAVID J. WHITE has been appointed agency director of the Puritan Life to succeed J. D. E. Jones in the agency department. Mr. White has been in the insurance business for the last twenty or twenty-five years in this section of the country and has been a successful writer of insurance in partnership with R. H. M. Dickinson. Mr. White is at the present time clerk of the Rhode Island Senate and Deputy Commissioner of Railroads for Rhode Island. The company has also appointed John R. Moodie actuary to succeed Charles G. Smith, who has been appointed State Actuary for Massachusetts. Mr. Moodie is a native of Scotland and has been associated with the City of Glasgow Life Assurance Society. From there he came to New York City, where he was with the New York Life for a short time, and then with the Germania Life. He is an Associate of the American Actuarial Society and a Fellow of the Faculty of Actuaries in Scotland.

* * *

In the "Maharatta," of Poona, India, in its issue of November 13, there appeared in its editorial column this item: "The following challenge to 'G. B. P.' appears over the signature of 'Phoenix' in the 'Commerce,' of Calcutta, dated October 26:

"A strange thing has happened. An opponent of the coming Insurance act for India has entered the arena and has thrown down the gage of battle. And his name is Phansalkar, a High Court pleader of Satara. Every genuine insurance man in India, even those who have Swadeshi on the brain, are in favor of some form of insurance legislation for India—except Mr. G. B. Phansalkar. I have his weird arguments before me as I write, but there is no room this week for comments. As I glance down the printed dissertation, however, I come across the following remarkable declaration: "Everywhere State intervention by laws with the conduct of the insurance companies has been cried down where such laws exist." And the laws in the forty-six States of North America, "instead of doing any good are positively doing wrong." You will get the S. C. on your track, Mr. G. B. P., unless you are careful."

* * *

The Insurance Handbook of the State of Illinois for 1910-1911 has just been issued by the Rough Notes Company of Indianapolis. It gives the location of every licensed company, every licensed agent and every Illinois member of insurance organizations. It also contains the official roster of every company licensed by the State of Illinois, the resources and liabilities of all the companies, their Illinois business and the statutory re-

quirements of Illinois relating to insurance.

* * *

On Wednesday of last week Governor Draper sent to the Executive Council the reappointment for three years of Frank H. Hardison as Insurance Commissioner of Massachusetts. Mr. Hardison, after receiving a collegiate education, entered journalism, and was for some years in charge of the insurance column of the "Boston Herald." He became examiner of the Massachusetts Insurance Department in 1896, was subsequently appointed Deputy Insurance Commissioner, and was promoted to the Commissionership in 1907. Capable, faithful and painstaking, Mr. Hardison commends the esteem of those who have business relations with him. His reappointment was confirmed by the Council yesterday.

* * *

Superintendent of Insurance Hotchkiss will investigate the charge made by Milton G. Bucky, a lawyer, acting for Thomas Barber, of No. 105 Rogers Avenue, Brooklyn, that the Knights of Pythias Insurance organization is insolvent. Attorney General O'Malley was asked, in a letter from Lawyer Bucky, to begin action against the Knights of Pythias. The letter requests the appointment of a receiver of the organization's assets in this State, and the allegation is made that on its own showing it is insolvent. It states further that information supplied by the Supreme Lodge of the order shows that at the present time it is carrying insurance of the fourth class amounting to \$20,667,500, with cash on hand to pay this insurance aggregating only \$615,563.

* * *

Dr. Eugene L. Fisk has been elected Secretary of the Provident Savings Life to succeed Robertson G. Hunter. Dr. Fisk will continue his duties as medical director of the society.

OBITUARY

William Hanhart.

William Hanhart, President of the Bankers' Life Insurance Company of New York, died at his home in Brooklyn on December 7. He was born in England in 1849. When he came to this country, he entered the employ of Moffat, Davidis & Company, of New York and New Orleans. Later he went with Ladenburg, Thalmann & Company. He was assistant comptroller of the Emigrant Industrial Savings Bank, and a director of the Life Association of America, the Knickerbocker Investment Company, the European American Bank, and the Union Mutual Real Estate Company. He was the founder of the savings bank section of the American Bankers' Association.

**SUPERIOR POLICIES**

KIMBALL C. ATWOOD, President.
290-292 Broadway, New York.

New England Mutual Life

Insurance Company

BOSTON, : : : MASS.

Chartered 1835

Assets, January 1, 1910..\$51,316,543.00
 Liabilities 47,050,672.15

Surplus \$4,265,870.85

Sixty-six years of honorable dealing with its policyholders has placed the **NEW ENGLAND MUTUAL LIFE INSURANCE COMPANY** in the front rank of Life Insurance Companies of the Country.

ALFRED D. FOSTER, President.
D. F. APPEL, Vice-President.
J. A. BARBEY, Secretary.
WM. F. DAVIS, Assistant Sec'y.
J. G. WILDMAN, Assist. Sec'y.

EDWARD W. ALLEN, Manager.
 220 Broadway, New York.
LATHROPE E. BALDWIN, Manager.
 141 Broadway, New York.
CHARLES H. STRAUSS, Gen. Ag't.
 200 Fifth Ave., New York.

FOUNDED 1792

118th ANNUAL STATEMENT

INSURANCE COMPANY OF NORTH AMERICA. OF PHILADELPHIA, PA.

ASSETS.

January 1, 1910.
 Real Estate\$ 364,410.00
 First Mortgages on Real Estate 373,803.43
 Philadelphia, New York, Boston and other City and State Loans 1,134,390.00
 Pennsylvania, Philadelphia and Erie, Lehigh Valley and other Companies' Bonds and Stocks 8,909,150.32
 Cash in Bank and Bankers' hands 1,134,635.88
 Notes Receivable and Unsettled Marine Premiums.... 347,440.69
 Net Cash Fire Premiums in course of Transmission..... 1,069,510.62
 Accrued Interest, and all other property 52,160.57

Total Assets\$13,385,501.56

LIABILITIES.

Capital Stock\$ 3,000,000.00
 Reserve for Re-Insurance .. 6,813,862.47
 Reserve for Losses 877,250.00
 All other Liabilities 104,982.45
 Surplus over all Liabilities.. 2,589,406.64

\$13,385,501.56

Surplus to Policyholders.....\$5,589,406.64
 Increase in Reinsurance Reserve 349,934.71
 Increase in Net Surplus..... 838,500.92
 Increase in Assets..... 1,371,435.93

Eugene L. Ellison.....President
Benjamin Rush.....Vice-President
T. Howard Wright.....Secretary
Henry W. Farnum.....Assistant Secretary
John O. Platt.....Assistant Secretary

Agencies in all Prominent Cities & Towns.

PROSPEROUSLY BUSY!

Our agencies are steadily increasing this year's lead over the figures of our high record in 1909.

Our agents are prosperously busy. With Business Life Insurance and our unequalled Continuous Monthly Income policy they are reaching and satisfying the public and liberally rewarding themselves.

Inquiries invited from delivering producers.

GEORGE D. LANG,

Superintendent of Agencies,

Massachusetts Mutual Life Insurance Company,

Incorporated 1851.

Springfield, Massachusetts

THE

American Credit-Indemnity Co. OF NEW YORK.

CREDIT INSURANCE ONLY.

Insures Wholesalers and Manufacturers against Excessive Annual Loss through the Insolvency of their Customers.

We can always use a few high-grade solicitors.

ST. LOUIS, MO.

NEW YORK, N. Y.

Offices in All Principal Cities.

A. B. TREAT, General Agent,

302 Broadway, : : : : : New York.

1894**1910**

The State Life Insurance Company INDIANAPOLIS

UNEQUALLED IN SOLID ACHIEVEMENT

Assets, Dec. 31, 1909...\$8,580,830.58 Surplus, 1909.....\$1,174,606.34

GROWTH UNPARALLELED

	Gain in Admitted Assets	Gain in Surplus
1907.....	\$1,001,409.00	\$ 27,775.00
1908.....	1,023,700.00	153,161.00
1909.....	1,201,977.14	314,044.74

**EIGHT MILLION DOLLARS IN SECURITIES
 DEPOSITED WITH THE STATE OF INDIANA**

This is **\$848,861** more than is required by law

Most Attractive Agency Contract

Our Own Idea Every Contract Direct with the Company
 Scores of Good Men Have Joined the State Life Field Force Since Jan. 1, 1910.

On All Agency Matters Address

CHAS. F. COFFIN, Second Vice Pres., 1231 State Life Bldg.

LIVERPOOL & LONDON & GLOBE INSURANCE CO., LTD.

NEW YORK OFFICE, 45 WILLIAM STREET.
 H. W. EATON, *Manager*
 G. W. HOYT, *Deputy Manager*
 B. KREMER, JR., and T. A. WEED, *Agency Supts*

NEW ENGLAND STATES, NEW YORK, NEW JERSEY,
 PENNSYLVANIA, MARYLAND, DELAWARE,
 DISTRICT OF COLUMBIA, VIRGINIA,
 WEST VIRGINIA, NORTH CAROLINA,
 SOUTH CAROLINA, OHIO,
 INDIANA, KENTUCKY,
 TENNESSEE.

NEW ORLEANS OFFICE, COR. CARONDELET & COMMON STS.
 CLARENCE F. LOW, *Manager*
 J. G. PEPPER, *Asst. Mgr.*
 THOS. H. ANDERSON, *Deputy Asst. Mgr.*

SAN FRANCISCO OFFICE, 444 CALIFORNIA ST.
 CHARLES D. HAVEN, *Manager*
 C. MASON KINNE, *Asst. Manager*
 JOHN W. GUNN, *Deputy Asst. Mgr.*

CHICAGO OFFICE, 205 LA SALLE STREET.
 W. S. WARREN, *Manager*
 GEO. H. MOORE, *Assistant Manager*
 HUGH R. LOUDON, *Deputy Asst. Mgr.*

ILLINOIS,
 MICHIGAN, IOWA,
 WISCONSIN, MINNESOTA,
 MISSOURI, KANSAS, NEBRASKA,
 COLORADO, N. DAKOTA, S. DAKOTA,
 MONTANA, UTAH, WYOMING,
 NEW MEXICO.

CALIFORNIA, NEVADA,
 ALASKA, OREGON,
 WASHINGTON, ARIZONA,
 IDAHO.

LOUISIANA,
 MISSISSIPPI,
 ALABAMA,
 OKLAHOMA,
 FLORIDA,
 ARKANSAS,
 TEXAS,
 GEORGIA.

ESTABLISHED 1836. ENTERED U. S. 1848.

The statement of the condition of the United States Branch on the 1st day of January, 1910, in accordance with the Laws of the State of New York, is as follows:

ASSETS \$13,885,802.88
 LIABILITIES 8,766,622.58

SURPLUS \$5,119,180.30

As an illustration of the Company's practice in maintaining its assets in the United States in years of excessive loss, the following figures may interest policyholders:

Year.	Assets at January 1.	Income	Expenditure.	Excess of Expenditure.
1871	\$3,054,361	\$3,163,901	\$5,122,653	\$1,958,752
1872	3,640,450	3,733,101	4,484,999	751,898
1873	4,165,290			

Thus showing excess of expenditure in the two years of \$2,710,650
 And increase of assets in the same time of 1,110,929

Progress of the United States Branch: Net Fire Premiums: 1848, \$4,519; 1858, \$471,998; 1868, \$1,739,620; 1878, \$2,422,126; 1888, \$3,928,010; 1898, \$4,979,422; 1908, \$7,427,617.63.

LOSSES.—The amount paid in the satisfaction of fire losses in the United States to the beginning of the present year was over \$119,461,623.72. This large sum, in conjunction with the growth of the company's business, evinces the confidence of the public and the faithfulness with which the Company's losses are adjusted and settled.

The Chronicle

1866

Published by THE CHRONICLE COMPANY (Ltd.), 80 Wall Street, New York City

1910

VOLUME LXXXVI.

NEW YORK, DECEMBER 22, 1910

NUMBER 25



Explosion and Personal Accident Hazards of a Large American City Illustrated at the Grand Central



New York Central Power House Wreck

COMPARATIVE RESERVE TABLES

BY

MILES M. DAWSON

Consulting Actuary.

Containing Mean and Terminal Reserves for the
usual forms of policies and by the
following standards:

American Experience, Select and Ultimate $3\frac{1}{2}$ per cent.
American Experience, Select and Ultimate 3 per cent.
American Experience, Modified Preliminary Term $3\frac{1}{2}$ per cent.
American Experience, Modified Preliminary Term 3 per cent.
American Experience, Select and Ultimate 4 per cent.
Actuaries', Modified Preliminary Term 4 per cent.
American Experience, Committee of Fifteen, $3\frac{1}{2}$ per cent.
American Experience, Illinois and Tennessee, $3\frac{1}{2}$ per cent.
American Experience, Michigan, $3\frac{1}{2}$ per cent.
American Experience, Wisconsin, $3\frac{1}{2}$ per cent.
American Experience, New Jersey, $3\frac{1}{2}$ per cent.
H^M, Canadian Life Officers' Association, $3\frac{1}{2}$ per cent.
O^[M], Select and Ultimate, $3\frac{1}{2}$ per cent.

THIS covers all the standards, other than the net level
premiums, in use in this country. Tables showing
the first year margins set free by each method of valu-
ation are given.

Send all orders to the Publishers,

The Chronicle Co., Ltd.

No. 80 Wall St.

NEW YORK

The Chronicle

VOLUME LXXXVI.

NEW YORK, THURSDAY, DECEMBER 22, 1910

NUMBER 25

PUBLISHED EVERY THURSDAY BY
THE CHRONICLE COMPANY (Limited)
No. 80 Wall Street, New York.
'Phone "567 John." Cable Address, "Chronogram," New York.

Subscription Price:
Three Dollars a Year. Single Copies, Twenty-five Cents.
Postage Prepaid in the United States and Canada.

MILES M. DAWSON, President.
W. B. CASS, Secretary. A. R. MARSH, Treasurer.
Emil Schwab, Manager New England Department,
610 John Hancock Building, Boston, Mass.

WILLIAM BARRETT CASS, Managing Editor.
All communications should be addressed and remittances
made to THE CHRONICLE COMPANY (Limited).
Entered at the Post Office, New York, N. Y., as Second Class
Mail Matter.

The Casualty at the New Grand Central

LOSS of life and wreck of property over a wide area on Monday in Fiftieth Street, at Lexington Avenue, by an explosion of Pintsch gas, caused by a short circuited wire in contact with a main broken by a train breaking the track-end bumpers, the destructive force being such that a trolley car, rods away, was wrecked, supplies a vivid demonstration concerning the extent and seriousness of personal liability risks from casualties and of the explosion hazard in congested communities.

In regard to the personal accident hazard, as exemplified in the Grand Central explosion, E. E. Clapp & Co. said yesterday:

"This explosion, apart from the human feelings of horror and sympathy which such a disaster naturally arouses, points a great lesson. We Americans are a hustling nation. We have a greater proportion of accidents than any other civilized people. The suddenness and unexpectedness of this accident have struck every one. Who could have imagined that under presumably careful conditions of structure and operation of one of the

greatest railway terminals in the greatest city of America, such a disaster could occur? The mere chance that the sand-box on a train was empty, that the brakes would not hold the wheels on the slippery rails, and that the car crashed into a structure and broke a few pipes, was the original exciting cause of the entire calamity, brought on by the accidental ignition of the highly carbonized gas let out under a pressure of 150 pounds into the wrecked building. People for blocks around suffered injuries. Persons who may not have been aware that there was a railway station in their vicinity, were thrown down by the shock. Many were injured.

"Persons traveling peaceably on a trolley car were unprotected against the explosion. Several were killed instantly. Others suffered injuries which it is known will be fatal. Several are still missing, and their bodies may be found among the ruins, in which men are now digging.

"Even this serious accident is nothing compared to the great one which may occur in New York or any other large city of America at any moment.

Our people have rather been fortunate in escaping serious consequences of such accidents as these that have occurred. The collapse of the Hotel Darlington did not cause many deaths, but an explosion, such as this New York Central one, occurring in or near any large office building, or other heavily tenanted structure, would be a calamity that New York and the civilized world would remember for generations.

"No sensible man can fail to deduce two morals from this Grand Central explosion; first, that the American people must set to work to reduce the undue and excessive hazards known to exist in this country; and second, that no man is safe unprotected by an adequate amount of accident insurance to cover his own loss if he is disabled by one of these accidents, or the loss to his family if he is killed by it. In addition to these unusual casualties, there are daily occurring all over the United States thousands of accidents, it being estimated that more than 30,000 a day are injured in the United States alone, and that one fatal accident occurs every nine minutes."

Working of the British Compensation Act

IN THE Presidential address before the Institute of Actuaries, held in Holborn last month, the President said:

"Even when the basis of the actuary's deductions and forecasts seems soundest, his experience of the need of caution in dealing with figures will teach him to verify and retest it. Let me cite a case in point. When the Workmen's Compensation Act (1906) was passed, rates of premium were fixed upon the observations of previous accidents, an apparently safe procedure, given a large enough body of data. But these rates were soon

seen to be insufficient, owing to a triple cause. In the first place it was found that the protection afforded by the act to the worker, the cost of which fell on the employer, was often regarded by the latter as a relief of his personal obligation to use every endeavor possible to prevent the occurrence of accident. Sometimes the cost of the new burden was met in a measure by reducing supervision in factories and workshops, with the result that more mishaps occurred. Next, the worker himself feeling secured by statute against the consequence of his own act had a tendency

to slacken in the care with which he performed dangerous duties. Thirdly, the ever widening construction put upon the term 'accident' by our courts of law brought many new occurrences within the definition and enlarged the field of observation. It thus happened that past experience proved utterly untrustworthy as a guide to future results under the act, and the moral we must draw is that we should be slow to accept any basis for our estimates without the most careful consideration as to the continuance of those conditions on which it has been framed."

OBITUARY

Dr. Frederick W. Chapin.

Dr. Frederick W. Chapin, senior medical director of the Massachusetts Mutual Life Insurance Company, died of angina pectoris on December 15 at Springfield, Mass., having occupied his desk in the medical director's office the day before. For some time he had been aware of an affection of the heart, which might at any time suddenly stop its beating, so that, sudden as was his passing away, it had been preceded by months of apprehension.

Dr. Chapin was born in Middletown, Conn., November 17, 1849, and he removed to Springfield in 1854. He was fitted for college at Phillips Exeter Academy, and, entering Harvard, graduated there in 1870. He studied medicine with Dr. Willard Parker, of New York, and at the College of Physicians and Surgeons in this city, and was for two years a member of the house staff of Bellevue Hospital. He returned to Springfield and began practice in 1875.

He was appointed medical director of the Massachusetts Mutual in 1885, after having served several years as assistant medical director. In 1902 he was elected a director of the company. He was a trustee of Springfield Hospital, of the State Hospital at Northampton, Mass., and of the Weston Maternity Hospital in Springfield.

An open mind, judicial discrimination, tact and an ever-present courtesy characterized his relations with the agents and the medical examiners of his company, and his fine personality made of him a favorite associate of his fellow-officials and employees. For more than a generation he ably served his company and continuously enjoyed the high regard of its officers, agents and medical examiners. His departure brings sorrow to the Massachusetts Mutual and to his community.

AN ACCEPTABLE AND INEXPENSIVE GIFT

For Wife and Children is a policy of life insurance. Inexpensive—because money paid for a life insurance premium is not an **expense**, but a wise **investment**; acceptable, because it is of lasting value and its proceeds will buy bread and butter when you are gone. No! You think you will not be the one to die this year, but are you sure? A \$30 premium paid now may mean \$1,000 insurance before nightfall. Every one nowadays realizes that life insurance is indispensable.

The Union Central Life Insurance Co,

JESSE R. CLARK, President

Assets, \$74,000,000 Established 1867
Net Premium Rates Lowest of All

E. W. JEWELL, General Agent

325 Race St.

The Life Presidents

IN THIS issue is continued the publication of the addresses delivered at the meeting in Chicago of the Association of Life Insurance Presidents. Summaries appear this week of the address of welcome by Superintendent Fred W. Potter, of the Illinois department; the reply by Vice-President Craig, of the Volunteer State Life of Chattanooga, Tenn.; that on "Life Insurance Instruction in Colleges," by Robert Lynn Cox, general counsel of the association, and on "Life Insurance as a Life Work" by Edward A. Woods, district manager at Pittsburg of the Equitable Life. The demands on the limited space available obliged the omission of much that was useful from Health Officer Doty's address on "Modern Sanitation;" from that of Dr. Wilbur, chief statistician of the

Census Bureau, on "The Census in Vital Statistics;" of Dr. Porter, the New York State Health Commissioner, on "Preventable Diseases;" Professor Adams on "Insurance Taxation Reform;" and "Vocational Training," by President Edmund J. James, of the University of Chicago.

Mrs. L. C. Rawson, Vice-President of the Des Moines Life Insurance Company, Des Moines, Ia., spoke on "Opportunity for Women in the Life Insurance Business." Mrs. Florence E. Shaal, of Boston, manager of the woman's department of the Equitable Life Assurance Society, read a paper entitled "Pathways of Success," in which she said the annual business written by her department for several years has been larger than the whole annual business in Massachusetts of ten life companies, not small ones.

LIFE INSURANCE A LIFE WORK

By Edward A. Woods,

Pittsburg District Manager, Equitable Life.

TO FURNISH the proper background for discussing the opportunities of life insurance as a life work for college men it seems almost necessary to refer to the magnitude of the field. American companies and associations have in force over 36,500,000 policies and certificates for over \$25,000,000,000 (\$25,175,797,538). This amount is equal to about 20 per cent of the total wealth of the United States; exceeds the total wealth of every other country in the world except Great Britain, France, Germany and Russia, and equals the combined total wealth of Belgium, Spain, the Netherlands, Portugal and Switzerland. Of the \$1,307,975,729 annually paid for insurance of all kinds, two-thirds, or \$884,068,753, is paid to the life insurance companies and associations—one of the largest items of expenditure of the American people—one-fifteenth of our total disbursements.

Its growth has been as rapid as it has been great. Practically its entire development has taken place in the last fifty years. The policies in force January 1, 1860, were but 49,608 for \$141,497,977. It has doubled more than three times as fast as the population of the country and more than twice as fast as its wealth.

There is no evidence of any abatement in its growth, nor is it conceivable that so long as life is uncertain and valuable, and men have families they love and businesses to protect and old age for which to save, it can ever be superseded by any other device. So long, therefore, as Americans are paying to-day nearly half the amount for candy that they pay for regular life insurance—excluding assessment

and fraternal, \$748,027,892—more for beer, nearly three times as much for liquor, three-fifths as much for tobacco, and two-thirds as much for automobiles, it can hardly be claimed that even with our present wealth and population life insurance has reached the limit of its growth. Even when this is reached a large business can still be expected because of the constant changes in population, replacing the dead by the living and the old by those becoming of age, and the constant growth of prosperity.

Life insurance, as other professions, should be taken up as a life and never as a temporary work. In trade men may turn, often advantageously, from selling one thing to another, or from one position to another, but the professional man devotes his lifetime to that vocation for which he acquires training by years of preparation not justified by temporary business. In the past men late in life and as a temporary expedient have taken up life insurance, and some have greatly succeeded, but it can best be followed by the young man, training himself for it and content to go slowly at first, but surely and more profitably as he becomes older and builds up the same clientage that the physician or lawyer does, and that cannot be done by one temporarily in it. We have considered the similarity between life insurance and the great professions to show that from its size, as well as nature, it requires talents that the trained college men should possess beyond those without such advantage. But there are other distinctions in a business well called "the best paid hard work in the world." It is not mere salesmanship of a concrete arti-

cle that can be seen and handled, like coal, realty, food, clothing or general merchandise. It peculiarly requires, as the previous definition states, an attainment in special knowledge and the application of such knowledge to the uses of others. A life insurance policy cannot be fitted, like a procrustean bed, to any client. Not only must he be urged to act, but advice must be given with integrity, judgment and wide knowledge and experience, not only of insurance but of general business. The man's circumstances, the condition of his business, the size and needs of his family, as well as how these can best be supplied by a particular insurance contract, must be thoroughly understood and honestly and urgently presented. Not only may a form of policy best suited to one man be entirely unsuited to another, but different policies are required by the same man for different purposes, at different times of his life and in different conditions of his affairs. Indeed, there are special fields of life insurance that are developing specialists, such as providing fixed incomes for wives and children, particularly daughters, payable during their lives in monthly, quarterly, semi-annual or annual instalments and safeguarded in various ways for the beneficiaries; corporation insurance, to protect corporations against the death of valuable members and for acquiring or retiring stock or interest of deceased partners—in itself a wide, lucrative and promising branch of insurance just opening and requiring an intimate knowledge not only of general business and business law, but the same study of each particular case as the lawyer would give

to it; insurance to provide pensions for employes and to provide for their families, much better done by voluntary insurance in America than by the expensive and compulsory governmental methods being experimented with elsewhere.

As with other professions, the young man, and still more the young woman, should clearly understand that they are handicapped by youth. Most insurance is secured by, and most easily sold to, those of mature years with families, and such are not so strongly influenced by the advice of a young man as one older and more experienced. On the other hand, insurance offers the very great advantage that age and experience greatly increase his prosperity instead of making his hold upon the business more precarious. The dead line is a subject to which the average young man gives little attention, but he is wise who considers the duration of his employment in advance instead of waiting until too late and perhaps having to face it when thrown out of employment at an age when he cannot get other employment.

The gray hairs and long experience of an insurance man are valuable. My father, for fifty years a teacher and college president, entered life insurance when sixty-eight, and was more successful than in any year of teaching. Nothing but failing health should prevent an insurance man well up in years from becoming increasingly efficient. One of the best insurance men I ever knew at the age of seventy-six made a record never equalled before or since, and was very successful after eighty, until stricken by paralysis.

theless, must swear that they have enforced the law. I am not deeply interested, I confess, in John Smith's petty complaint that William Brown has escaped his fair share of the common burden. But I am profoundly interested in democracy's failure efficiently to perform the most fundamental task of government. I firmly believe that if we fail to govern ourselves efficiently we must in the end cease to govern ourselves at all. I cannot view without apprehension, therefore, the spectacle which American taxation now presents.

Insurance experts get up before public assemblies or before legislative committees and expound their grievances so clearly that the very stones might well be convinced. Then they go their way and wonder why the results are not secured. The reason, gentlemen, is simple. Before they made their plea the railroads had exposed the injustice of railroad taxation, the bankers had exposed the injustice of bank taxation, farmers had been there with a similar and a similarly convincing plea, owners of real estate, owners of personal property, trustees representing the property of widows and orphans, a hundred other classes and interests had had their day in court, had talked for themselves or their clients and failed to secure redress. Your arguments fall on ears which are not congenitally deaf, but which have been deafened by unceasing complaint from all quarters. The general system is so bad that every story of injustice which you cite is capped on the instant by a more grievous example. You appeal to the average citizen to listen to your grievances, and when you finish his silent comment is simply this: "To reduce the taxes of the insurance companies is to increase the taxes of every other class in the community. Now, I know of a dozen of classes or interests who are in worse plight than the insurance companies. I will not aid you." And he gives the same answer to every other special plea. I am not a revolutionist. On the contrary, I am a particularly stubborn adherent of piecemeal progress in almost every other public question, including the tariff.

There is another and peculiarly significant reason why the reform of insurance taxation is inseparably bound up with general tax reform. Insurance companies ask for a reduction of the tax burdens not to relieve the management, but in order that the cost of insurance may be reduced, and the beneficent work of insurance extended. Their request for reduction is a tacit promise that premiums will be reduced—or, in participating premiums, that dividends will be correspondingly increased. But it is perfectly obvious that if the tax reduction is to accomplish this end it must be not sporadic, but general—not temporary, but continuous—not the result of a sudden spasm of generosity, but

INSURANCE TAXATION REFORM

By Thomas Sewall Adams, Ph. D.,

Washington University, St. Louis.

THE systematic discussion of insurance taxation carried on by this and similar associations has borne considerable fruit. In the narrow limits of my own personal acquaintanceship I know of several who have been converted to the belief that insurance taxation is now excessive, and of others—previously arrayed against you on this point—whose opposition has been transformed if not into allegiance at least into agnosticism. Whereas, once they were sure the insurance companies ought to pay more, now they wonder whether they are not paying too much.

But though much has been done, much remains to be done. The treatment of insurance companies in the recent Federal corporation income tax makes it very plain that the agnostics are not only in the majority but that they are still unconverted. It has seemed, therefore, that I could best be of service by rehearsing the points upon which the agnostics are still in

doubt and stating some of the reasons which prevent them from joining in the demand for tax reduction.

Let us assume in the beginning that insurance taxation is gravely in need of reform. I feel safe in doing this because insurance experts are so unanimous on the point—and because—here I know I am safe—there is practically no department of State taxation which is not seriously in need of reform. This is to me no laughing matter. You know and I know, and every observant taxpayer knows, that our tax system is literally founded on under-assessment. Evasion and, in a strict construction of the law, perjury have come to be, not incidents, but inseparable accompaniments of American Commonwealth taxation. In our tax laws we take the trouble to be neither just nor consistent nor practicable, and we hand this botchwork over to be administered by men—we should do no better in their places—who cannot enforce the law, who will not enforce the law, and who, never-

the exhibition of a deliberate and settled conviction on the part of the public that in matters of taxation, reason and sanity and equity are to prevail. I have already stated my conviction that the insurance business is not likely to receive fair and thoughtful treatment, while unfairness and thoughtlessness is the general rule. I add to that the expression of my further belief that the ability of the insurance companies to redeem their implied promises in this connection depends upon the assurance of a continuous and settled policy of fair dealing. This assurance will never be felt while there are a score of other interests and classes suffering from equally inequitable burdens.

The second reason why the campaign for the reduction of insurance taxes has not borne greater fruit is found in the fact that the great mass of people do not believe that the premium taxes paid by insurance companies are borne entirely by the policyholders of the companies.

In the agnostic's mind the problem really simmers down to these questions: (a) What rate of taxation does the average policyholder really pay on his insurance property—assuming that he pays the taxes; and (b) What rate does the average taxpayer actually pay on similar property?

First of all, it must be said that we have very little definite information upon the points—at least so far as the agnostic knows. And he respectfully suggests that the insurance companies could make few contributions to the solution of this problem more helpful than the publication of careful computations showing for representative types of policyholders: (a) The value of their claims or property rights in the insurance companies; (b) the amount of annual taxes imputed to them; (c) the ratio of these taxes to their corresponding claims on property rights (the rate of taxation), and (d) the ratio of these taxes to the annual premium payments. On the other hand, the State governments could do few things more beneficial than to ascertain accurately just what

rate of taxation the average individual is actually paying—not supposed to pay—on claims, credits and securities.

According to my rough calculations, however, the average policyholder—assuming that he pays the taxes—is paying on his insurance property the equivalent of an ad valorem tax of approximately three-tenths of one per cent, leaving out of account both the real estate held by the insurance companies and the taxes on that real estate and regarding fees as taxes. If we exclude fees the tax appears to be about two-tenths of one per cent. Whether this rate is higher or lower than that actually paid in analogous property is hard to say.

It would be a comparatively easy question, I believe, for either the State government or the insurance companies to secure an answer by the expenditure of a few thousand dollars. But speaking for myself and not for the agnostics, I am perfectly willing to say that in my opinion three-tenths

of one per cent, low as it appears, is probably four or five times as much as the average citizen pays on analogous securities.

In the end, like the muddled orator whom Speaker Cannon once rebuked, I "come out of the same hole I went in at." The insurance companies can do most by joining whole-heartedly in the campaign for a general clean-up of taxation. For it will not be the special pleaders who will deserve most in the coming years, but those who come with clean hands into the great court of public opinion and generously ask not that their own wrongs be remedied, but that a great stain upon democratic government be removed, whose most eloquent pleading is not for a reduction of their own scores but for a new and just reckoning of all obligation, anxious first of all that democracy shall cast the scales from her eyes, confident that when she sees she will grant them individually all they hope for or wish—simple justice.

WELCOME TO ILLINOIS

By Fred W. Potter,

State Superintendent, Illinois Insurance Department.

IN THE absence of Governor Deneen, who is away from the State because of a previous engagement, it is my pleasure in his behalf to bid you welcome to this city and State. In welcoming you to Chicago I do so in behalf of the second city in the United States, in the firm belief that the coming years will find her the metropolis, not only of the West, but of the whole Western Hemisphere. The companies composing your association are all represented here, and the volume of business done by them is constantly increasing. In all seventy-eight regular life companies are licensed to do business in Illinois, more perhaps than in any other State of the Union, and necessarily all have agencies in Chicago. In 1909 applications for policies calling for the payment of \$200,000,000 by the life companies were written in Illinois, while they collected \$36,000,000 in premiums on the total business in force. About one-half of this business was written in Chicago, and I feel that I ought to say here that the State's Attorney of Cook County is of the opinion that all the premiums on the first year's business should be collected. In view of these figures, I am not at all surprised that your association selected Illinois as the State in which to meet this year, as I realize that you would be glad to visit a field capable of producing such a volume of business as this, with an abiding hope that the figures given would be more than duplicated in the succeeding years.

I welcome you to Illinois, the only State in the West which does not impose upon her citizens a burden in the form of a tax upon the premiums or reserves of domestic companies; to

Illinois, which says to other States, "I will not tax your companies if you remove your burdens from mine"; to a Commonwealth which believes that the management of a company, and not the State, is better qualified to determine how much business it should yearly place on its books, how much should be paid to secure that business, how much surplus it should accumulate, and where its funds should be invested; to a State whose valuation laws do not compel companies to withdraw from her borders.

I bid you welcome in behalf of the

No institution employing men
in positions of financial trust need
look beyond the advertising columns of THE CHRONICLE for
FIDELITY INSURANCE.

The
Columbian National Life
INSURANCE COMPANY
OF BOSTON, MASS.

LIFE, ACCIDENT AND HEALTH
INSURANCE.

The Only Massachusetts
Non-Participating Company

The New Columbian Policies are
Unexcelled in Clearness and Liberality.

Good Contracts and Territory for
Good Producers.

ARTHUR E. CHILDS, President.

PROVIDENT SAVINGS LIFE ASSURANCE SOCIETY OF N. Y.



The Only Company
in the World That
"INSURES LIVES
AND GUARDS THEM
AGAINST DISEASE"

E. E. Rittenhouse,
President

AGENTS WANTED

Apply to

F. E. McMULLEN,
2d Vice-Pres. and Supt. of Agencies.
HOME OFFICE BUILDING,
35 Nassau St., New York, N. Y.

great West, of which this city is the metropolis. Statistics of your business show that the major portion of it comes from this vast region, whose people evidently believe in you, and in the companies you represent, and in the name of these untold millions I greet you.

At the same time I ask you, as a supervising official, to advocate and indorse and to help enact into law in all the States of the Union such

measures as will be helpful to the policyholders you and I both represent; and I wish to go on record as saying that so far as the State of Illinois is concerned, while some of the companies of your association have opposed vicious measures, as they should have done, I have found them assisting the department in the passage of helpful laws, and in behalf of myself and other supervising officials I bespeak your further co-operation.

REPLY TO SUPERINTENDENT POTTER

By E. B. Craig,

Vice-President, Volunteer State Life of Chattanooga.

THE fact that the honor of responding to the cordial words of welcome of the distinguished gentlemen comes to the youngest company in the association is a striking evidence of the good will and comradeship of the older and larger companies toward the younger companies, which by their manner of organization and methods of doing business have shown high ideals and a firm purpose not to deviate from conservative lines. Further, it is an evidence of the fact that this association had its birth in a conviction existing in the minds of men at the head of the largest and strongest institutions in our country that the life insurance business and the interest of the insured could best be conserved in matters affecting the general welfare of the business by the united efforts of all companies. Life insurance is a part of the very warp and woof of modern life, and is the foundation rock upon which rests the hope of the heads of families for those dependent upon them. In this fact this association recognizes a sacred trust, and in its efforts to create a condition that will enable us to better fulfill it, no individual company, large or small, old or young, is considered, but rather does it seek to deal with correct principles, to the end that those in authority may join us in producing laws and conditions that will be just to the insured and to all companies alike.

It is a source of very great gratification to have here, as we did in Washington last year, gentlemen in authority, heads of departments to whom we are responsible, express themselves so earnestly in favor of uniform laws to govern our business. I think we all fully realize the many difficulties confronting us in obtaining this uniformity. The President has told us that the Supreme Court has settled it, in so far as Congress is concerned, and that our only recourse is in securing common action by the different States. He also warned us that we had a tedious task, because of the conditions that surround the legislators of the different States. A long time ago, just about the time life insurance really started in the United States, a great man of this State, one of the great men of the world, through love for his country, made a statement, and the sound of his voice and the truth of his words still echo in the hills and valleys of every State in the Union—"A house divided against itself will not stand." The two great pillars supporting life protection are the company and the policyholder. Together let them ask for reasonable and just laws; not for laws to protect or foster one company or an especial group of companies, but for just laws to foster and protect the principles of life insurance. When this is done my faith is strong in the belief that many of the conflicting and disturbing elements in the business will disappear.

PREVENTABLE DISEASES

By Dr. Eugene H. Porter,

New York State Health Commissioner.

THERE are certain coming events in medicine which are casting their shadows before. Medicine has been up to the last 100 years a howling waste of wilderness. Its paths ran no whither and its cleared spaces were but scenes of desolation.

But now we have a new foundation and a new knowledge, and we are beginning to realize that we are living in the midst of a great remaking of medical history. The search for the cure for disease is giving way to the discovery of the cause of disease. The

knowledge of the cause leads to an understanding of prevention, and of the coming events in medicine that cast their shadows before the most numerous and most potent are those of prevention, and their sphere is the welfare alike of the individual and the community. And so we are changing from means to cure to search for cause. To cure is splendid, but to prevent is Godlike. The last fifty years have seen more progress made in knowledge of the causes of disease than all the centuries before.

In this fight against preventable diseases the first thing is to find out as nearly as may be the facts in the case. What is our present position? How does it compare with the past? What may we reasonably expect in the near future? What are the figures in the health accounts and what are the lessons taught by them?

Our system of vital statistics is not yet perfected, is not always complete, sometimes is necessarily lacking in accuracy, and the summaries presented are therefore too susceptible to widely varying interpretations. But in the last few years a remarkable advance has been made, and the conclusions reached may be safely accepted. We all know now that the death rate varies as hygienic conditions vary. We are certain that the average duration of life in Europe has nearly doubled in the last four centuries. We believe that the increase in the length of life is still going on. Statistics seem to show that in the nineteenth century it lengthened at the rate of about twelve years, and evidence is accumulating which points to a much greater increase during the years to come. India alone shows no rate of improvement.

The statistics to which I desire now to direct your attention are those of the registration area of the United States. They have been brought down to the end of the year 1909 and are fairly accurate.

The registration area of the United States now includes eighteen States, and the aggregate estimated population of the registration area for the year 1909 is 48,776,893, or 55.3 per cent of the total estimated population of Continental United States.

The total number of reported deaths in the registration area for the year 1909 was 732,538, an increase of 40,694 over 1908.

The death rate, based upon the United States Census Bureau's estimated population, was 15.0 per 1,000, which is the lowest that has ever occurred in the history of the United States.

The age distribution shows a slightly lower proportion of deaths of children under five years of age for 1909 (26.8 per cent) than for the preceding year (27.5 per cent). This is due to a somewhat lower ratio of death of infants under one year of age.

Deaths from general diseases increased from 186,264 in 1908 to 192,788 in 1909 (6,524, or 3.5 per cent). The death rate per 100,000 population from general diseases decreased from 413.7 for 1908 to 395.2 for 1909. The United States Census Bureau states that the rate for the latter year is the lowest of any year since the establishment of the bureau in 1900, and probably the lowest of any previous year in the history of the country.

While typhoid fever, measles, scarlet fever, diphtheria and croup, and nearly all of the infectious diseases belonging to this group showed decreased death rates for 1909, the chief

numerical decrease in the deaths was due to the decrease in the number of deaths from influenza, which fell from 9,989 for 1908 to 6,649 for 1909.

Deaths from diseases of the nervous system increased from 71,090 for 1908 to 74,656 for 1909—3,566, or 5 per cent, being slightly less than the average for all causes. The death rate fell from 157.9 to 153.1 per 100,000 population. The increase in the number of deaths for this class of diseases was due chiefly to apoplexy.

Deaths from diseases of the circulatory system increased largely from 80,607 in 1908 to 90,456 in 1909, an increase of 9,849, or 12.2 per cent, and the death rate increased from 179 in 1908 to 185.4 in 1909.

The greater part of the numerical increase of this class was due to deaths from organic heart disease—5,933, or 9.9 per cent—although the proportional increase for deaths from endocarditis (912, or 15.2 per cent), and diseases of the arteries (2,239, or 28.2 per cent) is greater.

Diseases of the respiratory system showed about the same increase in the number of deaths as diseases of the circulatory system for 1909, as compared with 1908.

The death rate increased from 181.6 to 186.3 per 100,000 population.

The increase in deaths from diseases in this class was due largely to pneumonia, which caused 61,259 deaths, or 136 per 100,000 population in 1908 and 70,033 deaths in 1909, or 143.6 per 100,000 population.

Deaths from diseases of the genito-urinary system increased from 51,717 for 1908 to 57,070 in 1909 (or 10 per cent). The death rate increased from 114.9 for 1908 to 117 in 1909. Bright's disease constitutes the chief cause of death in this class, and is the only one that showed a notable increase in the number of deaths.

The total number of deaths by typhoid fever in the registration area for the year 1909 was 10,722, a decrease of 653 from the number (11,375) recorded for 1908 for a somewhat smaller registration area. The death rate fell from 25.3 per 100,000 population to 22.0. The typhoid fever death rate in New York State during 1908 was 16.0 and in 1909 15.0, the lowest ever recorded in the State.

The death rate from diphtheria decreased from 22.3 in 1908 to 21.2 in 1909.

The total number of cases of tuberculosis of all forms registered in 1909 was 81,720, which exceeded by 3,431 the number reported in 1908. However, the death rate decreased from 173.9 to 167.5. The latter is the lowest rate on record for the registration area. About 14,000 deaths occur annually in New York State.

Cancer showed a much greater proportional increase in the number of deaths than tuberculosis, rising from 33,465 in 1908 to 37,562 in 1909, and the death rate increasing from 74.3 to 77, the latter being the highest ever recorded for the registration area of the United States. A marked increase in the deaths from cancer is shown for all the main subdivisions of the registration area. In New York State there were recorded 7,034 deaths in 1909. The average yearly deaths for twenty-five years has been 4,227.

Pneumonia, in the aggregate, caused more deaths in the registration area than any other disease except tuberculosis. The number of deaths increased from 61,259 in 1908 to 70,033 in 1909—the latter being only seven less than the number of deaths from tuberculosis of the lungs—70,040. The death rate from all forms of pneumonia increased from 136 per 100,000 population in 1908 to 143.6 in

1909.

External causes other than suicide were responsible for 47,135 deaths in the registration area in 1909, as against 44,089 in 1908. The death rate declined from 97.9 to 96.7 per 100,000 population.

Among the causes of accidental deaths were the following, in order of numerical importance:

Railroad accidents and injuries, 6,659; drowning, 4,558; burns and scalds, 3,992; injuries at birth, 3,508; injuries by horses and vehicles, 2,152; by street cars, 1,723; automobile accidents, 632; injuries in mines and quarries, 1,997; inhalation of poisoning gases, including conflagration, 1,837; accidental poisonings, 1,779; accidental gunshot wounds, 944; heat and sunstroke, 816; cold and freezing, 251; lightning, 150. There were 1,174 fatal injuries by machinery, chiefly in factories.

The decrease in the mortality rate from typhoid fever and tuberculosis can hardly be said to be satisfactory. Although the typhoid rate fell from 25 to 22 in 1909, during the years 1905 to 1908 there was an increased urban death rate as compared to the years 1900 to 1904. The returns for tuberculosis should be much better during the next five years if the work so bravely and enthusiastically begun is steadily continued. The death rate of pneumonia seems to be steadily increasing; its ravages approach those of tuberculosis. Heart disease, cancer, diseases of early infancy, Bright's disease and nephritis all show increase, nor is the decrease in the mortality rate of scarlet fever, measles and some other infectious diseases of a strikingly marked character.

From this rapid survey of the present situation it would appear that the skirmish lines of the opposing forces

**OLDEST
IN
AMERICA**

**STRONGEST
IN THE
WORLD**

THE MUTUAL LIFE Insurance Company of New York

**Mutual Life Agents Make Most Money
Because Mutual Life Policies Sell Most Freely**

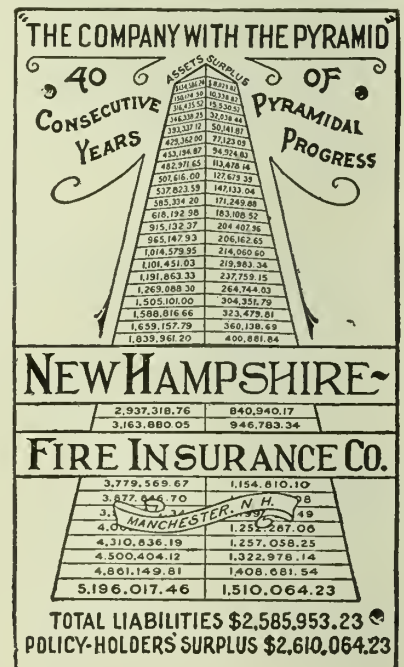
For terms to producing agents, address

GEORGE T. DEXTER

2nd Vice-President

34 Nassau Street

New York, N. Y.



have come together and we have discovered the enemy, in force strongly entrenched, in our front.

Allow me to recall to your memories the typhoid epidemics of Plymouth, New Haven, Ithaca, Scranton, Lowell and Lawrence, Pittsburg, Chicago, Cleveland, Newport, Trenton, our military camps and Butler.

What was the cost of those epidemics, all of which should and could have been prevented? Of the 35,379 deaths in 1900, three-fourths at least could have been prevented. While typhoid is a water borne disease, it does not all come from water. Yet it is instructive to see what a good water supply will do. Lowell, Mass., before filtration, had a death rate from typhoid of 121 per 100,000; after filtration, 26. Albany, N. Y., before filtration, 104; after, 24. Binghamton, N. Y., before filtration, 49; after, 11. Watertown, N. Y., before filtration, 68; after, 19.5. We are doing better than that now.

It is evident that the weakest spots in the enemy's line are the mortality rates of tuberculosis, typhoid fever, scarlet fever, measles and diphtheria. There are three strongly entrenched positions that must be moved upon and overthrown—pneumonia, Bright's disease and cancer. In a somewhat isolated position stands the fort—Deaths by Violence. We must storm it.

We have begun a vigorous campaign against tuberculosis and the results are beginning to show. An effective campaign against typhoid would show quicker and more marked results. I have given the rate of typhoid in the registration area. But in the entire United States the average typhoid fever death rate for 1900 was 46.5 per 100,000. This means in the census year there were about 500 cases of and over 46 deaths from typhoid fever among every 100,000 persons in our nation. The total number of deaths that year was 35,379, and typhoid fever stood fourth on the mortality list. The typhoid fever rate in Scotland, 1901-1905, was 6.2; in Germany, 7.6; in England, 11.2; in Austria, 19.9; in the United States, 46 (estimated).

It is with great trepidation that I venture to suggest to this great national association, made up of such important component parts, what it might do in this great health work, and why it ought to do it.

Why should you engage in an effort to prolong life?

First—Because there is nothing to prevent you. No reasonable argument may be brought against a sane and well-considered effort on your part to prolong life and so legitimately increase your income and so strengthen your position as trustees of the funds of the people. Nor can any law be invoked against such action. Generally speaking, in the insurance world a lessened death rate and an increased income go hand in hand.

Second—Because you already possess a most efficient and highly trained body of workers. You have now approximately 80,000 medical examiners and 20,000 agents in the field. Through this great corps of active workers you are able to constantly maintain a close and most sensitive relationship with the 20,000,000 of policyholders represented by the various companies. This relationship of the policyholder to his life insurance company is within definable limits a peculiarly intimate one. By reason of this relationship you are able, whenever you see fit to use your power, to exercise a tremendous influence over more than one-half of this nation. What you say to them on health matters, what you advise regarding the prolongation of life, will be attentively received and seriously weighed. I know of no one single agency in all the wide field of sanitary effort so potentially powerful for public health as your own organization.

To the insurance companies the appeal of this enlarged field of usefulness must come with peculiar force. To enter upon public health work is to discharge one of those higher duties which the people are now expecting from all our great organizations. To engage in it is not only to do the thing that is next, but it secures for generations to come the good will and sympathetic understanding of the millions of policyholders and their friends.

It is not easy to say what the lines of activity shall be, but it ought not to be difficult to make an initial selection. With your kind permission I

will suggest the following things, most of which seem to be next to you:

The instruction of medical examiners and life insurance agents in sanitation and preventive disease work.

The issuance of a carefully arranged series of letters or circulars on health topics to policyholders.

The establishment of a health magazine or health bulletin.

The arranging for a series of public health lectures in various cities and towns with or without the co-operation of State or local authorities. Some of these lectures to be published.

To use all the time systematically the tremendous educational power of the press.

Conjoint work with State and city health departments.

Conjoint work with all organizations interested in public health work.

The securing of more uniform and better health laws.

The establishment of a national Department of Health.

To aid in securing adequate appropriations for health work.

The free re-examination of all policyholders. This opens a tremendous field of work.

A special investigation of the causes of pneumonia, Bright's disease, diabetes, apoplexy and cancer.

Making available, as Dr. Dwight has suggested, that great storehouse of experiences now in your possession. It is a gigantic collection of facts and should be of incalculable value.

Educate! Educate! And again, Educate!

VOCATIONAL TRAINING

By Edmund J. James,

The University of Chicago.

DR. EDMUND J. JAMES, of the University of Chicago, in an address on "Vocational Training and Its Future," said:

"American education has undergone a profound transformation within the last forty years. The Harvard University of to-day is as different an institution from the Harvard University of 1870, and in many ways as great an improvement upon that institution as the engine which drags the twentieth century express between New York and Chicago is different from and an improvement upon its counterpart of forty years ago. Harvard University has undergone perhaps a more complete revolution and change than any of the older historic institutions, but a similar change is to be found in all the newer institutions from Maine to California, and Washington to Florida. An entirely new atmosphere, an entirely new spirit and an entirely new outlook distinguish the institutions of to-day from those of forty years ago. The attendance has increased enormously and has

outrun the increase in population. The amount of money spent is increasing enormously. The great change in our system of higher education which marks it off to-day in such a clear way from what it was before 1870 may be traced directly and immediately to the increased emphasis laid upon vocational training. The universities have, to an increasing extent, become the centres for the education of men who go into not only the historic learned professions, but into the never learned professions and into callings which we have not yet accustomed ourselves to look upon as learned professions. The great increase in attendance at our universities has come primarily into those departments which have to do directly or indirectly with vocational training, or into those departments which have given a vocational turn to the education which they were offering. That the victory of the well planned, well taught curriculum of the vocational school over the haphazard training of the office, the farm, the shop, is be-

To Agents and Brokers!

Are you familiar enough with the new Liability Laws to advise and protect your clients' interests? We will gladly send any information on request.

THE
Philadelphia Casualty Co.
J. Arthur Nelson, President
Personal Accident, Health, Liability,
Automobile, Plate Glass and
Credit Insurance.

Germania Fire
INSURANCE CO.,
NEW YORK.

ORGANIZED 1869.

Cash Capital.....\$1,000,000.00
Assets\$6,562,329.14
Net Surplus.....\$2,008,419.02
Surplus for Policyholders,\$3,008,419.02

HEAD OFFICE:
Cor. William and Cedar Streets.

NOTEWORTHY ADVANCE.

The BERKSHIRE LIFE Insurance Company,

OF PITTSFIELD, MASSACHUSETTS,

takes an advanced step in the interest of the policyholder by the adoption of the following liberal features in its new policy contract:

Low premium rates.

Large surrender values.

Dividends at the end of each policy year.

Thirty-one days of grace in payment of all premiums after the first year.

Paid-up insurance or cash surrender value or extended insurance after two years' premiums have been paid.

Loans for the full cash surrender value.

Policy payable in one sum or in installments for terms of years.

Policy has no restrictions upon residence or travel and is incontestable after the first policy year, except for non-payment of premiums.

Right of the insured to change the beneficiary.

Liberal re-instatement privileges.

Every effort has been made to make this new policy the very perfection in a life insurance contract.

For further information apply to
JOHN H. ROBINSON, General Agent
FRANK ALLEN, Associate General Agent
For New York and New Jersey,
Postal Building,
253 Broadway, - - - NEW YORK.

RIGHT NOW ——— WRITE NOW

LIVE ASSETS for LIVE AGENTS

Live, not Life Insurance, is the only necessity of life that has not increased in cost.

It is a great asset for a Live Agent to represent the largest health and accident insurance company in the world, especially at this time with compulsory workmen's insurance imminent and employers' liability insurance becoming costlier every day. Up-to-the-second policies. Most liberal contracts to agents.

CONTINENTAL CASUALTY CO..

H. G. B. ALEXANDER,
President.

1208 Michigan Ave. : : Chicago
"Often Copied: Never Equalled."

COMMERCIAL - UNION

ASSURANCE CO.,

(LIMITED)

OF LONDON.

OFFICE;

Cor. Pine & William Sts.

NEW YORK.

HOME OFFICE OF THE

Metropolitan Life Insurance Co.

(INCORPORATED BY THE STATE OF NEW YORK, STOCK COMPANY)

The Company OF the People, BY the People, FOR the People

PROOF OF PUBLIC CONFIDENCE

This company has more premium paying business in force in the United States than any other Company, and for each of the last 16 years has had more New Insurance accepted and issued in America than any other Company.

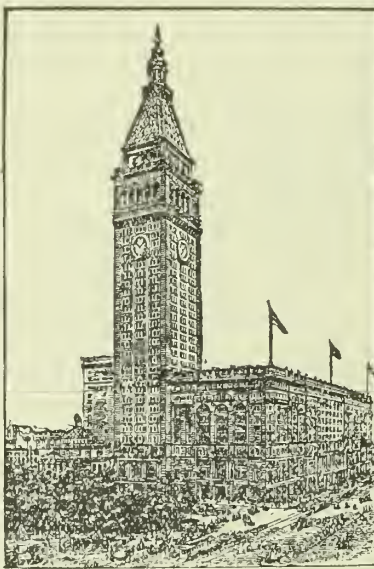
The number of Policies in force is greater than that of any other Company in America, greater than all the Regular Life Insurance Companies put together (less one), and can only be appreciated by comparison. It is a greater number than the Combined Population of Greater New York, Chicago, Philadelphia, Boston, St. Louis, Cleveland, Cincinnati, San Francisco, Pittsburg, Baltimore, New Orleans and Buffalo.

ASSETS.

Municipal and R. R. Bonds and	
Stocks	\$123,346,161.39
Bonds and Mortgages	105,183,172.02
Real Estate	23,311,215.73
Cash	5,420,643.42
Demand Loans on Collateral	172,330.00
Loans to Policyholders	11,193,245.61
Prem. deferred and in course of	
collection (net)	5,190,288.45
Accrued Int., Rents, etc.	3,290,211.85
Total	\$277,107,868.46

LIABILITIES.

Reinsurance Fund and Special	
Reserves	237,213,384.00
All other Liabilities	9,992,264.48
Capital and Surplus	29,903,219.98
Total	\$277,107,868.46



Largest Office Building in the World—Madison Avenue, Fourth Avenue; 23d Street and 24th Street, New York City.

THE DAILY AVERAGE OF THE COMPANY'S BUSINESS DURING 1909 WAS:

456 per day in number of Claims paid.
6,535 per day in number of Policies placed and paid for.
11,463,756 per day in New Insurance placed and paid for.
\$183,403.75 per day in Payments to Policyholders and addition to Reserve.
\$132,172.72 per day in Increase of Assets.

OFFICERS

JOHN R. HEGEMAN.....	President
HALEY FISK.....	Vice-President
GEORGE H. GASTON.....	2d Vice President
GEORGE B. WOODWARD.....	3d Vice President
FRANK O. AYERS.....	4th Vice President
F. F. TAYLOR.....	5th Vice President
JAMES M. CRAIG.....	Actuary
STEWART L. WOODFORD.....	Counsel
WM. J. TULLY.....	General Solicitor
FRED'K. H. ECKER.....	Treasurer
WALTER STABLER.....	Comptroller
JAMES S. ROBERTS.....	Secretary
JOHN R. HEGEMAN, JR.....	Asst. Secretary
J. J. THOMPSON.....	Asst. Secretary
T. R. RICHARDSON.....	Asst. Secretary
GEO. E. SCOTT.....	Asst. Secretary
FRED'K. A. BETTS.....	Asst. Secretary
GEORGE C. PENHALL.....	Asst. Secretary
THOMAS H. WILLARD, M. D.....	Med. Dir.
AUGUSTUS S. KNIGHT, M. D.....	Med. Dir.
E. M. HOLDEN, M. D.....	Asst. Med. Director
W. S. MANNERS, M. D.....	Asst. Med. Director
J. BERGEN OGDEN, M. D.....	Asst. Med. Dir.
D. M. GEDGE, M. D.....	Asst. Med. Director
I. J. CAHEN.....	Manager Ordinary Dept.
LEE H. FRANKEL, Ph. D.....	Mgr. Indus. Dep.
JACOB CHADEAYNE.....	Mgr. Intermediate Br.
CHAS. G. REITER.....	Asst. Actuary
JAMES C. BROWN.....	Asst. Actuary
JAMES D. CRAIG.....	Asst. Actuary
RAYMOND V. CARPENTER.....	Asst. Actuary

Paid to Policyholders since Organization, plus the Amount now invested for their Security, \$537,223,523.83.
Number of Policies, 1 Force, December 31, 1909, \$10,621,679. Total Outstanding Insurance Placed and Paid for, December 31, 1909, \$2,041,951,700.00.

In its Ordinary Department policies are issued for from \$1,000 to \$1,000,000 on individual lives, premiums payable annually, semi-annually and quarterly. In its Industrial Department policies are issued on all the insurable members of the family for weekly premiums.

Full particulars regarding the plans of the Metropolitan may be obtained at its Home Office, 1 Madison Avenue, New York City, or its Agents in all the principal cities of the United States and Canada.

coming ever more certain, and that especially in all those departments of life in which the success of the profession, as a whole and in a large way, is dependent upon the development of certain underlying fundamental sciences, by training in which the young man may get some help and assistance in preparation for his actual life work.

"So much for a general view of the subject. Now, no one can face the educational situation in the United States to-day without feeling that, while this principle before referred to has been now generally accepted in certain fields of training, it has had little or no application in the great field of business, commerce and industry. It was about thirty years ago when President Eliot said that there was nothing in business which could be taught to young men in a college or university. He forgot that the craft by which a man earns his livelihood is also, generally speaking and usually speaking, the means by which he is doing whatever he can do to be of benefit to those of his age and generation.

"Within a comparatively few years nearly every leading university in the United States has provided to the extent of its ability for instruction along lines in which men who expect to go into business life would be especially interested, and now even Harvard has

swung into line with a department placed upon the same basis as law, medicine and engineering as a strictly professional school requiring for admission the same general preparation as for the other professional schools. And finally now, in the latest report for the reorganization of the University of Oxford, coming out under the name and with the approval of Lord Curzon, chancellor of the university, a definite recommendation is made that facilities for the study of these subjects looking forward to preparation for active business life inside of the university and as an integral part of its work are demanded as one of the important elements of university reform.

"The department of insurance is certainly one of the most important departments of business and social life in a great commonwealth like ours. The country is continually bamboozled by rotten insurance schemes, because at bottom the number of men in the community who understand insurance, who have any conception of the real problems underlying it, is very small. I believe for my part, gentlemen, that our universities ought to make far more ample provision for the scientific study of insurance in a large way, and I believe that you would find it to your advantage to encourage the development of this study in our great universities."

CENSUS IN VITAL STATISTICS

By Dr. Cressy L. Wilbur,

Chief Statistician, United States Census Bureau.

LIFE insurance is a commodity. Sanitation is likewise a commodity. It is even more necessary and important than life insurance, because, as "self-preservation is the first law of nature," we feel a stronger impulse to preserve our own lives and the lives of those dear to us than merely to compensate, in part, for unnecessary and untimely deaths. If we only knew just how to do this and could see clearly, and demonstrate to others, and more particularly to members of city councils, State legislatures, the Congress of the United States, and to all persons in power, just how, and to what extent, the adoption or thorough enforcement of approved sanitary measures would actually save human lives, beyond a peradventure or a doubt, in their homes, in their cities and States, and in our nation—then I say the cause of better sanitation would advance by leaps and bounds compared to which its marvellous progress in the past generation would seem like a one-horse cart compared with the latest type of airplane. This is the age of the "Conquest of the Air," and it is equally the age of the "Conquest of Disease." We know enough now to prevent all typhoid fever, and practically all tuberculosis, and very much

of the "cholera infantum" and other varieties of diarrhea and enteritis that slay their thousands and tens of thousands of infant lives in our country every Summer time; and we could absolutely prevent—or cure, if we may have faith in the latest statements in regard to "606"—those tabooed diseases which, regardless of our feelings of delicacy, fastidiously expressed in our campaign against the "Great Black Plague" of venereal diseases (syphilis and gonorrhea), annually kill and cripple just as many, and more, people than if we did not hesitate to pronounce their names. There are many other diseases that might be prevented or largely restricted, as well as the large number of deaths and disabilities that result from avoidable accidents. The first step is to know where, when and how many. This knowledge, which is absolutely necessary for modern scientific public health work, can only be obtained from accurate vital statistics. One of the first things accomplished by Japan, when that country adopted the progressive methods of the West, was the installation of a thorough system of registration of vital statistics—births, still births, deaths, marriages and divorces. Japan is now fifty years ahead of the United States in this respect, although this country has been

endeavoring to collect national vital statistics since the seventh census (1850), a period of over sixty years. Yet at the present moment we must confess, with what humiliation our understanding of the situation may entail, not only that we have no reliable statistics of infantile mortality for the United States, but that we do not possess even fairly accurate registration of deaths for much more than one-half of the total population (55.3 per cent), and that we have practically no complete registration of births for even a single State or a single city in the entire United States!

The value of sanitation, and the price that we can reasonably expend upon it, depends, more or less, as does life insurance, upon the risk of life. What would you think of a life insurance company that undertook to organize and conduct its business without a mortality table?

What do you think of State and city boards of health that undertake to organize and conduct their work, and do conduct it for many years, without reliable vital statistics? Are they not blindly working in the dark, when they are entitled to and might have abundance of light? Are they not wasting their time, to a considerable extent, the money of the State (or city), and the lives of the people committed to their care, when they work with imperfect or worthless tools and neglect the securing of reliable vital statistics as the "absolutely necessary basis of modern scientific public health work?" This is why I may properly place first and most important, and I trust that you will agree with me, of all the work done by the census in vital statistics, the work for the extension of the registration area and the adoption and thorough enforcement of good registration laws for births and deaths. We must lay our foundations square and strong, and not be too anxious to gain some temporary advantage or aid in our work by adopting or recommending principles that will prove disastrous in practice. One of these is compensation to physicians and midwives for reporting births, or even to physicians for reporting deaths. Another curse that rests heavy upon the progress of registration in the United States is the worthless county system, which attempts to collect or transmit registration returns of births and deaths through the agency of some county official.

Next to securing a good law and its effective enforcement comes the standardizing of registration returns and published data. The standardizing of the returns can most effectually be accomplished by the use of the United States standard certificate of death, and the corresponding certificate for births. The standard certificate for deaths was adopted in 1901, at a time when no two States and few cities in this country used identical forms for the initial schedule, upon which

the exact comparability of all subsequent data must depend. It will be supplemented by a Physician's Pocket Reference to the International List of Causes of Death, which is being sent to all physicians in the United States, so that they may use more precise terms for designating diseases and such as can be readily classified under the international system. The precise statement of occupation is of great importance because there is wide demand for exact statistics of occupational mortality, which cannot be met unless the returns of occupations of decedents upon causes of death can be compared with the corresponding returns of population. Beginning with 1910 and the use of the revised standard certificate and instructions, the statements of occupation (and industry) upon the returns of deaths and population are in the same form:

Occupation—(a) Trade, profession, or particular kind of work. (b) General nature of industry, business or establishment in which employed (or employer).

Heretofore all certificates of death in use in this country have contained only the single question "Occupation", without instructions or provision for statement of the particular kind of work and the industry. It was a decided step in advance to provide for a more specific statement, identical with that upon the population schedule; and it was wise not to complicate the subject further by asking for previous occupations, etc., until we shall succeed in carrying out the improved method of statement to a fair degree of success for the entire registration area.

It may be within the power of the Association of Life Insurance Presidents to hasten the time when we shall have thoroughly accurate and dependable vital statistics for the entire United States. With the vast resources committed to your care, and realizing the fact that life insurance, like sanitation, is crippled by the lack of vital statistics for a large part of this country, I believe that your aid will be most effective. To-day many parts of the South are misrepresented and discriminated against, as it believes, because no accurate vital statistics are available to show the actual conditions with respect to healthfulness. Companies fear to enter certain States, and higher rates are charged persons insuring. Knowledge is sought in many unusual ways to guide the action of life insurance interests, but all such methods are of little worth compared to the results of thorough registration of births and deaths. It is not for a selfish purpose that such efforts are made. General Counsel Cox informs me that of the twenty-five thousand millions (\$25,175,797,538) of dollars of life insurance now in force in the United States, nearly nine thousand millions (\$8,920,716,227) are in fraternal organizations, while of the fifteen thou-

sand millions (\$15,480,721,211) in legal reserve companies, a statement for the whole of which cannot be made, nearly eleven thousand millions (\$10,926,032,551), or 82 per cent of the thirteen thousand millions (\$13,396,373,821), for which the data were available was of the participating class. So the person insured, or the person who ought to be insured, has by far the greatest interest in knowing the exact conditions of mortality upon which his rates are or should be based. The vast yearly expenditure for life insurance, with its tremendous increase during the last thirty years, and the large expenditure for sanitation (although too little by far if the needs of sanitation were better known through accurate registration) alike demand accurate data on vital statistics, and the construction of suitable rates and life tables by which alone the actual condition of the health of the people can be known.

The Bureau of the Census is making every effort in its power to supply this demand, by aiding the extension of the registration area and standardizing the results available. It publishes annually a report and a bulle-

tin on mortality statistics, which is of direct use to sanitary officials, and contemplates the publication of special volumes as soon as the population data of the thirteenth census shall be in readiness upon the aggregate mortality of the last decade, with "corrected" death rates, a special report on occupational mortality, and a volume of life tables, the latter with the aid and advice of the Actuarial Society of America, which has appointed a special committee for this purpose. But more help is necessary, and all persons and organizations concerned with the welfare of the United States should interest themselves in the practical solution of the problem of how we may attain as a nation better vital statistics. In particular I hope that this association will exert its influence, and that every life insurance company, the president, the general officers and district representatives, the agents, and every policyholder, will feel that it is vital to him to have full information upon the vital statistics of the United States, his State and his city, and will urge the adoption and thorough enforcement of laws for this purpose.

MODERN SANITATION

By Alvah H. Doty.

Health Officer, Port of New York.

AS MODERN sanitation cannot properly be enforced without the active and earnest co-operation of the public, it is not only fair but exceedingly important that the latter should be familiar with the advances which have been made in this science and its purposes at the present period. Medical history even prior to the Christian era makes frequent references to the various methods which were in vogue at that time. It is of interest to know that through all ages cleanliness has been looked upon as a factor in the prevention of disease. This is specifically referred to in the Bible in connection with the Levitical laws. That cleanliness has stood the test of time is evident from the fact that to-day it forms an important part of the groundwork of modern sanitation.

While during the last century sanitary methods have steadily improved in value, it was not until about 1880 that sanitation was placed on a scientific basis and a new era in this important work was established. At this period Pasteur and Koch gave to the world the result of their bacteriological investigation, the value of which cannot be overestimated. They proved the germ origin of many of the infectious diseases and furnished a stimulus for further exhaustive bacteriological research in this direction.

The next important step in connection with this subject has been to determine the true means by which infectious diseases are transmitted from one person to another. So far as mat-

ters pertaining to the public health are concerned there is no belief which has been so generally accepted as the theory that infectious diseases are transmitted not only by the clothing and effects of the sick, but also by the clothing of those who are well, baggage, rags, cargoes of vessels, money, etc. In the past this has dominated all regulations, the object of which has been to prevent the transmission of infectious diseases. Inasmuch as this means of transmitting infection has been referred to in the earliest medical writings, it could not have been suggested by careful scientific investigation. It is known throughout the world as the fomites theory, and refers to various articles, which are supposed to transmit the germ of infectious diseases in their active state

1900 50th YEAR 1910

HOME LIFE

Insurance Company of New York.

GEORGE E. IDE, President.

Assets	\$23,626,018.63
Liabilities	21,858,691.52
(Including Deferred Dividend Fund)	
Dividend Endowment Fund	
(Deferred Dividends)	2,119,044.00
Net Surplus	1,767,327.00
Insurance in Force.....	92,532,583.60

The record for 1909 shows the following GAINS:

Insurance in Force	\$4,164,239.00
Assets	1,917,117.00
Deferred Dividend Reserve...	148,581.00
Contingency Reserve (Surplus)	665,149.17

from one person to another. Curiously enough this theory is not supported by scientific proof. However, it is plausible and popular because it easily explains outbreaks, the origin of which are unknown. Practical sanitarians have slowly but surely secured indisputable evidence that it is fallacious and that infectious diseases are not transmitted by fomites except in very rare instances, but usually directly from one person to another, or by food and drink as in cholera and typhoid fever, and within the last few years we have obtained conclusive proof that insects constitute a potent factor in the transmission of infection. We are now also better acquainted with the fact that mild, irregular and unrecognized cases constitute one of the most common and dangerous factors in the transmission of infectious diseases and are responsible for many outbreaks the origin of which cannot be determined. Further than this, we have more recently learned that apparently well persons known as carriers may act as the medium of infection without presenting any evidence of the disease themselves. In modern times probably no diseases have caused greater loss of life than malaria and yellow fever, particularly the former, because it may be found in all parts of the world. No more impressive evidence of the erroneous theories which have hitherto been accepted relative to the transmission of infectious diseases can be presented than in the cases of the diseases to which I have just referred. To-day we know that malaria is not transmitted by emanations from swamps or lowlying districts, but by specific organisms, and that the only part that swamps play in the transmission of this disease is by furnishing breeding places for the mosquito. Furthermore, yellow fever is not transmitted by clothing, bedding or other effects of the patients, or even by their discharges, all of which are now known to be perfectly harmless, and that both malaria and yellow fever are transmitted only by certain varieties of the mosquito; in yellow fever it is the *stegomyia*, and in malaria the *anopheles*. Bubonic plague was also formerly believed to be transmitted by clothing, etc.; now we know that it is transmitted chiefly by infected rats through the medium of the fleas which infest them. Evidence has also been presented to show that fomites, except in some rare instances, takes no part in the transmission of other diseases. No belief has indirectly, at least, contributed more to the extension of infectious disease than the fomites theory, for it has been employed to explain outbreaks the origin of which cannot promptly be determined, and has given those in charge of public health work as well as others encouragement to assume that diseases enter a community on some one's clothing or effects. This to a certain extent relieves a health official of the important duty of mak-

ing an exhaustive inspection to find out the true origin of the outbreak—the most important duty of a public health officer.

There is a well marked element of hysteria on the part of the public relative to the matter of personal infection, and many things are done which to the practical sanitarian are not only illogical, but absurd, and the public should know it. For instance, there is a very urgent call for the disinfection of money. From the standpoint of public health there is no justification for such action, besides no more farcical or unreasonable thing could occur than an attempt to carry out this treatment, even if it were necessary. Steam only could be used for the purpose, because no other agent could penetrate a mass of paper money; besides, when and where would this be done, and who would do it? It is true that the money in circulation is filthy and offensive and should be frequently withdrawn from circulation and the new bills substituted, but let us secure this in the proper way and not on the grounds that it is a common medium of infection, for it is not. Some people very reluctantly make use of strap hangers in public conveyances for fear of infection. Those who are timid in regard to these matters should know that while these articles may contain many bacteria or germs, they are usually of a harmless character and are

not pathogenic organisms or those which transmit disease.

I may say a word in regard to the subject of disinfection, of which there is considerable misunderstanding on the part of the public. Knowledge of the true means by which infectious diseases are transmitted and the rejection of the fomites theory has reduced disinfection to within very narrow limits. This under ordinary conditions is now confined to the treatment of discharges and material in the sick apartment. Even here the disinfection of clothing is far less important than the destruction of the discharges of the patient, which in certain diseases is the chief if not the only source of infection. Contrary to the general opinion, disinfection should be performed only under the direction of the physician or health official in order to secure the proper results. We are all familiar with the household disinfection, where saucers of carbolic acid are placed under the bed, small pieces of sulphur are burned in the room, or some textile fabric soaked in a so-called disinfectant is hung in the apartment. As a matter of fact, these methods are absolutely worthless. Sulphur dioxide or formaldehyde gas produced in sufficient amounts to kill infectious organisms is not respirable in the human being; therefore, a patient could not remain in the apartment undergoing treatment.

LIFE INSTRUCTION IN COLLEGES

By Robert Lynn Cox,

General Counsel, Association of Life Insurance Presidents.

LIFE insurance in its incidental relationship to the general subject of economics has been considered and somewhat discussed in college courses for a great many years, but life insurance as a special and separate course seems to have originated with Harvard College in 1897. To-day it is a subject of one or more special courses in thirty-three colleges and universities, with a student body of 80,000. There has been an increase during the last five years of 154 per cent in the number of institutions offering such courses. Besides, there has been a wonderful development in the treatment of the subject in the various collegiate courses.

But this is not all. There is a group of 191 colleges and universities, with a student body of 95,000, which pays varying degrees of attention to the subject in connection with their regular courses in economics, sociology, etc. It is in this vast group, containing many of the representative universities of the country, that the expansion of the immediate future will probably take place. Several of the institutions in this classification are already planning for the establishment of separate courses in insurance instruction.

There is a third group treating life insurance made up of institutions that do not fall into the two former classifications noted. It numbers thirty-nine, with a student body of 17,000. Many of these colleges deal with the subject in commercial law. Others report incidental treatment without mentioning the course involved.

These three groups make a total of 263 institutions treating the subject of life insurance out of 588 colleges and universities in this country. In point of numbers we, therefore, find 45 per cent of the institutions of higher education dealing with the subject. However, these 263 institutions have a student body of 192,000 out of a total of 318,000, or 60 per cent. Therefore, life insurance to a greater or less extent is treated in institutions that have considerably more than half of the college student population in this country.

The pioneer life insurance instructor in institutions of higher learning was the late Charlton T. Lewis, of New York. It was he who presented at Harvard in 1897 what seems to have been the first definite instruction of this kind. The year after the lectures were given at Harvard Mr. Lewis printed them in syllabus form and delivered them at Cornell.

The Prudential Has Hundreds of Men



in its service who have represented it ten, fifteen, twenty and twenty-five years. The man who makes good is the master of his own future.

Write Us About an Agency.

THE PRUDENTIAL
Insurance Company of America.

Incorporated as a Stock Company by the
State of New Jersey.

John F. DRYDEN, Home Office,
President. NEWARK, N. J.

The Employers' Liability

Assurance Corporation, Ltd.

LIABILITY, STEAM BOILER,
ACCIDENT, HEALTH, FIDELITY
and BURGLARY INSURANCE.

UNITED STATES BRANCH.

SAMUEL APPLETON, United States
Manager,
Employers' Liability Building,
33 BROAD STREET, BOSTON, MASS.

EDMUND DWIGHT,
Resident Manager for New York State,
56 MAIDEN LANE, NEW YORK.

AGENTS WANTED.

HARTFORD LIFE

Wants You

If You Can Do Things.

Write to

Hartford, Conn.

WESTERN Assurance Co.

HEAD OFFICE,

TORONTO, - - CANADA.

Incorporated 1851.

Hon. GEORGE A. COX.....President
W. R. BROCK and JOHN
HOSKIN, K. C. LL. D., Vice-Presidents
W. B. MEIKLE.....General Manager

United States Statement, Jan. 1, 1910.

Assets\$2,377,303.37
Surplus in United States..... 839,268.07

FOUNDED 1792

118th ANNUAL STATEMENT INSURANCE COMPANY OF NORTH AMERICA, OF PHILADELPHIA, PA.

ASSETS.

Real Estate	January 1, 1910. \$ 364,410.00
First Mortgages on Real Estate	373,803.43
Philadelphia, New York, Boston and other City and State Loans	1,134,390.00
Pennsylvania, Philadelphia and Erie, Lehigh Valley and other Companies' Bonds and Stocks	8,909,150.32
Cash in Bank and Bankers' hands	1,134,635.88
Notes Receivable and Unsettled Marine Premiums....	347,440.69
Net Cash Fire Premiums in course of Transmission....	1,069,510.62
Accrued Interest, and all other property	52,160.57

Total Assets\$13,385,501.56

LIABILITIES.

Capital Stock	\$ 3,000,000.00
Reserve for Re-Insurance ..	6,813,862.47
Reserve for Losses	877,250.00
All other Liabilities	104,982.45
Surplus over all Liabilities..	2,589,406.64

\$13,385,501.56

Surplus to Policyholders.....	\$5,589,406.64
Increase in Reinsurance Reserve	349,934.71
Increase in Net Surplus.....	838,500.96
Increase in Assets	1,371,455.93
Eugene L. Ellison.....	President
Benjamin Rush.....	Vice-President
T. Houar Wright.....	Secretary
Henry W. Farnum.....	Assistant Secretary
John O. Platt	Assistant Secretary

Agencies in all Prominent Cities & Towns.

T H E PROVIDENT LIFE AND TRUST COMPANY OF PHILADELPHIA

Insurance in Force, \$214,509,255.00
(Paid for Basis)

Assets \$70,514,350.45
(Market Value, Dec. 31, 1909)

Contingency Reserve . \$9,207,276.38
(Inclusive of Capital Stock, \$1,000,000.)

The Provident has been particularly distinguished for the development of a highly trained force of agents. The systematic instruction which its agents receive has resulted in their being recognized as representatives of exceptional knowledge of the business and of marked efficiency.

THE FRANKFORT MARINE, ACCIDENT AND PLATE GLASS INSURANCE CO. OF FRANKFORT-ON-THE-MAIN GERMANY ESTABLISHED 1865.

United States Department, - - 100 William Street, New York, N. Y.

TRUSTEES:

RICHARD DELAFIELD, Pres. of National Park Bank
ERNST THALMANN, of Ladenburg, Thalmann & Co.
STUYVESANT FISH, 52 Wall Street, New York City.

C. H. FRANKLIN, U. S. Mgr. and Attorney JNO. M. SMITH, Sec. U. S. Branch

INSURANCES TRANSACTED

LIABILITY—	General	Vessel Owners,	Burglary
Employers,	Landlords,	Contingent.	Workmen's Collective
Public,	Elevator,	Druggists & Physicians.	Individual Accident & Health
Teams,			Industrial Accident & Health

AGENTS WANTED FOR UNOCCUPIED TERRITORY

THE HOME LIFE INSURANCE COMPANY OF AMERICA

Incorporated 1899.



General Agents and District Managers who can produce ordinary business can secure "Ground Floor" contracts with GUARANTEED RENEWALS and an assignment of territory limited only by capacity to produce agency organization and business. Send for Sample Policy. IT IS ONE YOU CAN SELL. New business, \$3,500,000—January 1-Oct. 30, 1910.

Address

M. LALLY,
General Manager,

JOHN LANGHAM, Jr., President.
JOSEPH L. DURKIN, Secretary.
EDWARD P. MADDEN, Treas.

416-18-20 Walnut St., : PHILADELPHIA, PA.

Insurance News in the West

CHICAGO, Dec. 21.—After a stormy interview with Second Vice-President John B. Morton, J. W. Robertson last Friday resigned as Western manager of the Fire Association. The department was placed in charge of Assistant Manager W. J. Haggarty, pending the announcement of the appointment of a manager, who is understood to have been selected already.

The action of Mr. Robertson was the snapping of relations which have been strained for some time. The Western department has not been very harmonious under his administration, and he intimates that his enemies have been undermining him with the company.

When John S. Belden, of the managerial firm of Belden & Bush, died in the Summer of 1908, Mr. Robertson was called in from the field and made a member of the firm of Bush & Robertson. A year later he became sole manager, Mr. Bush retiring. About the time that Mr. Robertson took sole charge new economies were introduced. It was understood on the Street that this was by order of the home office. Among other expense reductions was the cutting of some salaries in the accounting department. Not long afterward it was found that the books were badly muddled. Remittances by agents had been credited to other ones in some cases and good agents were being dunned for balances they had paid. It took a thorough accountant months to straighten out the books. During this period Mr. Robertson worked with him far into the night almost continuously. It has been Mr. Robertson's custom to return to the office after dinner. Being such a hard worker himself, he may have expected too much from others. From remarks made by ex-employees it was reasonable to assume that the Fire Association office was not regarded as an agreeable place in which to work. Apparently this discord finally got on the nerves of the home office people. Mr. Robertson began to feel that an attempt was being made to freeze him out. Finally the open rupture came.

Mr. Robertson is a Virginian by birth, was educated for the bar and practiced law for some time before going into insurance. He entered the field for the National of Hartford in 1882 and served that company, the London and Lancashire and the Fire Association successively up to the time of his appointment as manager of the Fire Association. His resignation was sudden and he has not yet formulated definite plans for the future.

* * *

The Illinois State Fire Prevention Association lapsed into "innoc-

uous desuetude" last week. It was born tired and has remained that way ever since, but it required formal action to make it quit gathering in the annual dues. The members did not want to kill it, they merely wanted it to go to sleep and stay asleep until it might be needed. Nobody knows what a legislative year may bring forth. The lawmakers may make the State Fire Marshal law effective. In that event the members think the association might be made useful. The Legislature might also enact a law which would put the State board and the field club out of business. In that event the Fire Prevention Association might come in handy. It will be waked when it is wanted.

* * *

Reinsurance of its Southern business by the Michigan Commercial and retirement from that territory adds another to the list of young Western companies which have found it advisable or necessary to contract after too much expansion. The Michigan Commercial is one of the best managed of the younger companies. It has experienced men at the home office and high-grade field men. But its surplus has been under

constant strain, owing to its putting on business rapidly and spreading out considerably. This reinsurance will help the surplus and probably have a beneficial effect on the expense ratio.

* * *

Last week the Dixie Fire secured judgment in Chicago for \$5,007 against its former general agent for Illinois and Indiana, L. S. MacEnaney. This was the amount of premiums the company claimed to be due it from Mr. MacEnaney and his agents when it reinsured all its business in his territory except Cook County. Mr. MacEnaney was one of those who thought money could be made out of a small general agency. His couple of years' experience cost him several thousand dollars more than he made. Two or three years ago there were several of these small general agencies, representing one or two companies for a few States, but most of them have disappeared. As a rule, the surviving general agencies represent a number of companies.

* * *

Starkweather & Shepley, United States managers of the Union and the Nationale of Paris, will plant these companies in the West on the same plan as the Rhode Island has been planted. It has not entered small towns, but has confined its attention to getting agents at points where there is considerable business to be

JANUARY 1st, 1911

The Pittsburgh Life and Trust Company

WILL OPEN SEVERAL STATES

Do You Want a General Agency?

Assets more than	- - - -	\$23,000,000
Insurance in force more than	- -	75,000,000
Income more than	- - - -	4,000,000

W. C. BALDWIN, President

Address Home Office, Pittsburgh, Pa.

secured and at some of which additional insurance facilities are really needed.

* * *

After January 1, plate glass underwriters in Chicago will watch with interest the outcome of the transfer of Charles F. Pogge from the Metropolitan Casualty to the New Jersey Plate Glass. Mr. Pogge has been "on the Street" for about twenty-four years and is recognized as one of the best plate glass men in the city. During the long period of his connection with the Metropolitan Casualty, he built up for it a premium income of

nearly \$50,000 in Illinois. He has a large following of brokers in the city and of agents down the State. A few weeks ago he resigned and the company immediately took steps to open a branch office in Chicago on January 1, the day on which Mr. Pogge's resignation becomes effective. Edwin M. Goodwin, from the home office of the company, becomes manager and L. G. Earl, a local plate glass man, takes charge of that department.

Mr. Pogge forms a partnership with A. G. Kuhns, Jr., manager of the New Jersey Plate Glass, which has the largest plate glass business in Illinois. The feature of interest to the outsiders will be the action of Mr. Pogge's brokers and agents. Will they follow him to his new connection, or will they stay with the old company under the local management of new men? The premium returns in the Spring of 1912 will tell.

* * *

The Northern Casualty of Aberdeen, S. D., under the same management as the Northern Accident of that place, expects to get its license on January 2 and begin writing fidelity and surety business in its home State at once. Later it will take up burglary, plate glass and automobile, and eventually it will reinsure the accident business of the Northern Accident. It will start with \$100,000

capital, although that amount will probably not all be paid in by January 2. The South Dakota laws require only \$35,000 capital for home companies to write bonds. Henry H. Lovell, of Chicago, formerly manager of the surety department of the Title Guaranty and Surety, is installing the office system.

* * *

As the end of the year approaches rumors of reinsurances of weak companies become more numerous and persistent. There is practically no doubt that one or two companies already are under cover, but that the deals have not yet been announced. In addition to this, one company is known to be entertaining proposals for its sale and merger in another, neither of these being large concerns.

* * *

For the past two months burglary insurance men in Chicago, who have not had bad loss ratios, have been tapping on wood every time they mentioned that fact. The record for the city is made no better by a clean loss of \$5,000 last week by the American Bonding, when the big house of S. Silberman & Sons, jobbers in wool and furs, was robbed of \$21,000 worth of skins and ginseng. The firm is first class and the physical risk was about as nearly perfect as could be desired, so it is no case of bad underwriting. It looks very much as if somebody secreted himself in the building during the day and unbarred the doors for the robbers, as there the doors.

LA SALLE.

AETNA APPOINTMENTS.

Wellington H. Wart, of Portland, Me., for the last ten years special agent for Maine and New Hampshire of the Phoenix of Hartford, has accepted an appointment to serve the Aetna in the same capacity, and will enter upon his new duties January 1. Ralph B. Ives will continue to care for the Aetna's field in Connecticut, Western Massachusetts and Vermont, while, as stated last week, F. W. Matthews is assigned to Eastern Massachusetts and Rhode Island with the corporation of H. L. Hiscock, Boston managers of the Aetna.

Ideas Help an Agent Sell Policies

SECURITY MUTUAL LIFE INSURANCE COMPANY

Binghamton, N. Y.

Furnishes Ideas Through an Educational System

For particulars address

HOME OFFICE

201ST YEAR.

SUN

Insurance Office OF LONDON.

FOUNDED 1710.

UNITED STATES BRANCH:

54 PINE STREET, NEW YORK.

WESTERN DEPARTMENT:

171 LA SALLE ST., CHICAGO.

PACIFIC DEPARTMENT:

Sansome & Sacramento Sts.,
SAN FRANCISCO, CAL.

**AGENTS WANTED
AT UNREPRESENTED POINTS**

MEN OF ENERGY ARE OFFERED WORK OF MOMENT

In desirable localities representing a sixty-year old institution, with modern, liberal, law-conforming policies, and helpful Home office co-operation. Much good territory available. Many opportunities for advantageous positions. Inquire NOW.

UNION MUTUAL LIFE INSURANCE COMPANY

PORTLAND, MAINE

FRED E. RICHARDS, President.

Address
either:

ALBERT E. AWDE,
Supt., 396 Congress St.,
Portland, Maine.
THORNTON CHASE,
Supt., 405 Exch. Bldg.,
Los Angeles, Cal.

THE LEADING FIRE COMPANY OF THE WORLD



[of Liverpool,

England.]

Life Ins. Co. of Virginia

Home Office, Richmond, Virginia.

J. G. WALKER, President.
T. W. PEMBERTON, 1st Vice-President.
W. L. T. ROGERSON, 2d Vice-President.
E. D. HARRIS, Secretary.

The OLDEST Southern Life Insurance Company.

The LARGEST and STRONGEST Southern Life Insurance Company.

The PIONEER Southern Industrial Life Insurance Company.

Its policies are clear and definite in their provisions and their values are absolutely guaranteed.

Assets Dec. 31, 1909..... \$5,372,691.99
Liabilities Dec. 31, 1909..... 4,312,406.32
Insurance in Force Dec. 31, 1909 68,337,613.00
Total Payments to Policyholders since Organization 9,820,412.46

SPECIAL OPPORTUNITIES offered now in Southern States to Representatives of

CITIZENS NATIONAL LIFE INSURANCE CO.

W. H. GREGORY,
President.

New York Insurance Stocks

Casualty Companies.

	Capital.	Div.	Period.	Bid.	Ask.
		Approx. Annual			
Aetna Indemnity (\$25)....	\$350,000	V	V	...	205
Casualty Co. of America...	500,000	6	J&J	120	150
Fidelity & Casualty.....	1,000,000	18	"	450	500
Hartford Steam Boiler....	1,000,000	10	"	255	265
Metropolitan Casualty	200,000	10	"	185	...
N. Y. Plate Glass (\$50)...	200,000	16	"	300	325
United States Casualty....	500,000	10	Q	200	225

Fire Companies.

City of New York.....	\$500,000	10	Q	200	205
Commonwealth	500,000	10	J&J	326	...
Continental	2,000,000	40	"	1,025	1,075
Empire City	200,000	8	"	125	...
Fidelity-Phenix	2,500,000	V	V	310	315
German Alliance	400,000	15	J&J	275	300
German-American	1,500,000	30	"	550	560
Germania (\$50)	1,000,000	18	"	285	295
Glens Falls (\$10)	200,000	30	"	1,525	...
Globe & Rutgers.....	400,000	40	Q	475	500

Hanover (\$50)	1,000,000	15	J&J	200	210
Home	3,000,000	30	"	640	650
Nassau (\$50)	200,000	10	"	165	175
Niagara (\$50)	1,000,000	20	"	300	305
North River (\$25).....	350,000	10	A&O	155	165
Pacific (\$25)	200,000	14	"	185	...
Peter Cooper (\$20)	150,000	6	"	90	105
Stuyvesant	400,000	10	"	155	160
United States (\$25).....	250,000	V	V	60	70
Westchester (\$10)	300,000	40	F&A	455	...
Williamsburg City (\$50)..	250,000	20	J&J	380	400

Life Companies.

Aetna Life	\$2,000,000	15	Q	650	660
Connecticut General	300,000	8	J&J	250	...
Equitable	100,000	7	A	300	...
Germania (\$50)	200,000	12	J&J	210	225
Hartford Life	500,000	10	"	150	...
Home	125,000	12	M&N	275	...
Manhattan Life	100,000	26	O&F	400	425
Metropolitan (\$25).....	2,000,000	7	M&N	155	175
Prudential (\$50)	2,000,000	10	Q	450	500
Travelers' Hartford.....	2,000,000	20	Q	900	...
United States Life.....	264,000	7	J&J	90	105

V—No information. Q—Quarterly.

In New England

BOSTON, Dec. 21. — Hearings have been appointed, one to take place in Boston Wednesday and the other in Worcester Thursday of next week, on a tentative bill drafted by the special commission created by the Massachusetts Legislature of 1910 on the subject of workingmen's compensation. It is said that the commission is not committed to the new bill, which modifies materially the present law, nor are its members in agreement on all its provisions. The measure contains, inter alia, a provision that in case of death dependents wholly dependent shall receive one-half of the wages of the deceased employee for 300 weeks, but not less than \$4 or more than \$10 a week. The same provision applies to employees partially invalidated for all time. Another provision creates an industrial accident board, the duty of which shall be to determine amounts to be paid. The bill covers employees of the State, counties, cities and towns, and all other employments where there are not more than five employees regularly employed.

Sprinklers Were Clogged.

In the course of a report on a \$6,700 fire in the paper mill of the International Paper Company, at Fort Edward, N. Y., the monthly bulletin of the Boston Manufacturers' Mutual Fire makes these statements, which show how important it is, in order to get trustworthy service, to have automatic sprinklers inspected and tested at regular intervals:

"The building was thoroughly equipped with an automatic sprinkler system and there is no doubt but that the water was on the same. Hence it was at first difficult to un-

derstand why the sprinkler equipment had not held and extinguished the fire. An examination after the fire disclosed the fact that some of the sprinklers were plugged with tubercular scale, probably from the cast iron mains, together with cinders, small pebbles, pulp and dirt. It is probable that these obstructions clogged the first sprinklers to open, with the result that the fire gained headway and opened such a large number of heads, some 200, that the water supply for same was crippled."

Fraternal Bill.

Insurance Commissioner Hardison, of Massachusetts, has prepared a bill for the regulation and control of fraternal beneficiary societies, to be submitted to the incoming Legislatures. The bill comprises thirty sections, and embodies minute provisions regarding the maintenance of the solvency and accountability of these organizations. Funds must be invested in the kind of securities required in the investment of the capital of insurance companies, and valuations of death benefit certificates are required, the minimum standard being the National Fraternal Congress table, adopted in August, 1899.

New England Brevities.

The Boston Municipal Council on Monday evening voted an appropriation of \$111,000 to build a new repair shop for the Fire Department in place of that destroyed in the lumber fire of last August.

* * *

Horace B. Pearson, formerly identified with the Field & Cowles agency, has taken an office in the Delta Building, 10 Postoffice Square, Boston,

where the numerous patrons and friends of this justly popular gentleman will receive prompt attention for their insurance needs.

* * *

The New Jersey Plate Glass has been admitted to Rhode Island with Gallivan & O'Donnell as the Providence representatives.

* * *

The annual dinner of the New England Insurance Exchange has been set for Friday evening, January 6, 1911, at Young's Hotel, Boston, the annual meeting following on Saturday morning, January 7.

* * *

At the monthly meeting of the Eastern Maine Life Underwriters' Association, held at Bangor last week, General Agent C. R. Dunton, of the Northwestern, delivered a helpful address on "Partnership Insurance."

* * *

Engineers of the National Board of Fire Underwriters are in Boston examining the fire protection and fire-fighting facilities of the city, with a view to ascertaining what progress has been made since the last examination by the National Board's corps the doors for the robbers.

LA SALLE.

RECTOR 2817

ESTABLISHED 1864

E. S. BAILEY

DEALER IN

INSURANCE STOCKS

A SPECIALTY

66 Broadway NEW YORK

"The Leading Fire Insurance Company of America."



WM. B. CLARK, President.
W. H. KING, Vice-President.
HENRY E. REES, Secretary.
Assistant Secretaries,
A. N. WILLIAMS, E. S. ALLEN,
E. J. SLOAN, GUY E. BEARDSLEY.

The Connecticut Mutual

That means the best life insurance to have and the best to sell. If you can sell life insurance, you can sell more of it for the CONNECTICUT MUTUAL.

Men of Character and Ability are invited to apply.

Conn. Mutual Life Ins. Co.,
Hartford, Conn.

Please mention this paper.

INCORPORATED 1833.

British America
Assurance Company

HEAD OFFICE, TORONTO, CANADA

UNITED STATES BRANCH.
JANUARY 1, 1910.

Assets	\$1,556,740.94
Liabilities	902,438.61
Surplus	\$ 654,302.33

Hon. GEORGE A. COX, President.
JOHN HOSKIN } Vice-Presidents.
W. R. BROCK }
W. B. MEIKLE, General Mgr.

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS is unsurpassed for net low cost and care of interests of all members.

THE PENN MUTUAL
LIFE INSURANCE COMPANY
OF PHILADELPHIA

On January 1, 1909, rates were reduced and values increased to full 3% reserve.

Chronicle Paragraphs

JAMES W. COCHRAN, of Dallas, Tex., has been appointed Western manager at Chicago of the Philadelphia Fire Association. Mr. Cochran, who entered fire insurance at Dallas in 1883, organized and conducted for eight years the Ohio Inspection Bureau and was then secretary of the Committee of Twenty of this city. In 1905 he organized the firm of Smith & Cochran, of Dallas, Tex.

It is at last definitely settled that James V. Barry, former Insurance Commissioner of Michigan and now head of the publicity and legislative bureau of the casualty companies, is to become one of the assistant secretaries of the Metropolitan Life Insurance Company. Mr. Barry was selected for the position by the officers of the Metropolitan Life upon the retirement of F. H. Betts. The casualty men released Mr. Barry from his engagement with their bureau, and when he was in New York last week attending the conference of Insurance Commissioners he agreed with Vice-President Haley Fiske to enter the service of the Metropolitan Life.

E. J. Haynes, Jr., has been elected President of the Newark Fire Insurance Company to fill the vacancy caused by the death of John J. Henry. Mr. Haynes has been the special agent of the Springfield for the last eighteen years, covering Eastern New York and Northern New Jersey.

The accident and liability department of the Aetna Life has issued a printed copy of the new Employers' Liability law of Oregon, together with comments as to the practical abolition by the act of the defenses of contributory negligence and assumption of risk, the removal of the limit on recoveries for injuries causing death, the putting of fellow-servants in the vice principal class and on the twin law allowing verdicts to be rendered, voted by nine out of twelve jurors.

Henry C. Sommers has taken a contract to represent the Phoenix Preferred Accident Insurance of Detroit in writing policies for the employees of the United Typothetae of America, which has anticipated compensation legislation by arranging for death, sickness and accident insurance, and in addition will provide free medical attendance for its 25,000 workmen.

The chairman for the governing committee of the Workmen's Compensation Service and Information Bureau will be C. H. Franklin, United States manager of the Frankfort Marine Accident and Plate Glass Insur-

ance Company. A. Duncan Reed, of the Ocean Accident and Guarantee Corporation, has been elected Secretary-Treasurer.

Nelson D. Sterling, of the Aetna Indemnity Company, has been appointed superintendent of the plate glass department of the Fidelity and Casualty Company to succeed A. J. Ferres, who has been promoted to the superintendency of the Fidelity and Casualty agencies. Mr. Sterling is a trustee of the Plate Glass Underwriters' Association, Secretary and Treasurer of the Burglary Insurance Underwriters' Association and of the Local Board of Burglary Insurance Underwriters.

The suburban agency of the County Fire of Philadelphia, Merchants' Assurance Corporation of New York and the Commonwealth and Austin of Texas, held by Kellock & Voorhees, will on January 1 be taken over by Bainbridge & White, Brooklyn and suburban managers for the City of New York Insurance Company, Imperial Insurance Company of Denver, Col.; Cooper Insurance Company of Dayton, O.; New York Plate Glass and Aetna Indemnity Companies of New York. The Bainbridge & White agency will take larger quarters at 150 Montague Street. Mr. Kellock will retain an office at the same address and Mr. Voorhees will act as counterman.

The National of Hartford has taken over from the Phoenix, of the same place, farm and tornado risks of the Shawnee Fire, written by its former agencies in Missouri, numbering 154, and reinsured by the Shawnee with the National, which does not write Missouri farm business.

Attorney General O'Malley has refused to bring an action on the request of a New York lawyer to cancel the license of the Knights of Pythias in this State. Mr. O'Malley holds that the endowment branch of a fraternal order covering the fourth and fifth classes of insurance are specifically put under the supervision of the State Superintendent of Insurance, and that as the Knights of Pythias are, therefore, not exempt as a fraternal order from the Superintendent's jurisdiction, application should first be made to him.

The "Policy Holder" of Manchester, England, says in its last issue that, owing to the fact that no insurance company has been found willing to issue a policy covering possible claims under the workmen's compensation act, the labor yard at Windsor has been temporarily closed.



SUPERIOR POLICIES
KIMBALL C. ATWOOD, President
290-292 Broadway, New York.

New England Mutual Life

Insurance Company
BOSTON, : : : : MASS.
 chartered 1835

Assets, January 1, 1910..\$51,316,543.00
 Liabilities 47,050,672.15
 Surplus \$4,265,870.85

Sixty-six years of honorable dealing with its policyholders has placed the **NEW ENGLAND MUTUAL LIFE INSURANCE COMPANY** in the front rank of Life Insurance Companies of the Country.

ALFRED D. FOSTER, President.
D. F. APPEL, Vice-President.
J. A. BARBEY, Secretary.
WM. F. DAVIS, Assistant Sec'y.
J. G. WILDMAN, Assist. Sec'y.

EDWARD W. ALLEN, Manager.
 220 Broadway, New York.
LATHROP E. BALDWIN, Manager.
 141 Broadway, New York.
CHARLES H. STRAUSS, Gen. Ag't.
 200 Fifth Ave., New York.

NATIONAL LIFE

Insurance Company,
MONTPELIER, VERMONT.

Established in 1850.
 Operating in 37 States.

JOSEPH A. DE BOER, President.
FRED A. HOWLAND, Vice-President
JAMES B. ESTEE, 2nd Vice-President
OSMAN D. CLARK, Secretary
H. M. CUTLER, Treasurer
A. B. BISBEE, Medical Director
C. E. MOULTON, Actuary

This Company held January 1, 1910,
 and gained during the past decade:

ASSETS . . .	\$47,490,998.98
GAIN, 167 PER CENT.	
LIABILITIES . .	\$41,661,130.12
GAIN, 162 PER CENT.	
SURPLUS . . .	\$5,829,868.86
GAIN, 211 PER CENT.	
INSURANCE .	\$161,423,115.00
GAIN, 79 PER CENT.	

**Absolute Security and
 Economy of
 Management**



CAPITAL. \$500,000

THE "EMPIRE"

Stands for **AGGRESSIVENESS**
PROMPT PAYMENT OF LOSSES
 and **'CLEAN METHODS.**

Agents wanted who are unattached and can produce business.

Address Agency Department,
THE EMPIRE STATE SURETY CO.,
84 William Street, New York

The year of 1910 is rapidly drawing to a close, this being the last quarter of the year.

The amount of money earned by the agents of the Philadelphia Life from now until the end of the year will more than equal the total earnings of agents of other companies for the year 1910.

If you are in a position to contract with the Philadelphia Life at this time, it would be to your interest; or, if you contemplate making a change at the close of the year, let us hear from you now, as perhaps the territory that you would prefer would be closed at that time.

Write Perry To-Day.

BONDS OF SURETYSHIP.

The Guarantee Company of North America
HEAD OFFICE, MONTREAL

Edward Rawlings, President.

H. E. Rawlings, Asst. Mgr.

Richard B. Scott, Secretary & Treasurer.

It is the Pioneer Company, was established in 1872, and is conducted under a conservative management of over 55 years experience.

It has recouped to employers over \$2,190,000 for losses sustained by the infidelity of employees and has a surplus of \$1,041,423.23 to credit of shareholders and total resources of \$1,919,892.38 for the security of insured.

Branch Offices:

NEW YORK: 111 Broadway,
D. J. Tompkins, Secretary.
BOSTON: 114 Milk Street,
W. A. Hamilton, Agent and Attorney.
CHICAGO: Room 400, The Temple,
J. R. Pruyn, Resident Sec. and Atty.
PHILADELPHIA: 500 Arcade Bldg.,
W. H. Jackson, Res. Secretary.
PITTSBURG: 1120 Farmers Bank Bldg.,
E. R. Munro, Resident Secretary.
LOUISVILLE: 316 Columbia Bldg.,
P. N. Clarke & Co., Agents.

PROSPEROUSLY BUSY!

Our agencies are steadily increasing this year's lead over the figures of our high record in 1909.

Our agents are prosperously busy. With Business Life Insurance and our unequalled Continuous Monthly Income policy they are reaching and satisfying the public and liberally rewarding themselves.

Inquiries invited from delivering producers.

GEORGE D. LANG,

Superintendent of Agencies,

Massachusetts Mutual Life Insurance Company,

Incorporated 1851.

Springfield, Massachusetts

Survivorship Annuity Tables

Net Premiums, Mean and Terminal Reserves

American Experience Table,
LIFE OF NOMINATOR

Danish Survivorship Annuitants' Table,
LIFE OF ANNUITANT

And $3\frac{1}{2}$ Per Cent. Interest

BY
MILES M. DAWSON,
Consulting Actuary

SEND ALL ORDERS TO

The Chronicle Co. (Ltd.)

No. 80 Wall St.

NEW YORK

The Chronicle

1866

Published by THE CHRONICLE COMPANY (Ltd.), 80 Wall Street, New York City

1910

VOLUME LXXXVI.

NEW YORK, DECEMBER 29, 1910

NUMBER 26



Lloyd George

Survivorship Annuity Tables

Net Premiums, Mean and Terminal Reserves

American Experience Table,
LIFE OF NOMINATOR

Danish Survivorship Annuitants' Table,
LIFE OF ANNUITANT

And $3\frac{1}{2}$ Per Cent. Interest

BY
MILES M. DAWSON,
Consulting Actuary

SEND ALL ORDERS TO

The Chronicle Co. (Ltd.)

No. 80 Wall St.

NEW YORK

The Chronicle

VOLUME LXXXVI.

NEW YORK, THURSDAY, DECEMBER 29, 1910

NUMBER 26

PUBLISHED EVERY THURSDAY BY
THE CHRONICLE COMPANY (Limited)
No. 80 Wall Street, New York.
Phone "567 John." Cable Address, "Chronogram," New York.

Subscription Price:
Three Dollars a Year. Single Copies, Twenty-five Cents.
Postage Prepaid in the United States and Canada.

MILES M. DAWSON, President.
W. B. CASS, Secretary. A. R. MARSH, Treasurer.
Emil Schwab, Manager New England Department,
610 John Hancock Building, Boston, Mass.

WILLIAM BARRETT CASS, Managing Editor.
All communications should be addressed and remittances
made to THE CHRONICLE COMPANY (Limited).
Entered at the Post Office, New York, N. Y., as Second Class
Mail Matter.

MR. LLOYD GEORGE AND COMPULSORY STATE INSURANCE

British Chancellor of the Exchequer Holds a Colloquy with a Protesting Delegation of Oddfellows Which Feared the Effect of the Proposed Scheme Upon the Benefit Societies and Fraternal Orders.

HARDLY had the Liberal victory in England become a fact, with the assurance that the British electorate had not been frightened into turning out the Asquith Ministry by its assault upon the Lords' prerogative, wielded possibly for the last time in blocking Mr. Lloyd George's budget, when the British Chancellor of the Exchequer declared that the Lords' veto bill would be only the beginning of the Liberal programme, and that the recent election would make a deeper impression upon the history of the country than any in modern times. That results are expected which may prove interesting in their effect on the insurance business was foreshadowed in the views Mr. Lloyd George expressed last month regarding compulsory state insurance against sickness and invalidism. In receiving a protesting deputation of Oddfellows, who came from Manchester to voice the alarm which compulsory insurance arouses in the ranks of benefit societies and fraternal orders he outlined one feature of the coming Liberal programme. The Chancellor's attitude was that he could find the money to give the new form of paternalism a trial if only 6,000,000 men of England who insure themselves would be calm over state provision for the 10,000,000 who cannot or do not insure themselves, and not grow restive with fear that in the outcome they themselves must foot the bills. There was a comical touch in the injunction of secrecy with which the plan for improving the methods by which thrift and ability shall carry the burdens laid on them by improvidence and incapacity, was delivered to one here and there under a ban of silence so strict that the bailee of the open state secret might not tell his wife about it. But Mr. Lloyd George is serious, and it looks as though he would have to be taken seriously.

Mr. Lloyd George's colloquy with the delegation of Oddfellows, as reported in the "Insurance Guardian and Banking Record" of London, is given below:

MR. LLOYD GEORGE received early last month a deputation of the Manchester Unity of Oddfellows at the treasury. They wished to protest against the introduction of any compulsory scheme of State insurance against sickness and invalidity, which they assert will undermine the friendly and other societies which already exist.

The members of the deputation were: Mr. Thomas Barnes, Grand Master (Plymouth); Councillor A. H. Warren, Deputy Grand Master (London); Mr. E. Bourne, J. P., Past Grand Master (Cheltenham); Mr. J. R. Barley, Prov. C. S. (Norwich); Rev. F. C. Davies, P. P. G. M. (Mitcham); Mr. W. P. Wright, P. P. G. M. (Reading); Major Hawkins, P. G. M. (South London); Mr. Ben. Kilvington, P. G. M. (York); Mr. George H. Whyard, P. P. G. M. (North London); Mr. Thomas J. W. Siddall, Prov. C. S. (Sheffield); Mr. Wallace Smith, P. P. G. M. (Bootle); Mr. R. W. Moffrey, J. P., P. P. G. M., Parliamentary Agent (London); Mr. Walter Collins, Secretary of the Order (Manchester).

Mr. Moffrey introduced the deputation.

Mr. Barnes, having thanked the Chancellor of the Exchequer for receiving the deputation, expressed appreciation of the fact that an inquiry was being made in regard to old age pensions, which he hoped would lead to the

removal of hindrances to the cause of thrift. He hoped the Chancellor of the Exchequer would believe that it was a principle for which they were contending, and not a certain amount of money.

Mr. Lloyd George—It is a question of principal with me. (Laughter.)

Mr. Barnes, proceeding, said they were glad that there was no intention to injure the societies which now existed, but at the same time they feared that what was apparently projected—

Mr. Lloyd George—What is apparently projected?

Mr. Barnes—Well, we take your words.

Mr. Lloyd George—What are they?

Mr. Barnes—A compulsory system of state insurance against invalidity and sickness.

Mr. Lloyd George—Is that all?

Mr. Barnes—No, that is not all. I am afraid it is difficult for me to state from memory all I have heard or read that you have said.

Mr. Lloyd George—Is it not important that before you go about the country denouncing a scheme from a certain standpoint that the scheme, as presented by the Minister, should really be fairly stated? Simply to say that it is a scheme for compulsory insurance against invalidity is hardly a fair statement, because it is not a comprehensive one.

Mr. Barnes—I have never denounced any scheme, but merely stated my opinion that any system of compulsory state insurance must necessarily undermine existing voluntary institutions, and in so doing interfere with the friendly societies, and the work they have been doing for many years.

Mr. Lloyd George—Even if it is worked through the friendly societies?

Mr. Barnes—In my judgment, yes. If the government is resolved on compulsion, then necessarily a scheme will be put into operation under which the voluntary institutions must suffer. If the state scheme provides for contributions by members and they are to be assisted by payments by the state, then the question arises whether or not the members of existing societies are to have their contributions lessened by an equivalent amount. If the answer were yes, then at once we would see that the independence which we have been cultivating would be undermined to that degree and there will be what we fear as an evil—an undermining of that building up of character and self-reliance which we have endeavoured continually to inculcate. If, on the other hand, no state assistance is afforded to those who are members of existing societies then naturally those societies must dwindle, because whatever may be the character of the men as individuals, they will not be prepared to pay the whole cost of their own insurance and at the same time, as individuals in the state be called upon to pay their quota toward that amount which the state provides for another section of the community included in the state scheme. There are people in the community for whom the existing orders do not make any provision. We are unable, because of the cost, to include the sick and the infirm, and we offer, if the state will come to the rescue of such—we hope not compulsorily—not only to assist with our advice, but to allow our branches and our agents to be used by the Government, so that they can reach these unfortunate people in the community. The fact that the whole community is not included does not warrant, in our opinion, any enactment which will interfere with the existing organizations. We have progressed, but a check has been put upon our advance of late years because men have been led to believe that they need not rely upon their own exertions, as there were others waiting to do for them that which they can very well do for themselves. The progress of our order has been in a greater proportion than the advance of the population of the country.

Mr. Lloyd George—Is that true of all friendly societies?

Mr. Barnes—I am not prepared to say that it is.

Mr. Lloyd George—You must see that I cannot consider this question merely from the view of one society alone. I must take the friendly societies as a whole, and see what proportion of the population they are able to provide for and what proportion they have not yet reached. I should like to know from you what your view is as to the population outside the friendly societies. I find that the total membership of the friendly societies is under 6,000,000. I understand that there is a good deal of overlapping in all that. Members of your society may belong to other societies. But that leaves 10,000,000 outside, and I should like to ask you, Are you opposed to any provision being made for that 10,000,000?

Mr. Barnes—I contend that provision is made for them if they will avail themselves of it.

Mr. Lloyd George—You contend that if you do not come forward and contribute voluntarily to a friendly society, then you must take your chance?

Mr. Barnes—Exactly.

Mr. Lloyd George—I see the position now. You are opposed to any assistance from the state?

Mr. Barnes—Out of the 10,000,000 a large number are making provision in other directions, through insurance companies and building societies, quite as effectively and to their satisfaction.

Mr. Lloyd George—They are a very small proportion out of the 10,000,000. But are they doing it effectively?

Mr. Barnes—Not wisely, but effectively to their own satisfaction.

Mr. Lloyd George—They must be the best judges of that. Surely they chose members of Parliament after a scheme of this kind was put before them, and we have their mandate to make some such provision, because they are not satisfied with the existing organizations. You say that unless they join one of the friendly societies then they must take their chance. You would let them starve?

Mr. Barnes—We do not say that.

Mr. Lloyd George—But you are dead against giving any sort of Government support toward the efforts which they

may themselves make to provide for themselves.

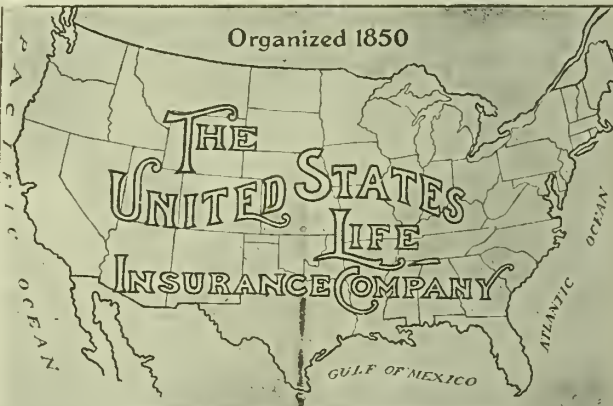
Mr. Barnes—My point is that the men in the friendly societies are not by any means the wealthiest members of the working classes. Those who are not in the societies are equally well, and many of them are better able to pay the necessary contributions to provide for particular benefits. The setting up of a scheme of state insurance will not only be pandering to some instincts which are not the worthiest among our people, but at the same time will deprive our people of that which has done so much to establish that fraternal and independent spirit which has for so long existed in our order.

Mr. Lloyd George—I have so much appreciation for the work of the friendly societies that my theory is that we ought to work through the friendly societies, as they are by far and away the best agencies for the purpose. There is nothing you have said about them which I do not accept in full, and I was going to make them the basis of my scheme. I have promised to meet many other societies, and I want to see them all before I make up my mind about the scheme. Up to the present I have only seen friendly societies—by that I mean societies such as yours. I want to see the insurance companies, the building societies and the trades unions.

Mr. Warren—We have come to you to-day for an assurance that we shall have an opportunity, whatever the scheme ultimately accepted, of extending our work in the future as in the past, and of preserving those characteristics which have made the friendly societies what they are.

Mr. Lloyd George—What I really want to know is this, Do you in the first place object to any provision being made for the people who, experience has shown, will not join any friendly society? I do not go into their reasons. It may be their own fault; it may be that their work is casual and they cannot keep up their contributions. But as a matter of fact, there are many more millions outside these societies than there are in them. The first question, and I ask it in all seriousness—this is not a question of controversy between the parties. Both parties are committed to a contributory scheme of insurance, and if we were turned out to-morrow I think I may venture to say that you would get a bill more or less on the same lines from the other side. Therefore, we cannot claim credit from the party point of view for it. It is the desire of both parties that something of this sort of thing should be done. When I ask questions it is with a view to finding out what your position is. You have done this work long before I was born. (Laughter.) I did not mean anything personal—(renewed laughter)—but the societies. You had been doing the work before any one began arguing about it, and therefore your opinions should be respected and given every weight. You can say to us, "You are pure theorists and we are practical men." Therefore, what I want to know is exactly what your view is. Any Minister who does not pay every attention to what you say is not giving heed to all the facts of the case. I want to know the facts of the case. Do you say that the Gov-

Organized 1850



THE UNITED STATES LIFE INSURANCE COMPANY

ISSUES GUARANTEED CONTRACTS

JOHN P. MUNN, M.D. (PRESIDENT) FINANCE COMMITTEE CLARENCE H. KELSEY <i>Pres Title Guarantees and Trust Co.</i> WILLIAM H. PORTER <i>Pres Chem. Nat. Bank</i> EDWARD TOWNSEND <i>Pres Importers & Traders Nat. Bank</i>	Good men, whether experienced in life insurance or not, may make direct contracts with this company, for a limited territory if desired, and secure for themselves, in addition to first year's commission, a renewal interest insuring an income for the future. Address the Company at its Home Office, No. 277 Broadway, N. Y.
--	--

ernment ought to make no provision at all for these, say, 10,000,000—you can knock off half of them if you like, and say 5,000,000—who are now not provided for?

Mr. Warren—There are other societies to which we take exception. There are the deposit societies, which take in between 3,000,000 and 4,000,000.

Mr. Lloyd George—Do you consider that provision a satisfactory one?

Several members of the deputation—Oh, no.

Mr. Lloyd George—But there are 10,000,000 who either are not provided for at all or are inadequately provided for, or what is still worse, are badly provided for. I know something of the facts of these societies. They are very costly, as more than half of their money goes in expenses.

Mr. Barnes—What societies?

Mr. Lloyd George—Some of the societies.

Mr. Barnes—Some of the societies? Ours, for instance?

Mr. Lloyd George—Oh, no. I say the provision your society is making is ideal. I cannot put it higher than that. If you had similar provisions for all the working classes of the country, not only would it not be necessary to consider state insurance, but state insurance would be a crime. But we are, however, face to face, with this 10,000,000, who, for some reason or another, are not provided for at all, or are inadequately or badly provided for. I have to deal with that fact. Now, do I understand the friendly societies to say that we, as the Government, are to do nothing at all? I am entitled to ask that question, and I do so in all kindness and sympathy in the interests of your work.

Mr. Barnes—We cannot speak with one voice in this matter, but for myself I would say emphatically yes.

Mr. Lloyd George—You take a strong individualist view. It is taken by many men in this country, and, mind you, I respect it very much. There is a great deal to be said for your view, but I think on the whole it is held by a very small minority in both parties at the present moment. The vast majority have come to the conclusion that they cannot live on a *laissez faire* policy. We are all agreed that this is one of the subjects we cannot let rest. It is a subject in which state action is required.

Mr. Barnes—How is it possible to safeguard friendly societies under a compulsory system of state insurance? You may safeguard them as they are, but they will die out from lack of new members. How can you make voluntary societies attractive to the public when by the state scheme they will have their contributions partly paid by the state.

Mr. Lloyd George—I do not see any difficulty.

Mr. Barnes—Would the same subvention be given to the voluntary societies as to the state scheme?

Mr. Lloyd George—Certainly. Good gracious, yes. I never contemplated that the friendly societies' members should not get the same benefit.

Mr. Barnes—That has never been made clear.

Mr. Lloyd George—I really cannot submit a scheme to the public until I have heard everybody and got their views. I may hear something from the representatives of the deposit societies which will compel me to change my mind. All I have done at the present moment is this: I have framed a scheme very largely in conjunction with the exceedingly able representatives of the friendly societies, and I have submitted it to experts and to the ablest actuaries in this country. I know pretty well what it will cost. I have come to the conclusion that I can find the money, and I am also perfectly convinced that, unless that scheme is materially modified in consequence of the representations of other bodies, the friendly societies will have no reason to complain at all. Quite the reverse.

A Member—How will that scheme affect our voluntary work?

Mr. Lloyd George—I have considered that, but I want to know whether you take the line, "Hands off the state. The state must not even help." It is not a question of interference. The only question is that of the interference of the Treasury in finding the money. It is not very often that people say, "Hands off!" to those who come with a few millions of money to offer to them. That is what I have to offer them. But first I must know that it is not a society half of whose income goes in expenses.

A Member—In our case the expenses are less than 10 per cent.

Mr. Lloyd George—I am glad to hear that. The cardinal and fundamental proposition upon which I base my scheme is not merely a recognition of the great work done by the friendly societies in the past, but a recognition of the value and the importance of continuing their work in the future. (Hear, hear.) What you have done

is not merely to save a great deal of human misery, but you are educating the working-classes in habits of self-reliance and of independence, in self-government and self-respect. You have done far more in that way than in the material advantage which you have conferred upon them. All that will be considered in the future.

Mr. Barnes—I quite agree as to your good intentions, but I am afraid you will do injury without intending it.

Mr. Lloyd George—I shall be sorry to do that. At the same time, I think you will find that in the long run it will strengthen the friendly societies and strengthen their hold upon the working classes. An appeal has been made to me to afford opportunities to the friendly societies of extending their work. That is exactly what I shall aim at.

Major J. H. Hawkins complained that no scheme was in existence.

Mr. Lloyd George—I have never said anything of the kind, for here is my scheme, printed and marked "Provisional." I have stated several times in answer to questions in the House of Commons that I had prepared a scheme, and had submitted it to actuaries.

Major Hawkins further declared that, in regard to old age pensions, many of the recipients were asked insulting questions by post office officials.

Mr. Lloyd George—Any such case should be instantly reported to me, as head of the Pay Department, or to the Post-master-General. Any official who put insulting questions to pensioners was guilty of a gross breach of the regulations, and would be dealt with accordingly. We should soon make an example of anyone who made insulting observations to any of these old people who went into a post office to draw their pensions. If you can quote specific instances I will inquire into the matter and see that it does not occur again.

Major Hawkins then dealt with the question of state payments and friendly society payments.

Mr. Lloyd George pointed out that a minimum contribution would be established by the Government, but that that would not prevent a man from insuring in a friendly society for any amount he liked. There was nothing the Government would like better than to encourage people to insure beyond that minimum provided by the Government.

Major Hawkins—May we ask you to state what your scheme is?

Mr. Lloyd George—I do not think that would be quite fair. A scheme of this kind must at present necessarily be not only a provisional one, but one which must have passed through all the preliminary stages of inquiry before it is made public. It has been in the hands of the actuaries. They have examined it very carefully for weeks and weeks. I have offered to submit it to the actuaries of the friendly societies. When, however, they knew who our actuaries were they were perfectly satisfied that the examination was absolutely accurate.

Mr. Barnes—You have a board of directors here. Will you submit the scheme to us?

Mr. Lloyd George—No, because I should have to submit it to other boards of directors. But I am perfectly prepared to deal with one man, and will submit it to your representative. I should like to say one word more. I am glad to have met you, because I think I have succeeded in removing some misapprehensions which legitimately existed in your minds. You know I appreciate the work of the friendly societies, and I can assure you that the Government appreciates it, too. Whatever the scheme is, we shall always have in our minds in shaping it the one dominant purpose—of not merely respecting the work done by the friendly societies, but of doing everything in our power to fortify, strengthen and extend it. I want to be in touch with you, as I hope you will assist the Government in shaping that scheme in such a way that it will not merely suit the interests of the friendly societies, but that at the same time it will be a benefit to the millions of poor people who, for reasons which I am not disposed to criticise, have not found it possible to join these friendly societies. We must consider those millions of people who, depending upon casual labor, are unable to keep up their contributions, and who find it all they can do to shift along and buy bread for their children. We are determined that something must be done in order to meet these cases. You have nominated Mr. Barnes as your representative, and he will leave here with my scheme in his pocket. He will, of course, treat it as absolutely confidential. He must not even disclose its contents to his colleagues.

A Member—Not even to his wife. (Laughter.)

Mr. Lloyd George—No, not even to his wife.

A Member—But he tells his wife everything. (Renewed

laughter.)

Mr. Lloyd George—No; for the first time, even at the risk of a breach of his friendly relations with the domestic powers, he must keep all this to himself. (Laughter.) He will have time to examine it, and in two or three weeks' time he will come up here again and, either alone or in conjunction with other nominees of friendly and other societies, have a further conference on the matter. There are others I want to see, and in the mean time I must keep an open mind. (Hear! Hear!)

* * *

The "Review" of London in its issue of December 9 published a letter written by Mr. Lloyd George on December 1, in which he says:

"The proposals which the Government have in view in connection with insurance against sickness and in-

validity are not likely, so far as I can judge at present, to interfere in any way with the business now carried on by industrial life assurance companies or societies. The proposed benefits do not include the provisions of a funeral benefit or any immediate money payment on the death of a contributor or his relatives; nor, of course, will there be any endowment for children on attaining a certain age. The whole of this field will still be left open to the existing agencies. I see no reason whatever for apprehending that the operations of these agencies will be restricted in consequence of the scheme which the Government has in view. I have given a pledge on behalf of the Government that no scheme dealing with sickness or invalidity will be submitted to the House of Commons until all the societies having any interest in the matter have been fully consulted. To that pledge I adhere."

August Belmont on Workmen's Compensation

AUGUST BELMONT, Chairman of the Department on Compensation for Industrial Accidents and their Prevention, presided at a special meeting last Friday in the National Civic Federation headquarters, in this city, to consider the proposed workmen's compensation bill. After describing the bill, Mr. Belmont had this to say:

"Since the Federation began its work several years ago, nine State Legislatures have authorized official commissions now working for compensation laws. There is also a Federal commission, authorized by the last Congress. The New York commission, as is well known, has already taken the first step in securing the enactment of a compensation law.

"Your chairman has addressed letters to the Governors-elect and hold-over Governors in States where no compensation commissions have been appointed, asking each to treat of the subject of compensation for industrial accidents in his forthcoming message to the Legislature, urging legislation to provide for the appointment of such an official commission, and expressing the hope that the State in question may take a prominent part in assisting to work out this problem on a uniform basis as nearly as possible, so that the industries in competitive States may not be put to a disadvantage. Gratifying replies are being received.

"At the request of the National Civic Federation the National Conference of Commissioners of Uniform State Laws and the American Bar Association appointed committees on compensation and the chairmen of those committees, as well as other members, are in attendance upon this meeting.

"The compensation principle has been accepted by all as being desirable. To make it applicable to all industries with due regard to the interest of employers and employees is our object.

"Let me emphasize that the rem-

edial legislation, to be advocated by the Civic Federation, will be thoroughly discussed by all parties in interest before it is presented, through the Civic Federation's State Councils, to the different State Legislatures.

"The Committee on the Improvement of State Inspection of Factories is a logical outgrowth of the work of the Compensation Department, since thorough supervision by competent and duly constituted officials is essential to the protection of workers in industrial establishments against the dangers of unguarded machinery and adjuncts.

"The extension and improvement of State inspection of factories and uniform legislation toward the prevention of accidents are topics of wide and varied interest. That fact is demonstrated by the representative types of men, all of expert knowledge in special fields, who have contributed toward the performance of its task by the committee.

"Apparently an entirely new field has been covered by this committee in the operative study of industrial statistics and statutory requirements as to accidents and as to safeguards against accidents.

"It is a maxim of military science that it is the first duty of an officer

to look after the welfare of his men and avail himself of every opportunity to preserve the military unit from injury or destruction. There is an analogy between this duty of the military officer toward the soldiers of his command and the obligation of the employer who bears a similarly responsible relation to the welfare of the wage-earners who fill the rank and file of the voluntary armies of industry. When his employees go to the activities of their daily task of production they should be both taught and required to protect themselves, by availing of every device and by the exercise of proper care, from accidents which may cost life or limb, and add to the grim, if merciful, ministration of the hospital.

"The committee entrusted with the work of estimating the cost of substituting the compensation principle for our present liability system, based upon the experience of liability insurance companies, will submit as the result of its work, in the near future, the first comprehensive data of that nature ever compiled. We shall hear to-day of the progress being made.

"It will thus be seen that the three committees having specific work to perform for this department will render altogether new service to the country."

British Employers' Liability Act

WHAT might happen here to a small employer who should neglect to provide himself with insurance in States which follow in their new legislation the lines of the British system, and particularly here in New York is shown by the following abstract of a case recently decided in a county court in England.

The court was asked to make an award for 11s. 9d. per week in favor of a workman against his employer.

Applicant, a painter, said that he was working for the respondent in

Maidstone, when he fell off a ladder and was impaled on some railings. His right thigh was severely injured and he was taken to the hospital. He had since been incapacitated for work. He had been working for respondent only three days when the accident occurred. His wages were 6½d. per hour, or 23s. 6d. per week. Previously to the accident he had worked for the defendant off and on for about ten years.

The employer said he could not dispute the facts, but it was a difficult case because he was in no better po-

sition in life than the applicant. He himself was only a laboring man, unable to get any permanent employment, and did any odd jobs in the town for any one who would employ him. The unfortunate thing was that he did not insure the applicant against accidents.

His Honor—Why didn't he insure? It was not expensive. It was difficult to know what to do in cases of this kind. Such cases led one to the conclusion that sooner or later employ-

ers of labor would be compelled to insure their workmen against accidents. As long as the rates of insurance were as moderate as they were there was no excuse for not insuring. This man (the respondent) would be ruined. There was no sympathy due to him because he could have insured for a few shillings.

The respondent stated that he did not insure because he rarely employed any one, as he did not have enough work. He also stated that

he did not know that the act applied to a casual laborer, and that he was only casually employed, and his earnings would not average more than from 15s. to £1 per week.

His Honor—The rest of your life will be taken up in working for this man (the applicant). This is one of the worst cases I have ever had before me.

His Honor ultimately made the award as asked in behalf of the workman.

State Examination of the Home

INSPECTION of the Home Insurance Company by the State Insurance Department, the report of which was filed last week, shows a surplus reliance for policyholders of \$15,918,230, counting the capital of \$3,000,000 and the special surplus and guaranty surplus funds of \$1,500,000 each, in addition to the net reserve of \$9,918,230. The net reserve was fixed by deducting from the total assets \$28,572,264, a reserve for unpaid losses of \$1,156,725, and fixing the unearned premium reserve at \$11,110,264. The examination was made as of July 31, 1910, at which time the financial condition of the company company was found to be:

Ledger Assets.	
Book value of real estate....	\$1,543,892.06
Mortgage loans	59,800.00
Book value of bonds and stocks	23,383,729.87
Cash in bank and trust companies	1,090,119.92
Agents' balances, representing business written subsequent to April 30, 1910....	1,995,880.58
Agents' balances, representing business written prior to May 1, 1910.....	190,559.50
Bills receivable taken for premiums (farm risks).....	74,514.57
Total	\$28,328,496.50
Non-Ledger Assets.	
Interest accrued on mortgage loans	\$404.27
Interest accrued on bonds...	101,722.70
Interest accrued on bank deposits	4,404.89
Due for reinsurance on losses paid	167,734.11
Market value of real estate over book value.....	200,767.94
Gross assets	\$28,803,530.41
Deduct Assets Not Admitted.	
Book value of bonds and stocks over market value....	\$45,996.54
Agents' balances, representing business written prior to May 1, 1910....	180,559.50
Bills receivable past due (farm risks)....	4,709.48
Total admitted assets.....	\$28,572,264.89
Liabilities.	
Unpaid fire and marine losses	\$1,156,725.90
Unearned premiums—	
On one year fire risks	\$3,705,070.15
On term fire risks...	7,015,277.04
On inland navigation risks...	348,905.85
On marine risks....	41,011.29
Total unearned premiums.	11,110,264.33
Due Agrippina Insurance Co. on account of reinsurance contract, \$25,832.86 and \$53.01 accrued interest	

thereon	25,885.87
Due Balkan Insurance Co. on account of reinsurance contract, \$72,974.62 and \$180.08 accrued interest thereon..	73,154.70
Due Rheinisch Insurance Co. on account of reinsurance contract, \$806.26 and \$1.96 accrued interest thereon..	808.23
Due Second Russian Insurance Co. on account of reinsurance contract, \$2,039.66 and \$493 accrued interest thereon	2,044.59
Due for other reinsurance...	275,647.91
Due for return premiums....	3,471.53
Taxes on premiums accrued (estimated)	163,600.00
Federal tax accrued (estimated)	5,700.00
Sundry unpaid bills.....	67,996.49
Liabilities except capital..	\$12,885,299.55
Capital	\$3,000,000.00
Special reserve fund	1,500,000.00
Guaranty surplus fund	1,500,000.00
Surplus	9,918,230.86
Surplus to policyholders...	15,918,230.86
Total liabilities.....	\$28,803,530.41

This statement is the result of a careful examination of each item of assets and liabilities and an examination of the books and records at the home office, as well as at the office of the Western Farm Department at Chicago.

The liability for unpaid fire and marine losses in the sum of \$1,156,725.90 was ascertained by a thorough examination of the loss registers, claim papers and correspondence in connection therewith. The unearned premium liability was arrived at by a checking of the unearned premium books with agents' monthly accounts and daily reports, home office policy registers, cancelled policies and reinsurance written and cancelled. The unearned premium liability on fire risks, as well as on inland navigation and marine risks, was computed upon a pro rata basis, excepting all postal and specific trip risks on which 100 per cent was charged, the policy contract on these two latter classes being in force until the property insured is delivered, while in all other cases the policies are issued for specified terms and contain the regular cancellation clause. The liability charged under this item was increased through such computation by the sum of \$304,729.73.

The company, in reporting in its annual statements the amounts of

premiums in force, has for years omitted to include the net writings of agency premiums for the month of December in each year and also failed to include the unearned portion thereof in the amount charged as an unearned premium liability. Such omissions are due to the fact that the company closes its books for the year on December 31, and agents' accounts for the month of December are not received at the home office until the month following. On the other hand, however, the company has not included in the credit taken for agents' balances the amount of net premiums due from agents for the month of December. While, therefore, the unearned premium liability has been reported short, the credit assumed for agents' balances was also reported at less than the actual amount due.

In reporting in its annual statements the agents' balances representing business written subsequent to October 1, the company assumed credit for balances due on agency business written during the months of September, October and November, accounts therefor being received at home office in the months of October, November and December and the balances due on business written prior to September 1 were reported in such annual statements as agents' balances representing business written prior to October 1. The inclusion of the unpaid September balances as a credit in the company's statement is an incorrect return, unauthorized by the law or by the requirements of the blank, and the statements hereafter filed should be made up in accordance with the accepted requirements.

The Home Insurance Company of New York was organized as a joint stock fire insurance company on April 13, 1853, with a capital of \$500,000, divided into 5,000 shares of stock of the par value of \$100 each. The charter ran for thirty years, and at its expiration in 1883 was extended for a like period of time. In July, 1858, the capital was increased to \$600,000 and 1,000 additional shares of stock were issued of the par value of \$100 each. In February, 1859, the capital was further increased to

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS is unsurpassed for net low cost and care of Interests of all members.

THE PENN MUTUAL LIFE INSURANCE COMPANY OF PHILADELPHIA

On January 1, 1909, rates were reduced and values increased to full 3% reserve.

Germania Fire INSURANCE CO., NEW YORK.

ORGANIZED 1850.

Cash Capital.....\$1,000,000.00
Assets\$6,562,329.14
Net Surplus.....\$2,008,419.02
Surplus for Policyholders,\$3,008,419.02

HEAD OFFICE:
Cor. William and Cedar Streets.

The Prudential



has hundreds of successful Agents who became Life Insurance salesmen because they were dissatisfied with the very limited advancement they could win in other lines.

Write Us About an Agency.

THE PRUDENTIAL
Insurance Company of America.

Incorporated as a Stock Company by the State of New Jersey.

John F. DRYDEN, Home Office,
President. NEWARK, N. J.

The Connecticut Mutual

That means the best life insurance to have and the best to sell. If you can sell life insurance, you can sell more of it for the CONNECTICUT MUTUAL.

Men of Character and Ability are invited to apply.

Conn. Mutual Life Ins. Co.,
Hartford, Conn.,

Please mention this paper.

\$1,000,000 by the issuance of 4,000 shares of stock of the par value of \$100 each. In December, 1863, the capital was increased to \$2,000,000, 10,000 additional shares of stock being issued of the par value of \$100 each.

In July, 1870, the capital was increased to \$2,500,000 through a declaration of a 25 per cent stock dividend and 5,000 additional shares of stock were issued. On November 10, 1871, an assessment of 60 per cent was levied upon the capital stock of the company, for the purpose of making good an impairment of its capital in the sum of \$1,500,000, pursuant to a requisition of the Superintendent of Insurance of the State of New York, dated November 10, 1871, and was paid in on or before December 11, 1871. The aforesaid impairment of capital was the result of extraordinarily heavy losses sustained by the company through the conflagration in the city of Chicago in 1871. In January, 1875, in addition to the regular semi-annual dividend, a stock dividend of 20 per cent was declared, thereby increasing the capital to \$3,000,000, divided into 30,000 shares of stock of the par value of \$100 each.

On May 1, 1901, the company commenced doing business under Sections 130, 131 and 132 of the Insurance law, creating a special reserve fund in the sum of \$1,500,000, such amount being deposited with the Superintendent of Insurance of the State of New York, as provided in Section 131 of the In-

surance law, and a guaranty surplus fund in a like amount, policies of insurance being issued in accordance with the provisions of the afore-mentioned sections of the Insurance law.

In December, 1869, the company opened a branch office in the city of Hamburg, Germany, for the transaction of the business of fire insurance in Europe. This agency was continued until December 31, 1878, when the company finally ceased writing European business.

The company transacts business in Canada, Mexico and Cuba, in addition to practically every State and Territory of the United States, with a net premium income of over \$11,000,000. It is represented by about 8,000 regular agents reporting in detail to and under the direct supervision of the home office. In addition to this agency force there are about 800 agents writing farm risks only, reporting to and under the direct supervision of the western farm department in the city of Chicago.

From January, 1854, to July, 1910, the annual dividends paid to stockholders varied from 10 per cent to 30 per cent, excepting the year 1872, when only a 5 per cent dividend was paid, and in 1873, in which year the payment of dividends was omitted, owing to heavy losses sustained in the city of Boston during said year. In addition to these dividends a stock dividend of 25 per cent was declared in 1870, and in 1875 a further stock dividend of 20 per cent.

GRAND CENTRAL EXPLOSION.

A survey of the wreckage caused by the explosion of the New York Central power house at Fiftieth Street and Lexington Avenue, by plate glass underwriters is the basis for computing the plate glass loss covered by insurance at over \$25,000. The companies paying the losses will take subrogations from their assured and present a claim to the New York Central.

FRATERNAL PROBLEMS.

Sixteen articles on "Life Insurance Problems Confronting Fraternal Benefit Societies" in reference to valuation and readjustment and their relation to the uniform law on the subject adopted by the State Insurance Commissioners have been published in book form by their author, Abb. Landis, of Nashville, Tenn. The work contains much information on the British friendly societies, which number 457, one of them having started in 1690, another in 1714, and thirty-four others having an existence of more than a century. There is also published the British legislation on friendly societies of 1896 amending the act of 1875. The author argues that the uniform valuation law proposed for the United States is an advance on the British law because it adds to the publicity with freedom principle underlying the Brit-

ish system of supervision the requirement of progress toward technical solvency. Attention is called to the fact that the "Manchester Unity" has been in a "chronic state of readjustment since 1853" of its contribution rates to its experience.

OBITUARY

Alexander J. Clinton.

Alexander James Clinton, eighty-five years old, died Monday at his home in this city. He was one of the organizers and the first President of the Eagle Fire Insurance Company.

John Henry Morris.

John Henry Morris, for many years President of the Merchants' Insurance Company of New York, and of the Stuyvesant Safety Deposit Company, died Sunday, in his eighty-fifth year at the home of his daughter in this city. During the Civil War Mr. Morris was Collector of Internal Revenue for Westchester, Rockland and Putnam counties, receiving the appointment from President Lincoln.

No head of a family need look beyond the advertising columns of **THE CHRONICLE** for **LIFE INSURANCE**.

Fire Protection and Prevention

AT THE November meeting of the Philadelphia Chapter of the American Institute of Architects a conference was held on fire protection and equipment of buildings in cities, which had been arranged by the committees on programme and on public information of the Institute.

In planning this conference it was the purpose of the committees named to bring together all forces working for the protection of life and property, the reduction of fire hazards and the betterment of building construction in Philadelphia.

Invitations were sent to the representatives of all the interests named, among them being: Herbert P. Onyx, Engineer of the Associated Factory Mutuals Insurance Companies; John H. Kenney, Assistant Secretary of the Philadelphia Fire Underwriters' Association; Henry Clay, Director of Public Safety; Edwin Clark, Chief of the Bureau of Building Inspection; James S. Baxter, Chief of the Fire Department; William McDevitt and P. D. Stewart, of the Philadelphia Fire Underwriters' Association; John E. Codman, Chief Engineer of the High Pressure Department, Bureau of Public Safety; Professor William

Easby, Instructor in Engineering, University of Pennsylvania, and President of the Engineers' Club; Frank H. Reeves and Charles Elmer Smith, President and Secretary of Master Builders' Exchange; John C. Trautwine, Engineering Expert, and William D. Hewitt, architect, President of the Chapter.

In addition to the members of the Chapter, there were present also representatives of telephone and insurance companies, members of the Engineers' Club, the T Square Club and the University of Pennsylvania, as well as some of the city's firemen. Mayor Reyburn sent a letter of regret and requested that a report of the meeting be sent him.

The presiding officer, D. Knickerbocker Boyd, in introducing the first speaker, representing the National Fire Protection Association, said, in part:

"These people have in their own practical way, by discouraging the use of combustible materials in building construction, been doing more for the conservation of our natural resources than almost any other agency.

"We find that when their suggestions are followed, charges are reduced to a minimum, better construction is

the result, and better protection of life and property is obtained.

"In thus placing a premium upon good construction, what they do in reality is to put a penalty upon poor construction, and it falls upon us—the architects, engineers and builders—to co-operate in this great movement by convincing those who have capital to invest that it is to their financial advantage to use only permanent materials.

"It behooves us, therefore, to come together in such meetings as this, and to exchange helpful suggestions, the published results of which will awaken the public to a livelier interest in their own welfare."

Mr. Herbert P. Onyx, the Engineer of the Associated Factory Mutuals Insurance Companies, then read a paper, which he had prepared for the occasion, during the course of which he said:

"The curtailment of the enormous fire losses which we have sustained in our country will not be accomplished until the subject of fire prevention and protection has received the same consideration by the general public that has been given to the stamping out of contagious diseases. Fire, like disease, has its origin in

The Best Paid Hard Work in the World

Life Underwriting has been described as "The Best Paid Hard Work in the World," and consequently one of the most remunerative vocations in which any one without capital can engage.



THE EQUITABLE LIFE ASSURANCE SOCIETY OF THE UNITED STATES

has several openings for men who possess organizing ability and who can work up a business from territory at present inadequately developed. Plenty of hard work and commensurate remuneration to those who possess the necessary qualifications.

Address

GEORGE T. WILSON, 2d Vice-President,

120 Broadway

New York

PROVIDENT SAVINGS LIFE ASSURANCE SOCIETY OF N. Y.



The Only Company in the World That
"INSURES LIVES
AND GUARDS THEM
AGAINST DISEASE"

E. E. Rittenhouse,
President

AGENTS WANTED

Apply to

F. E. McMULLEN,
2d Vice-Pres. and Supt. of Agencies.
HOME OFFICE BUILDING,
35 Nassau St., New York, N. Y.

THE COMPANY WITH THE PYRAMID

40 CONSECUTIVE YEARS OF PYRAMIDAL PROGRESS

ASSETS	SURPLUS
1,000,000.00	1,000,000.00
2,000,000.00	2,000,000.00
3,000,000.00	3,000,000.00
4,000,000.00	4,000,000.00
5,000,000.00	5,000,000.00
6,000,000.00	6,000,000.00
7,000,000.00	7,000,000.00
8,000,000.00	8,000,000.00
9,000,000.00	9,000,000.00
10,000,000.00	10,000,000.00
11,000,000.00	11,000,000.00
12,000,000.00	12,000,000.00
13,000,000.00	13,000,000.00
14,000,000.00	14,000,000.00
15,000,000.00	15,000,000.00
16,000,000.00	16,000,000.00
17,000,000.00	17,000,000.00
18,000,000.00	18,000,000.00
19,000,000.00	19,000,000.00
20,000,000.00	20,000,000.00
21,000,000.00	21,000,000.00
22,000,000.00	22,000,000.00
23,000,000.00	23,000,000.00
24,000,000.00	24,000,000.00
25,000,000.00	25,000,000.00
26,000,000.00	26,000,000.00
27,000,000.00	27,000,000.00
28,000,000.00	28,000,000.00
29,000,000.00	29,000,000.00
30,000,000.00	30,000,000.00
31,000,000.00	31,000,000.00
32,000,000.00	32,000,000.00
33,000,000.00	33,000,000.00
34,000,000.00	34,000,000.00
35,000,000.00	35,000,000.00
36,000,000.00	36,000,000.00
37,000,000.00	37,000,000.00
38,000,000.00	38,000,000.00
39,000,000.00	39,000,000.00
40,000,000.00	40,000,000.00

NEW HAMPSHIRE FIRE INSURANCE CO.

2,937,319.76	840,940.17
3,163,880.05	946,783.34

MANCHESTER, N. H.

3,779,569.67	1,154,810.10
3,877,944.70	1,154,810.10
3,976,319.73	1,154,810.10
4,074,694.76	1,154,810.10
4,173,069.79	1,154,810.10
4,271,444.82	1,154,810.10
4,369,819.85	1,154,810.10
4,468,194.88	1,154,810.10
4,566,569.91	1,154,810.10
4,664,944.94	1,154,810.10
4,763,319.97	1,154,810.10
4,861,694.00	1,154,810.10
4,960,069.03	1,154,810.10
5,058,444.06	1,154,810.10
5,156,819.09	1,154,810.10
5,255,194.12	1,154,810.10
5,353,569.15	1,154,810.10
5,451,944.18	1,154,810.10
5,550,319.21	1,154,810.10
5,648,694.24	1,154,810.10
5,747,069.27	1,154,810.10
5,845,444.30	1,154,810.10
5,943,819.33	1,154,810.10
6,042,194.36	1,154,810.10
6,140,569.39	1,154,810.10
6,238,944.42	1,154,810.10
6,337,319.45	1,154,810.10
6,435,694.48	1,154,810.10
6,534,069.51	1,154,810.10
6,632,444.54	1,154,810.10
6,730,819.57	1,154,810.10
6,829,194.60	1,154,810.10
6,927,569.63	1,154,810.10
7,025,944.66	1,154,810.10
7,124,319.69	1,154,810.10
7,222,694.72	1,154,810.10
7,321,069.75	1,154,810.10
7,419,444.78	1,154,810.10
7,517,819.81	1,154,810.10
7,616,194.84	1,154,810.10
7,714,569.87	1,154,810.10
7,812,944.90	1,154,810.10
7,911,319.93	1,154,810.10
8,009,694.96	1,154,810.10
8,108,069.99	1,154,810.10
8,206,445.02	1,154,810.10
8,304,819.05	1,154,810.10
8,403,194.08	1,154,810.10
8,501,569.11	1,154,810.10
8,600,944.14	1,154,810.10
8,699,319.17	1,154,810.10
8,797,694.20	1,154,810.10
8,896,069.23	1,154,810.10
8,994,444.26	1,154,810.10
9,092,819.29	1,154,810.10
9,191,194.32	1,154,810.10
9,289,569.35	1,154,810.10
9,387,944.38	1,154,810.10
9,486,319.41	1,154,810.10
9,584,694.44	1,154,810.10
9,683,069.47	1,154,810.10
9,781,444.50	1,154,810.10
9,879,819.53	1,154,810.10
9,978,194.56	1,154,810.10
10,076,569.59	1,154,810.10
10,174,944.62	1,154,810.10
10,273,319.65	1,154,810.10
10,371,694.68	1,154,810.10
10,470,069.71	1,154,810.10
10,568,444.74	1,154,810.10
10,666,819.77	1,154,810.10
10,765,194.80	1,154,810.10
10,863,569.83	1,154,810.10
10,961,944.86	1,154,810.10
11,060,319.89	1,154,810.10
11,158,694.92	1,154,810.10
11,257,069.95	1,154,810.10
11,355,444.98	1,154,810.10
11,453,819.01	1,154,810.10
11,552,194.04	1,154,810.10
11,650,569.07	1,154,810.10
11,748,944.10	1,154,810.10
11,847,319.13	1,154,810.10
11,945,694.16	1,154,810.10
12,044,069.19	1,154,810.10
12,142,444.22	1,154,810.10
12,240,819.25	1,154,810.10
12,339,194.28	1,154,810.10
12,437,569.31	1,154,810.10
12,535,944.34	1,154,810.10
12,634,319.37	1,154,810.10
12,732,694.40	1,154,810.10
12,831,069.43	1,154,810.10
12,929,444.46	1,154,810.10
13,027,819.49	1,154,810.10
13,126,194.52	1,154,810.10
13,224,569.55	1,154,810.10
13,322,944.58	1,154,810.10
13,421,319.61	1,154,810.10
13,519,694.64	1,154,810.10
13,618,069.67	1,154,810.10
13,716,444.70	1,154,810.10
13,814,819.73	1,154,810.10
13,913,194.76	1,154,810.10
14,011,569.79	1,154,810.10
14,109,944.82	1,154,810.10
14,208,319.85	1,154,810.10
14,306,694.88	1,154,810.10
14,405,069.91	1,154,810.10
14,503,444.94	1,154,810.10
14,601,819.97	1,154,810.10
14,700,194.00	1,154,810.10
14,798,569.03	1,154,810.10
14,896,944.06	1,154,810.10
14,995,319.09	1,154,810.10
15,093,694.12	1,154,810.10
15,192,069.15	1,154,810.10
15,290,444.18	1,154,810.10
15,388,819.21	1,154,810.10
15,487,194.24	1,154,810.10
15,585,569.27	1,154,810.10
15,683,944.30	1,154,810.10
15,782,319.33	1,154,810.10
15,880,694.36	1,154,810.10
15,979,069.39	1,154,810.10
16,077,444.42	1,154,810.10
16,175,819.45	1,154,810.10
16,274,194.48	1,154,810.10
16,372,569.51	1,154,810.10
16,470,944.54	1,154,810.10
16,569,319.57	1,154,810.10
16,667,694.60	1,154,810.10
16,766,069.63	1,154,810.10
16,864,444.66	1,154,810.10
16,962,819.69	1,154,810.10
17,061,194.72	1,154,810.10
17,159,569.75	1,154,810.10
17,257,944.78	1,154,810.10
17,356,319.81	1,154,810.10
17,454,694.84	1,154,810.10
17,553,069.87	1,154,810.10
17,651,444.90	1,154,810.10
17,749,819.93	1,154,810.10
17,848,194.96	1,154,810.10
17,946,569.99	1,154,810.10
18,044,945.02	1,154,810.10
18,143,319.05	1,154,810.10
18,241,694.08	1,154,810.10
18,340,069.11	1,154,810.10
18,438,444.14	1,154,810.10
18,536,819.17	1,154,810.10
18,635,194.20	1,154,810.10
18,733,569.23	1,154,810.10
18,831,944.26	1,154,810.10
18,930,319.29	1,154,810.10
19,028,694.32	1,154,810.10
19,127,069.35	1,154,810.10
19,225,444.38	1,154,810.10
19,323,819.41	1,154,810.10
19,422,194.44	1,154,810.10
19,520,569.47	1,154,810.10
19,618,944.50	1,154,810.10
19,717,319.53	1,154,810.10
19,815,694.56	1,154,810.10
19,914,069.59	1,154,810.10
20,012,444.62	1,154,810.10
20,110,819.65	1,154,810.10
20,209,194.68	1,154,810.10
20,307,569.71	1,154,810.10
20,405,944.74	1,154,810.10
20,504,319.77	1,154,810.10
20,602,694.80	1,154,810.10
20,701,069.83	1,154,810.10
20,799,444.86	1,154,810.10
20,897,819.89	1,154,810.10
20,996,194.92	1,154,810.10
21,094,569.95	1,154,810.10
21,192,944.98	1,154,810.10
21,291,319.01	1,154,810.10
21,389,694.04	1,154,810.10
21,488,069.07	1,154,810.10
21,586,444.10	1,154,810.10
21,684,819.13	1,154,810.10
21,783,194.16	1,154,810.10
21,881,569.19	1,154,810.10
21,979,944.22	1,154,810.10
22,078,319.25	1,154,810.10
22,176,694.28	1,154,810.10
22,275,069.31	1,154,810.10
22,373,444.34	1,154,810.10
22,471,819.37	1,154,810.10
22,570,194.40	1,154,810.10
22,668,569.43	1,154,810.10
22,766,944.46	1,154,810.10
22,865,319.49	1,154,810.10
22,963,694.52	1,154,810.10
23,062,069.55	1,154,810.10
23,160,444.58	1,154,810.10
23,258,819.61	1,154,810.10
23,357,194.64	1,154,810.10
23,455,569.67	1,154,810.10
23,553,944.70	1,154,810.10
23,652,319.73	1,154,810.10
23,750,694.76	1,154,810.10
23,849,069.79	1,154,810.10
23,947,444.82	1,154,810.10
24,045,819.85	1,154,810.10
24,144,194.88	1,154,810.10
24,242,569.91	1,154,810.10
24,340,944.94	1,154,810.10
24,439,319.97	1,154,810.10
24,537,694.00	1,154,810.10
24,636,069.03	1,154,810.10
24,734,444.06	1,154,810.10
24,832,819.09	1,154,810.10
24,931,194.12	1,154,810.10
25,029,569.15	1,154,810.10
25,127,944.18	1,154,810.10
25,226,319.21	1,154,810.10
25,324,694.24	1,154,810.10
25,423,069.27	1,154,810.10
25,521,444.30	1,154,810.10
25,619,819.33	1,154,810.10
25,718,194.36	1,154,810.10
25,816,569.39	1,154,810.10
25,914,944.42	1,154,810.10
26,013,319.45	

many sources; records show that fires have originated from over 100 different causes, fully half of which can be traced directly to carelessness, whether gross or due to indifference; negligence and ignorance contribute largely to the heavy burden of fire tax, which is shouldered by the public in general.

"How long would the citizens of any community tolerate a condition that would be conducive to the spreading of a contagious disease? Unfortunately, the general public is not aware of the conditions existing in many buildings throughout the land, which could justly be called 'death traps,' and cause as much heartache and sorrow as the average disease epidemic—in fact, the chances of a fight for life are far less in many existing 'death traps' than they would be in an epidemic of disease.

"We are coming out of the dark ages of waste and extravagance, but while we have made wonderful progress in the various arts, sciences and industries, future generations will marvel at the extravagance that was so long tolerated by us; we will be looked upon as having burned up in thirty years \$4,500,000,000, in spite of the fact that an equal amount was expended in fire protection. Here is certainly room for thought and action on our part, especially when it is considered that property destroyed by fire represents values absolutely wiped off of the face of the earth, and which cannot be replaced.

"Although it would be unreasonable to assume that fire can, under all circumstances, be prevented, it has been repeatedly demonstrated, however, that where the constructive features and proper protective appliances are installed and properly looked after, the loss from fire can be reduced to such an extent that the cost of insurance is so low as hardly to become a factor in the expense account.

"The economic conditions governing the success of a manufacturing or mercantile industry to-day demand that the business shall not be interrupted by fire—in fact, business men are expecting more and more from their architects and engineers in this direction, and the time is at hand when the obligations of the architect and engineer to his client in the design and execution of any form of structure will not be fully discharged unless he has assured him that the means of preventing and protecting the property against fire have been thoroughly considered in the evolution of the plan.

"The National Fire Protection Association has a well organized laboratory, which is doing a wonderful work in the promotion of better standards, both in construction and in protection, and the doors are always open to you gentlemen, as it is fully realized that architects and engineers and builders are the direct medium through which the advancement in

the curtailing of fire losses can be most successfully accomplished."

Mr. Onyx followed his paper by a suggestion, made more timely by the fact that the Director of Public Safety was present in person, that organized and systematic inspection of buildings be made by members of the regular public Fire Departments under direction of the Bureau of Public Safety, backed by proper legal authorization.

The Director of Public Safety of Philadelphia, Mr. Henry Clay, who attended throughout the session, followed Mr. Onyx and gave a detailed description of the fire-fighting apparatus possessed by the city and explained the organization of the Fire Department. James S. Baxter, the head of the department, then addressed the meeting and described the work of the men under him.

Mr. Kenney, the Assistant Secretary of the Philadelphia Fire Underwriters' Association, was the next speaker, and in the course of his remarks said:

"The paper just read by Mr. Onyx covers the fire underwriters' situation very generally, and what he has said will largely apply to the organization which I have the honor to represent—the Philadelphia Fire Underwriters' Association. The association's 'object,' as outlined in its constitution, defines clearly the work carried on by it. I will read it:

"The object of this association shall be the reduction of the fire waste of the city of Philadelphia, the establishment of just and fair rates, limited and perpetual, whereby the cost of fire insurance may be equitably distributed among all classes of manufacturers, merchants, private householders and others. For these purposes this association will establish a system of schedule and minimum ratings, giving the best risks the lowest rates, and adding specific charges for all deficiencies from required standards, making reductions from such rates when the deficiencies charged for are eliminated, and will also provide rules and plans for regulating the practices of the business of fire underwriting in the city of Philadelphia."

"The reduction of the fire waste is the association's principal object. The making of rates by schedule and by minimum is for the purpose of securing that, and to receive from the insuring public sufficient income to pay losses and to make a reasonable, and only a reasonable, profit in the business.

"During the last several years it has been the practice of many architects and builders to confer with the association on almost all buildings of importance which they have constructed. Result of these conferences has been better constructed and better protected buildings and lower insurance rates.

"As noted by Mr. Onyx, the Na-

tional Fire Protection Association is doing very valuable work. In addition to its general work, it is now maintaining a publicity bureau. This bureau uses every available channel for acquainting the public with fire hazards and its recommendations for reducing fire waste. In addition to publications of the National Fire Protection Association, one of its active members—the National Board of Fire Underwriters—has published what is known as 'The National Building Code,' recommending that this be adopted by municipalities as their code. This has been done in some instances and in others it has been largely used, some changes being made to care for local conditions. In addition to the publications of the National Fire Protection Association and the National Board of Fire Underwriters, many insurance companies, inspection bureaus, local boards, etc., have issued pamphlets referring to the desirability of having well built and well protected structures, good housekeeping and general supervision. Inspectors visit manufacturing and mercantile establishments, warehouses and other properties for the purpose of using their influence to keep the premises in a clean and safe condition. The local association does a large amount of this work, and, as a result of its efforts in this direction, many standpipe and hose systems, wired glass windows, fire doors, fire shutters, fire pails, extinguishers, etc., have been provided, broken windows repaired, unsafe chimneys made safe, dirty buildings cleaned and conditions in general much improved.

"The relationship between the Bureau of Building Inspection and the association is harmonious, and it affords me pleasure to acknowledge the services being rendered to the public by this bureau.

"It is the desire of the association that architects, builders and the general public visit our office and confer with us in reference to the construction and protection of property and the reduction of the fire hazard."

The allusions of Mr. Kenney to the co-operation of the Bureau of Building Inspection with the Underwriters' Association were particularly appropriate, as Edwin Clark, the chief of the bureau, was present and responded with a drastic suggestion for the improvement of building construction in general and in "conflagration districts" in particular. He said, in part:

"I would recommend to the next Legislature the passage of a law which will demand that all newly constructed buildings in the section bounded by Vine and South Streets and the Delaware and Schuylkill Rivers be either incombustible or absolutely fireproof. Those built to a height of not more than sixty-five

(Continued on Page 13.)

Texas State Rating Board Acts Under New Law

THE State Insurance Board of Texas has issued its first orders under the new law. Each subject is explained complete in itself, and the order addressed to the companies doing a fire insurance business in the State of Texas and their agents and representatives is as follows:

"Since the State Insurance Board law became effective December 10, 1910, a number of companies and agents have made inquiry to the board for instructions as to the conduct of their business with reference to complying with said law. It was, therefore, deemed advisable to the board to promulgate the following general orders and regulations to operate and to be observed in writing insurance, pending the preparation of new general basis schedules.

"By authority of section 14 of the State Insurance Board law, effective December 10, 1910, it is hereby ordered that the maximum specific rates at which fire insurance policies or contracts may be issued shall be as follows:

"On risks to which the general basis schedules in operation in the State of Texas, December 9, 1910, have been applied, to the maximum rates shall be those promulgated specific rates on file or which may hereafter be filed with the State Insurance Board, said rates being subject to all rules, regulations and reductions as provided for in the general basis schedules above mentioned.

"On risks to which, under the general basis schedules in operation in the State of Texas, December 9, 1910, specific rates were not required to be filed with the State Fire Rating Board, such as dwellings and (or) contents, etc., the maximum rates shall be those obtained by the proper application of general basis schedules above mentioned.

"On risks to which the general basis schedules in operation in the State of Texas, December 9, 1910, have not been applied and on which insurance has been heretofore carried the maximum rates shall be those at which fire insurance policies or contracts have been last heretofore issued, provided, however, that if change of hazard has occurred, or if hereafter any change of hazard may occur, or if such risks shall be hereafter specifically rated under the general basis schedules above mentioned, such risks shall be treated as set forth in the fourth subdivision of this order.

"On risks not covered by the foregoing subdivision the maximum rates shall be those rates obtained by applying the general basis schedules in operation in the State of Texas December 9, 1910, to the risks in ques-

tion, and such rates shall not become effective until same are filed with the State Insurance Board.

"Fireproof Risks—The order of the State Fire Rating Board, effective July 11, 1910, provided, among other things, for a reduction of $7\frac{1}{2}c$ for each additional ground floor occupant for which a charge of 15c had been made. It was not the intention that this reduction should be made on such risks as had received credit for fireproof construction, as said credit reduced the 15c charge to $3\frac{3}{4}c$, or an amount much less than $7\frac{1}{2}c$. As there has been some misunderstanding in this connection, it is hereby ordered that the $7\frac{1}{2}c$ reduction above referred to shall not apply to risks receiving credit for fireproof or semi-fireproof construction.

"Sprinklered Risks—It is hereby ordered that risks receiving credit for automatic sprinkler equipments are not subject to the reductions heretofore ordered by the State Fire Rating Board.

"Agents to Report to the Board—Under Section 10 the board is empowered to require sworn statements from any insurance company, and from any of its agents, as to rates and premiums and all necessary facts and information to assist in the enforcement of the provisions of this law.

"It is therefore hereby ordered that any agent writing insurance below the maximum rate shall at the date of issuing the policy furnish this board by registered mail with a sworn statement of the transaction on blanks prescribed by the board, which shall be furnished on application. The board deems this necessary in order to protect all policyholders, and to be in immediate possession of any information warranting a reduction in insurance rates.

"Rates Below the Maximum Specific Rates—Under sections 12 and 14 of the law, any company may write insurance at a lower rate than the maximum rates provided for by this act upon condition that the company making such reduction shall forthwith file with the board a statement of such reductions on forms prescribed by the board and payment of 10c filing fee.

"Section 22 says: 'No person shall knowingly receive or accept from any insurance company or from any of its agents, sub-agents, brokers, solicitors, employees, intermediaries or representatives, or any other person, any rebate of premium payable on the policy, or any special favor or advantage in the dividends or other financial profits accrued, or to accrue thereon, or any valuable consideration, position or inducement not specified in the policy of insurance,

and any person so doing shall be guilty of a violation of the provisions of this section, and shall be punished by a fine of not exceeding \$100, or by imprisonment in the county jail for not exceeding ninety days, or by both such fine and imprisonment.'

"The board is of the opinion that no

**THE LEADING FIRE COMPANY
OF THE WORLD**



[of Liverpool, England.]

The
Columbian National Life
INSURANCE COMPANY
OF BOSTON, MASS.

**LIFE, ACCIDENT AND HEALTH
INSURANCE.**

The Only Massachusetts
Non-Participating Company

The New Columbian Policies are
Unexcelled in Clearness and Liberality.

Good Contracts and Territory for
Good Producers.

ARTHUR E. CHILDS, President.

201ST YEAR.

SUN
Insurance Office
OF LONDON.

FOUNDED 1710.

UNITED STATES BRANCH:
54 PINE STREET, NEW YORK.
WESTERN DEPARTMENT:
171 LA SALLE ST., CHICAGO.
PACIFIC DEPARTMENT:

Sansome & Sacramento Sts.,
SAN FRANCISCO, CAL.

**AGENTS WANTED
AT UNREPRESENTED POINTS**

company is permitted to grant insurance at lower than the maximum rates except by compliance with the requirements of Section 12 in this connection; also that no policyholder can knowingly receive or accept any policy at less than the maximum rate, or any valuable consideration whatsoever, without incurring the severe penalties provided under this section unless the difference in rate or other consideration be stated in the policy.

"Construing these three sections jointly, the board is of the opinion that in order to comply with all of them, any company desiring to grant insurance at lower than the maximum rate, and not desiring to incriminate its policyholder, should write the pol-

icy at the maximum, and any reduction in the rate should be specified in the policy of the insurance as provided in Section 22 of the act.

"Coinsurance Clauses—Section 18 provides that no coinsurance clause shall be used in any policy or contract of insurance, except at the option of the assured, and when a reduction is made in the rate.

"The general basis schedule now on file with the board, and which under Section 14 of the law must be continued pending the promulgation of new schedules by the board, provide rates with coinsurance and without coinsurance, as per Amendment 29 attached to Page 234 of said schedules. We are of the opinion that

Sections 14 and 23 must be construed jointly, and that the use of the coinsurance clause is solely at the option of the assured; however, the rate will be governed by the use or omission of said clause, as provided by the general basis schedules now in use by underwriters.

"For example: Rate with 8 per cent less coinsurance clause, \$1.

"Rate with 70 per cent coinsurance clause, \$1.12½.

"Rate with 60 per cent coinsurance clause, \$1.33½.

"Rate with no per cent coinsurance clause \$2.

"The above orders and recommendation are hereby made effective from date."

Insurance News in the West

CHICAGO, Dec. 28.—Gloom was cast over Chicago last Thursday by the tragic death of Chief Fire Marshal James Horan, Second Assistant Fire Marshal William J. Burroughs, three captains, four lieutenants and twelve firemen, besides three other men, when a wall of Morris & Co.'s Warehouse No. 7 fell upon them, following an explosion during the fire they were fighting. This was the worst fire the packing house district has experienced in years.

Fire was discovered early in the morning in the hide storeroom in the basement of the beef warehouse. How it started may never be known. There were electrical defects in the Morris plant, which the company had been urged so long ago as last May to have corrected. There is a suspicion that the fire started from such a defect. The cause of the explosion, which blew off the roof and toppled the wall is not known certainly. One theory is that it was the sudden heating of the air in the great tight-walled building. The water supply was insufficient. City officials claim that the mains were in good condition, but the City Engineer says they were not large enough to supply sixteen engines on one block. The first firemen on the scene assert that an employe of Morris & Co. told them that the fire pumps in the plant had been shut down over night in order to save coal, and the firemen state that there was no pressure in the standpipes in the building.

For seven or eight years efforts have been made to get the city to install a high pressure system, but nothing has been done further than to get the report of a commission appointed to investigate the subject. Want of funds, the fact that at some future time the streets are to be torn up to put in subways and other excuses have been made. The packers wanted to put in a main of their own to the lake, but an ordinance authorizing

them to do so never got passed. First Assistant Fire Marshal Seyferlich condemns the burned buildings as mere fire traps. Only a few days before his death Marshal Horan, while the Council was wrangling over whether downtown fireproof buildings should be limited to 200 or to 260 feet in height by the new building ordinance, told the Aldermen that he cared nothing about the height of the downtown buildings, but that he wanted better buildings at the stockyards.

Already there is much talk of a high pressure system. There is a movement on to provide for it in the city budget for next year. It seems to require a disaster to make Chicago do what ought to be done. It was seven years ago this week that the Iroquois Theatre holocaust sacrificed 672 lives. Then the city got busy on unsafe theatres. Maybe last week's memory will remain long enough to result in some radical improvements.

The property loss in the stockyards fire will amount to something like \$1,000,000. The insurance loss will be about \$400,000, as the buildings were not insured. The fire probably burned up the contingent commissions of several Chicago agencies.

* * *

Announcement last week that O. C. Kemp, the Western manager of the Delaware, Reliance and Rochester German, had admitted to partnership George H. Batchelder, the assistant manager, was received with interest and pleasure. The Kemp general agency is one of the most substantial in the West. Six or seven years ago Mr. Kemp ran a small general agency of the Delaware and Reliance. The companies had not much of a reputation in the field, as they were small writers, and often were found in non-board agencies. Part of the office force was disloyal to the general agent, and on the whole, the general agency was not regarded very highly. Then Mr. Kemp reorganized

the establishment. He secured G. H. Worthington, one of the best office managers in the city, and the office force was welded into a loyal, harmonious organization. He secured some very high-grade field talent, broadened the underwriting policy, added the Rochester German to his fleet and got from the Rocky Mountain field George H. Batchelder, an experienced field man, as assistant manager. In the last few years the tone of the agency has changed entirely, and now it is one of the finest in the West. Mr. Kemp has had it in mind for some time to make Mr. Batchelder his partner. The firm will be Kemp & Batchelder.

* * *

The reinsurance of the Eastern business of the Western Reserve of Cleveland last week occasioned no great surprise in Chicago. Fire underwriters had expected the company would have to do something. Its loss ratio for 1909 was in excess of 90 per cent, and all this year it was known to be in a weak condition. In spite of its misfortunes, it has many friends in the West. It has never been a disturber in the field. It is another company that spread out too far and too fast. Its small size did not enable it to command the best class of business, as it was generally represented in union agencies, where the other companies were large and had the preference.

* * *

A Western manager stated last week that he had encountered half a dozen companies, which were reported to be looking for reinsurance, but had not found one of them ready to quit, although none seemed insulted by having the question brought up.

* * *

From current reports a number of the most prominent companies will show decreases in their premium incomes in some of the Western States.

(Continued on Page 14.)

HARTFORD LIFE

**Wants You
If You Can Do Things.**

Write to
Hartford, Conn.

COMMERCIAL - UNION

ASSURANCE CO.,
(LIMITED)

OF LONDON.

OFFICE;

Cor. Pine & William Sts.

NEW YORK.

INCORPORATED 1833.

British America

Assurance Company

HEAD OFFICE, TORONTO, CANADA

UNITED STATES BRANCH.

JANUARY 1, 1910.

Assets\$1,556,740.94
Liabilities 902,433.61

Surplus\$ 654,302.33

Hon. GEORGE A. COX, President.
JOHN HOSKIN } Vice-Presidents.
W. R. BROCK }
W. B. MEIKLE, General Mgr.

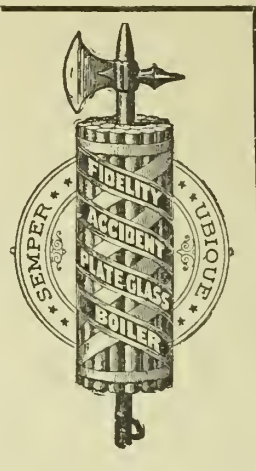
THE BANKERS LIFE ASSOCIATION

DES MOINES, IOWA.

ERNEST E. CLARK, President

Exceptional Record During
twenty-nine years for
LOW RATE OF MORTALITY
ECONOMY OF MANAGEMENT
PROMPT PAYMENT OF CLAIMS
SECURITY OF ITS FUNDS

and satisfactory results
for its policyholders.



THE FIDELITY & CASUALTY COMPANY

97 TO 103 CEDAR ST., NEW YORK CITY.

Assets - - \$9,607,864.46
Cap. & Surp. - \$3,378,053.64
Losses Paid - \$33,065,866.09
to June 30, 1910.

This Company grants insurances as follows:

Bonds of Suretyship for Persons in Positions of Trust, Fidelity Bonds, Burglary, Plate Glass, Steam Boiler, Fly Wheel, Employers, Public Teams, Workmen's Collective, Elevator, and General Liability; Personal Accident, Health and Physicians' Liability.

OFFICERS:

ROBERT J. HILLAS, President
FRANK E. LAW, Vice-President

Personal and Family Insurance Combined

No trouble to get a hearing with this policy
It's something more than life insurance
Write for booklet and agency terms

Address

ALEXANDER McKNIGHT
Vice-President

THE FIDELITY MUTUAL LIFE INSURANCE CO.

L. G. FOUSE, President

OF PHILADELPHIA

THE HOME LIFE INSURANCE COMPANY OF AMERICA

Incorporated 1899.



General Agents and District Managers who can produce ordinary business can secure "Ground Floor" contracts with **GUARANTEED RENEWALS** and an assignment of territory limited only by capacity to produce agency organization and business. Send for Sample Policy. **IT IS ONE YOU CAN SELL.** New business, \$3,500,000—January 1-Oct. 30, 1910.

Address

M. LALLY,
General Manager,

416-18-20 Walnut St., : **PHILADELPHIA, PA.**

JOHN LANGHAM, Jr., President.
JOSEPH L. DURKIN, Secretary.
EDWARD P. MADDEN, Treas.

BONDS OF SURETYSHIP.

The Guarantee Company of North America

HEAD OFFICE, MONTREAL

Edward Rawlings, President.

H. E. Rawlings, Asst. Mgr.

Richard B. Scott, Secretary & Treasurer.

It is the Pioneer Company, was established in 1872, and is conducted under a conservative management of over 55 years experience.

It has recouped to employers over \$2,190,000 for losses sustained by the infidelity of employees and has a surplus of \$1,041,423.23 to credit of shareholders and total resources of \$1,919,892.38 for the security of insured.

Branch Offices:

NEW YORK: 111 Broadway,
D. J. Tompkins, Secretary.
BOSTON: 114 Milk Street,
W. A. Hamilton, Agent and Attorney.
CHICAGO: Room 400, The Temple,
J. R. Pruyn, Resident Sec. and Atty.
PHILADELPHIA: 500 Arcade Bldg.,
W. H. Jackson, Res. Secretary.
PITTSBURG: 1120 Farmers Bank Bldg.,
E. R. Munro, Resident Secretary.
LOUISVILLE: 316 Columbia Bldg.,
P. N. Clarke & Co., Agents.

FIRE PROTECTION.*(Continued from Page 9.)*

feet I would have incombustible. Those of a greater height should be built of fireproof material.

"Under the existing building laws the number of incombustible and fireproof structures which have been built in that section can be numbered on the fingers of two hands. Enforcement of a law such as I advocate would mean, therefore, radical changes in building construction. I believe that the section, which would be classified as the 'congested district,' is destined to become the real mercantile center of Philadelphia. I am looking to the time when it shall house a number of important manufacturing establishments, as well as many great mercantile houses. Hence my decision to make the district absolutely safe from conflagrations.

"The present laws do not require incombustible material in buildings up to sixty-five feet in height. Ordinary mill construction types of wood and iron are acceptable to the Building Bureau. The underwriters consider such risks good in the event of installation of sprinklers in the buildings. Under the proposed revised code, however, these structures must be made of material which cannot burn under any conditions, and a building above the height mentioned must have incombustible materials thoroughly fireproofed. In the event of my suggestion becoming a law, buildings of the ordinary type now in use will not be permitted to go up. I figure that the reductions in fire insurance, which will naturally follow the adoption of such a law, will be sufficient to more than make up the added cost to the builders, which will result from the superior construction."

Mr. John E. Codman, the Chief Engineer of the High Pressure Fire Service of Philadelphia, read a paper giving in detail the workings of the two pumping stations and of the service lines themselves. He illustrated his talk with line drawings on the blackboard and with lantern slides, in describing a system believed to be one of the finest of its kind in the world for the prevention of a conflagration and for the quick extinguishing of local fires without engines.

After this the subject was discussed by John C. Trautwine, Professor William Easby, Director Clay and Chief Baxter. Mr. Easby said:

"The first speaker of the evening asked: 'What is the engineer doing to help reduce the fire loss?' In answering his question I want to point out the assistance which the city officials can render to engineers in making designs. To begin with, the engineer has very insufficient data upon which to work. For many years I

have taught young men at the University of Pennsylvania the subject of municipal water supply, involving, of course, a question of protection against fire loss by the use of water, and in that time I have collected all the data I could find in reference to the design of distributing systems and find that they are extremely meagre. It seems that during the progress of fires but few reliable observations have been taken of the amount of water used, and that information is very necessary as a basis for design work. Most any engineer who has a very imperfect knowledge of distributing systems can design one, but it requires experience and knowledge and a command of all the data which is available to enable him to supply certain assumed quantities of water at assumed pressures at certain points in the most economical way possible. The problem is an extremely difficult one, even when reliable data are available. Mr. Emil Kuichling has presented a formula for determining the number of fire streams which is now largely used by engineers.

"The economy in design in using a high pressure system which is entirely cut off from the ordinary system arises from the fact that higher velocities, and, therefore, much smaller diameters may be employed than is usually permissible.

"There is a great advantage in being able to take water directly from the fire hydrants without the intervention of any fire engines, and this is provided for, to a very great extent, in these high pressure systems. The construction of extremely high buildings and the excessive ordinary demands made on existing piping systems have forced the construction of these high pressure systems. Furthermore, it is not possible to place the ordinary system under the pressures which are required to force water to these great elevations."

Other conferences will be arranged for by the proper committee.

NON-ADMITTED BUSINESS.

R. H. Macy & Co., 1317-1329 Broadway, New York City; Pieris, Buhler & Co., 109-111 Spring Street, New York City; The Sterling Bronze Company, 107-113 West Twenty-fifth Street, New York City; The Ecuadorian Panama Hat Company, 116 East Fourteenth Street, New York City; Abraham & Straus, et al., 422-436 Fulton Street, Brooklyn; Peter Cooper's Glue Factory, Maspeth and Gardner Avenue, Brooklyn; Metropolitan Jockey Club, Jamaica, N. Y.; Ward Refining Company, 39-47 Tenth Street, Long Island City, N. Y.; Oakes Manufacturing Company, Astoria, Long Island, have filed in the Insurance Department at Albany the affidavits required in order to place insurance with companies not admitted to do business in this State.

MOTOR TRUCKS ON PIERS.

Use of motor trucks and gasoline wagons in the trucking business has gained encouragement in this city by the action of the New York Fire Exchange in removing the 5 per cent charge in the insurance rates on the contents and structures of wharves and docks unless the wharf owners exclude petroleum-propelled vehicles from the piers.

The ruling is as follows: "The base rate for piers is hereby advanced from \$1.25 to \$1.60, except that the base rate for piers of superior or semi-fireproof construction, conforming to specifications for that class on file in the office of the exchange, shall remain \$1.25 as at present. The present counter advance on piers of 25 per cent in certain portions of the exchange territory and of 5 per cent in other portions is hereby rescinded; and the present requirement for the inclusion of a charge of 5 per cent in the card rates on structures and contents of piers the owners or lessees of which have not filed a warranty agreeing that vehicles propelled by the use of gasoline, naphtha or other hydro-carbon oils will not be permitted on their piers except when under shipment as freight, and then only with no gasoline, naphtha, etc., in their tanks, is hereby rescinded."

T. F. Kane, of the exchange, said that the embargo was rescinded because the use of safety appliances have so changed the conditions concerning motor trucks that to-day they are regarded as a very small hazard.

ACCEPTANCE OF BONDS.

Commissioners William H. Hotchkiss, of this State, and Joseph Button, of Virginia, will take up the subject of the acceptance by the Federal Government of surety company bonds with the Secretary of the Treasury. They will present the recommendation of the Committee on Casualty and Surety Insurance of the National Convention of Insurance Commissioners, that in place of exactions as to examinations and quarterly statements enforced since last March by the Treasury Department for the acceptance of bonds incident to the operation of the Federal Government, the certificate be accepted of the supervising official of the home State of the company furnishing the bond.

SANITARIUM SANCTIONED.

Dr. Eugene H. Porter, State Commissioner of Health, and Dr. J. S. White, Health Officer of the town of Moreau, Saratoga County, in spite of strong opposition from Saratoga Springs residents, have granted permission to the Metropolitan Life Insurance Company to establish a hospital for the treatment of tuberculosis at Mount McGregor, Saratoga County,

"The Leading Fire Insurance Company of America."



WM. B. CLARK, President.
W. H. KING, Vice-President.
HENRY E. REES, Secretary.
Assistant Secretaries,
A. N. WILLIAMS, E. S. ALLEN,
E. J. SLOAN, GUY E. BEARDSLEY.

OUR BOND—YOUR SECURITY.

T. J. FALVEY, JOHN T. BURNETT,
President. Sec'y & Treasurer.



Massachusetts Bonding and Insurance Co.

Organized under
the Laws of the
Commonwealth of
Massachusetts.

Home Office, 77-81 State Street, Boston.
Capital\$500,000.00
Surplus\$250,000.00

SURETY BONDS and BURGLARY and
THEFT INSURANCE.

Life Ins. Co. of Virginia

Home Office, Richmond, Virginia.

J. G. WALKER, President.
T. W. PEMBERTON, 1st Vice-President.
W. L. T. ROGERSON, 2d Vice-President.
E. D. HARRIS, Secretary.

The OLDEST Southern Life Insurance
Company.

The LARGEST and STRONGEST South-
ern Life Insurance Company.

The PIONEER Southern Industrial Life
Insurance Company.

Its policies are clear and definite in
their provisions and their values are ab-
solutely guaranteed.

Assets Dec. 31, 1909.....\$5,372,691.99
Liabilities Dec. 31, 1909.....4,312,405.32
Insurance In Force Dec. 31,
1909.....68,337,613.00
Total Payments to Policy-
holders since Organization 9,820,412.48

WESTERN ASSURANCE CO.

HEAD OFFICE,
TORONTO, - - CANADA.

Incorporated 1851.

Hon. GEORGE A. COX.....President
W. R. BROCK and JOHN
HOSKIN, K. C. LL. D., Vice-Presidents
W. B. MEIKLE.....General Manager

United States Statement, Jan. 1, 1910.

Assets\$2,377,303.37
Surplus in United States.....839,268.07

NEWS IN THE WEST.

(Continued from Page 11.)

Some of the Illinois field men report decreases, and this appears to be quite a common condition in Wisconsin. In the latter State rates are being pretty well observed, but reduction in dwelling house rates, equipment of a number of large risks and loss of lumber and woodworkers to mutuals and syndicate companies has played havoc with premium incomes. In Michigan rates are reported in rather bad shape. In Iowa, Nebraska and Missouri the rate condition is very bad, as usual.

Add to the falling premium income the fact that losses in some sections have been so bad that loss ratios of certain companies will run above 100 per cent in these States and it readily may be seen that 1910 has been a far from favorable year in the West.

* * *

Insurance companies appear to have a remarkable difficulty in learning that Fred W. Potter is running the insurance department of Illinois. Mr. Potter, being the duly appointed Superintendent of Insurance, naturally would run the department, but some companies have indulged in the belief that Governor Dencen was Insurance Superintendent in fact, and afterward have had occasion to regret their error.

The aforementioned fact is brought to the front again by news that has leaked out of the department about the recent failure of a company to secure a much-sought license. Naturally, the name of the company has been withheld, as there was no intent publicly to embarrass it. There are certain peculiar features about

the company of which the Insurance Department does not approve. Two representatives spent several days laboring with the department. Then they went to Governor Dencen. There they got no satisfaction, as he is not interfering with the department's rulings. The attempt to go over Superintendent Potter's head has not put him in a pleasant frame of mind, and there is a suspicion that this company will wait for some time before it convinces him that its plans are all right.

The management of the United States Life Endowment Company of Chicago made a similar mistake a few months prior to its failure.

* * *

The Supreme Court of Illinois has decided that George H. Holt, President of the Policyholders' Union of Chicago, Vice-President of the Columbian National Life, lumberman, capitalist, clubman, etc., is a resident of Illinois. Accordingly, he must pay taxes on \$75,000 in Lake Forest, an aristocratic Chicago suburb, where he lives part of the year. He has a home in California, which he claimed as his residence, and one in Wisconsin. The court based its decision on his being President of the Lake Forest Water Company and being a member of two clubs.

* * *

Last week was a hot one in the Western fire insurance. On Wednesday occurred the conflagration at Cincinnati, the property loss in which was roughly estimated at \$2,000,000. On Thursday came the packing house fire at Chicago. On Friday, while the Morris packing plant was still burning, the business portion of Madison Lake, Minn., was wiped out, with a reported \$100,000 loss. LA SALLE.

In New England

BOSTON, Dec. 28.—Mr. Henry E. Hess, for many years special agent for New England for the Connecticut Fire, subsequently manager of the New York Fire Insurance Exchange, and most recently Vice-President of the Fidelity-Phenix, spoke before the graduate school of business administration at Harvard last week on "The Proper Assessment of Fire Insurance Rates in Great Cities." Mr. Hess has definite ideas and the gift of stating them with clarity and convincing force, and his discourse was, as usual, closely reasoned and cogent. He considered that the present methods of classification are defective in that they group together things similar in name but not in nature, and proposed a strikingly new method of classification, which is outlined in the following extract from his address:

"The trouble would lie, and does

lie, with our undertaking to throw together in our classifications as similar, units which are completely dissimilar, and whose only reason for being segregated in the same class lies in their happening to bear the same name. The whole thing strikes me as illogical, unfair and misleading, and no classification along these lines, no matter how complete and comprehensive, can produce results that will be sound and equitable.

"The remedy lies, it would seem, in adopting an entirely different method of classifying risks, whereby no matter by what name called, those having a similar degree of potential fire hazard and susceptibility to damage will be classed together. Thus, if we image a perpendicular scale divided into 100 degrees, there would be grouped together between one and ten those risks having the lowest hazard, and between ninety and one

New York Insurance Stocks

Casualty Companies.

	Capital.	Div.	Period.	Bid.	Ask.
		Approx. Annual			
Aetna Indemnity (\$25)....	\$350,000	V	V	...	205
Casualty Co. of America....	500,000	6	J&J	120	150
Fidelity & Casualty.....	1,000,000	18	"	450	500
Hartford Steam Boiler....	1,000,000	10	"	255	265
Metropolitan Casualty	200,000	10	"	185	...
N. Y. Plate Glass (\$50)...	200,000	16	"	300	325
United States Casualty....	500,000	10	Q	200	225

Fire Companies.

City of New York.....	\$500,000	10	Q	200	205
Commonwealth	500,000	10	J&J	326	...
Continental	2,000,000	40	"	1,025	1,075
Empire City	200,000	8	"	125	...
Fidelity-Phoenix	2,500,000	V	V	310	315
German Alliance	400,000	15	J&J	275	300
German-American	1,500,000	30	"	550	560
Germania (\$50)	1,000,000	18	"	285	295
Glens Falls (\$10).....	200,000	30	"	1,525	...
Globe & Rutgers.....	400,000	40	Q	475	500

Hanover (\$50)	1,000,000	15	J&J	200	210
Home	3,000,000	30	"	640	650
Nassau (\$50)	200,000	10	"	165	175
Niagara (\$50)	1,000,000	20	"	300	305
North River (\$25).....	350,000	10	A&O	155	165
Pacific (\$25)	200,000	14	"	185	...
Peter Cooper (\$20)	150,000	6	"	90	105
Stuyvesant	400,000	10	"	155	160
United States (\$25).....	250,000	V	V	60	70
Westchester (\$10)	300,000	40	F&A	455	...
Williamsburg City (\$50)..	250,000	20	J&J	380	400

Life Companies.

Aetna Life	\$2,000,000	15	Q	650	660
Connecticut General	300,000	8	J&J	250	...
Equitable	100,000	7	A	300	...
Germania (\$50)	200,000	12	J&J	210	225
Hartford Life	500,000	10	"	150	...
Home	125,000	12	M&N	275	...
Manhattan Life	100,000	26	O&F	400	425
Metropolitan (\$25).....	2,000,000	7	M&N	155	175
Prudential (\$50)	2,000,000	10	Q	450	500
Travelers' Hartford.....	2,000,000	20	Q	900	...
United States Life.....	264,000	7	J&J	90	105

V—No information. Q—Quarterly.

hundred those having the highest, with all intermediate grades provided for between. And a risk would no longer be classified as a fireproof warehouse, or a mercantile block, or a frame planing mill, but as a five-degree, or a fifty-degree, or a hundred-degree risk. That, I know, is very radical, and it involves an entire readjustment of existing methods, but I see no other way of producing a uniform classification upon which rates may be intelligently predicated, so that all risks involving the same degree of fire hazard shall be charged the same rate. Such a classification would mean that risks, instead of being grouped together in name classes based upon occupancy, each standing by itself, and having no relation to the other classes, as is now the case, would be classified upon horizontal planes, all the risks standing upon which would measure to the degree of that plane, no matter what the occupancy or name of such risks might be. In other words, these horizontal planes corresponding to the degrees upon the hazard scale would intersect every name class and care for the individual risks in that class according to their merits, the better ones falling upon low planes, and the worse ones falling upon high planes. Each plane would carry its rate, so that the moment the degree of hazard of a risk was fixed its rate would also be determined, and, if at any time the loss ratio of the country called for either an advance or a reduction, the desired result would be effected by moving the entire scale up or down against the hazard scale, so that there would be an equal distribution of the change over the entire business of the country, instead of over only one or two, or, at most, a very limited number of classes, as at present. Minimum rated groups of risks like dwelling houses, all the members of which carry the same rate, could be

assigned to their proper places as readily as specifically rated single risks, and would participate in the same general treatment. That is the rough outline, to smooth which into a practicable and symmetrical whole would call for a vast amount of work, but that work, if properly directed and co-operated in by all, would not amount to as much as is now given to scattered and dissociated efforts, and in the end would afford equitable and acceptable results."

Incidentally Shown.

The Bohemian district of Boston was thrown into considerable excitement early last Thursday morning by a fire which gutted the Hotel Epicure, a resort of the jeunesse (more or less) doree of the town and did considerable damage. Incidentally it was shown how valuable a neighbor a building is, which is not only well equipped to fight fire within its own space, but also to resist exposure damage. The Siegel department store, which was exposed by the Hotel Epicure fire, not only protected itself with a water curtain from its outside sprinklers, but its fire-fighting corps assisted materially in extinguishing the hotel fire.

The Exchange.

At last Saturday's meeting of the New England Insurance Exchange Messrs. Hiscock and Downey reported a memorial to the late A. C. Adams, which recalled his service to the Exchange as a member of many committees, chairman of its Executive Committee during the first two years of its existence, and as its President in 1804.

George L. Shepley, Thomas L. Obrion, O. W. Tapley and Ernest Nixon were elected honorary members of the Exchange, and C. B. Mackinney, special agent of the Union Fire of Paris, was elected an active member.

NEW ENGLAND BREVITIES.

On Wednesday of last week the United Firemen's of Philadelphia was admitted to transact business in Massachusetts, and Kollock, Rice & Co. were appointed agents for Boston and vicinity.

* * *

Franklin W. Ganse, who recently relinquished the position of superintendent of agents of the Columbia National Life, will next week take charge of the Eastern Massachusetts field of that company, as general agent, with headquarters at the home office.

* * *

Francis H. Stevens is now comfortably established in his attractive new office at 55 Kilby Street, and R. S. Hoffman & Co. are also at home in handsome new quarters at 12 Central Street.

* * *

The Swiss Reinsurance Co. of Zurich was admitted to Massachusetts last week and is represented in that State by J. W. Grover.

* * *

The Boston Board of Fire Underwriters yesterday voted a material reduction in the rates on single tenant cigar factories. EMIL SCHWAB.

RECTOR 2817

ESTABLISHED 1864

E. S. BAILEY

DEALER IN

INSURANCE STOCKS

A SPECIALTY

66 Broadway NEW YORK

SURPLUS LINE INSURANCE

The Yorkshire Insurance Co., Ltd.
of York, England.

Established 1824.

Home Office Assets, \$12,191,000.

FRANK & DuBOIS,

United States Attorneys,
47 William St., New York.

Authority to adjust and pay all losses
and power of attorney to accept
service of legal process.

Funds held on deposit in New York
banks for protection of Amer-
ican policyholders.

OUR

Course of Insurance Education.

Department for Furnishing
Prospects.

New "Model Policy"

Will Plough the Field and Assure
the Harvest for Good Agents.

Phoenix Mutual Life

INSURANCE COMPANY,

Hartford, Conn.

Write Home Office.

Hanover Fire

INSURANCE
COMPANY
of New York



Agencies
in all the Principal Places
in the United States.

SPECIAL OPPORTUNITIES of-
fered now in Southern States to
Representatives of

**CITIZENS
NATIONAL LIFE
INSURANCE
CO.**

W. H. GREGORY,
President.

Chronicle Paragraphs

A BOOK of 240 pages, with twenty-two chapters and sixteen appendices has been issued by S. Herbert Wolfe, the actuary on "The Examination of Insurance Companies."

As the sub-title indicates, the book was born in a series of talks to the author's office staff and its issue in book form was suggested by insurance officers and officials as a guide to junior examiners and to the accounting departments of companies. It contains much fundamental information, put lucidly, but with admirable attention to detail as is shown by the warning as to taking title company policies at their face value in passing on real estate investments.

There are chapters treating of assets and the proper methods of valuing them, the net value and claimable surrender value of life policies and reserves for unearned premiums and un-matured or undeterminable claims. Among the appendices, which are mainly made up of the sections of the New York Insurance law, pertinent to the work of the departmental examiner, are discussions by Mr. Wolfe of the reserve for unpaid liability insurance losses.

As to this last subject, Mr. Wolfe takes the ground disclaiming originality that a careful observation of the practical operations of liability companies will permit the actual cost for the various forms of policies to be calculated—i. e., the pure premium for the particular hazard. He suggests a tabulation of the experience of all the companies and gives the opinion that the new compensation laws will effect the loss ratios, and hence the amount of reserves which should be maintained.

In the appendix is an experience table for computing future liability losses, based on premiums and losses of one company from 1893 to 1906. A comparison of actual losses with estimates for the period 1898 to 1906, based on the experience from 1893 to 1898, shows that the actual payments of some \$560,000 differed from the estimate by \$3,000 only.

* * *

The Western Reserve Insurance Company of Cleveland, O., will retire from New York, as well as New Jersey, Pennsylvania, Massachusetts, Missouri and Iowa, on December 31, and will not renew its licenses. It will reinsure its Eastern business.

* * *

The Commercial Casualty Insurance Company of Newark, N. J., has terminated its relations with the Gray-Mandeville Company as general agents, and opened a city department in connection with the home office. The Banking and Insurance Department of the State of New Jersey

has made an examination of the company's affairs as of November 30, 1910, showing that the company's total liabilities including capital stock are \$274,670.86, and its surplus \$131,444.47. Its premium reserve is \$17,889.98.

* * *

The Washington Employers' Liability Commission has fixed \$4,000 as the value of a human life, and that sum will be the amount of the compensation paid the dependents of a killed workman in the State. The commission has about completed the workmen's compensation measure it has been working on for the last several months, and will report to Governor Hay, of Washington, before the end of the year. It is expected to be made effective October 1, 1911.

* * *

Compulsory liquidation has been ordered in London of the Law Car and General Insurance Corporation, which during the year 1910 had a premium income of £344,000 and unpaid capital of £160,000, with which to meet £123,000 expenses and £442,000 in losses paid and outstanding.

* * *

Charles I. Mell has resigned his special agency of the Continental to become on January 1 Secretary of the Georgia Fire and National Home Insurance companies of Atlanta, Ga.

* * *

A contract has been signed whereby the United States Casualty Company assumed as of yesterday noon all liability under all personal accident, health and liability policies of the Empire State Surety Company, which is primarily a surety and burglary insurance company.

* * *

Companies which ten years ago paid a total loss of \$75,000 on Salt Lake City property of the Mine and Smelter Supply Company have sued to get back the money on the ground of fraudulent concealment of the fact that the stock of goods included dynamite caps, which were stored in the burned building. The information on which the suit was based was obtained from old documents unearthed in other litigation.

* * *

Precautions for minimizing the fire risks from street illuminations during the festivities incident to the coronation of King George next June are under consideration in the London County Council.

No institution employing men
in positions of financial trust need
look beyond the advertising col-
umns of THE CHRONICLE for
FIDELITY INSURANCE.

FOUNDED 1792

118th ANNUAL STATEMENT

INSURANCE COMPANY OF NORTH AMERICA.

OF PHILADELPHIA, PA.

ASSETS.

	January 1, 1910.
Real Estate	\$ 364,416.00
First Mortgages on Real Estate	373,803.48
Philadelphia, New York, Boston and other City and State Loans	1,134,390.00
Pennsylvania, Philadelphia and Erie, Lehigh Valley and other Companies' Bonds and Stocks	8,909,150.32
Cash in Bank and Bankers' hands	1,134,635.88
Notes Receivable and Unsettled Marine Premiums....	347,440.69
Net Cash Fire Premiums in course of Transmission....	1,069,510.62
Accrued Interest, and all other property	52,160.57

Total Assets\$13,385,501.56

LIABILITIES.

Capital Stock	\$ 3,000,000.00
Reserve for Re-Insurance ..	6,813,862.47
Reserve for Losses	877,250.00
All other Liabilities	104,982.45
Surplus over all Liabilities..	2,589,406.64

\$13,385,501.56

Surplus to Policyholders.....	\$5,589,406.64
Increase in Reinsurance Reserve	349,934.71
Increase in Net Surplus.....	838,500.90
Increase in Assets	1,371,455.93

Eugene L. Ellison.....	President
Benjamin Rush.....	Vice-President
T. Howard Wright.....	Secretary
Henry W. Farnum.....	Assistant Secretary
John O. Platt	Assistant Secretary

Agencies in all Prominent Cities & Towns.

T H E

PROVIDENT

LIFE AND TRUST COMPANY

OF PHILADELPHIA

Insurance in Force, \$214,509,255.00
(Paid for Basis)Assets \$70,514,350.45
(Market Value, Dec. 31, 1909)Contingency Reserve . \$9,207,276.38
(Inclusive of Capital Stock, \$1,000,000.)

The Provident has been particularly distinguished for the development of a highly trained force of agents. The systematic instruction which its agents receive has resulted in their being recognized as representatives of exceptional knowledge of the business and of marked efficiency.

PROSPEROUSLY BUSY!

Our agencies are steadily increasing this year's lead over the figures of our high record in 1909.

Our agents are prosperously busy. With Business Life Insurance and our unequalled Continuous Monthly Income policy they are reaching and satisfying the public and liberally rewarding themselves.

Inquiries invited from delivering producers.

GEORGE D. LANG,

Superintendent of Agencies,

Massachusetts Mutual Life Insurance Company,

Incorporated 1851.

Springfield, Massachusetts

THE

American Credit-Indemnity Co.

OF NEW YORK.

CREDIT INSURANCE ONLY.

Insures Wholesalers and Manufacturers against Excessive Annual Loss through the Insolvency of their Customers.

We can always use a few high-grade solicitors.

ST. LOUIS, MO.

NEW YORK, N. Y.

Offices in All Principal Cities.

A. B. TREAT, General Agent,

302 Broadway, : : : : : New York.

OLDEST
IN
AMERICA

STRONGEST
IN THE
WORLD

THE MUTUAL LIFE Insurance Company of New York

Mutual Life Agents Make Most Money
Because Mutual Life Policies Sell Most Freely

For terms to producing agents, address

GEORGE T. DEXTER

2nd Vice-President

34 Nassau Street

New York, N. Y.

COMPARATIVE RESERVE TABLES

By MILES M. DAWSON,
Consulting Actuary.

Containing Mean and Terminal Reserves for the usual forms of policies and by the following standards—

American Experience, Select and Ultimate $3\frac{1}{2}$ per cent.
American Experience, Select and Ultimate 3 per cent.
American Experience, Modified Preliminary Term $3\frac{1}{2}$ per cent.
American Experience, Modified Preliminary Term 3 per cent.
American Experience, Select and Ultimate 4 per cent.
Actuaries', Modified Preliminary Term 4 per cent.
American Experience, Committee of Fifteen, $3\frac{1}{2}$ per cent.
American Experience, Illinois and Tennessee, $3\frac{1}{2}$ per cent.
American Experience, Michigan, $3\frac{1}{2}$ per cent.
American Experience, Wisconsin, $3\frac{1}{2}$ per cent.
American Experience, New Jersey, $3\frac{1}{2}$ per cent.
H^M, Canadian Life Officers' Association, $3\frac{1}{2}$ per cent.
O^[M], Select and Ultimate, $3\frac{1}{2}$ per cent.

This covers all the standards, other than the net level premiums, in this country. Tables showing the first year margins set free by each method of valuation are given.

EDITION ALMOST EXHAUSTED ————— SAVES TIME AND MONEY

VARIOUS DERIVED TABLES---American Experience 3 and $3\frac{1}{2}$ PER CENT.

By MILES M. DAWSON

Table of Contents.

Single Premiums, Pure Endowment.
Accumulations, Pure Endowment.
Forborne Immediate Annuities.
Accumulated Temporary Insurances.
Accumulated Increasing Insurance.
Single Premiums Endowment Insurance.
Single Premiums Temporary Insurance.
Immediate Temporary Annuities.
Valuation Columns.

SELECT AND ULTIMATE VALUES.

Single Premiums, Whole Life.
Life Annuities.
Terminal Reserves, Life, Limited Payment Endowment.

Mean Reserves, Life, Limited Payment, Endowment.

LOGARITHMS, SEVEN PLACES.

Forborne Immediate Annuities.
Curtate Summations of D Column.
Immediate Temporary Annuities.

Uses.

Computing Annual Term Insurance Premiums:
Divide endowment insurance values by immediate temporary annuities.
Computing Annual Endowment Insurance Premiums:
Divide endowment insurance values by immediate temporary annuities.
For these purposes the "select and ultimate" will be most useful.
Computing Annual Pure Endowment Premiums:
Divide pure endowment values by immediate temporary annuities or take reciprocals of forborne immediate annuities.
By these means, the net extra premium for a special guaranty can be quickly and accurately computed.
Computing Annual Semi or Double Endowment Premiums:
Add temporary insurance and pure endowment values for proper amounts and divide by immediate temporary annuity.
Computing Limited Premiums:
Divide the proper single premiums by immediate temporary annuity.
Computing Surrender Values:
Extended Insurance. Find the temporary insurance value next lower than the sum to purchase extension. This gives even number of years. Apply remainder to pay for additional days according to daily differences in the table.
Extended Insurance with Fractional Paid-up Endowment:
Deduct from purchase money, value of insurance for unexpired term; multiply remainder by accumulation, pure endowment, to get amount of endowment.
Computing Terminal Reserves:
Unvarying Benefits. Multiply net premiums by forborne immediate annuity and deduct accumulated temporary insurance.
Return Premium, Full Reserve. Multiply net premium by forborne immediate annuity and deduct accumulated temporary insurance and accumulated increasing insurance, multiplied by gross premiums to be reduced.
Return Premium, Extra Reserve. Multiply net extra premiums by forborne immediate annuity and deduct accumulated increasing insurance, multiplied by gross premiums to be returned.
Warranted Commissions for New Business.
Surrender Values.
Dividends.

SEND ALL ORDERS TO **THE CHRONICLE CO. (Ltd.)**

80 Wall Street,
New York



UNIVERSITY OF ILLINOIS-URBANA



3 0112 098629246